



Unitywater

Serving you today, investing in tomorrow.

Annual Report

2021-2022

Welcome

ABOUT THIS REPORT

Unitywater is pleased to present our Annual Report 2021-22. This report is published on our website at unitywater.com/annualreport. A limited number of copies of this report have also been printed. If you wish to access a printed copy, please call or email Unitywater to arrange delivery or collection. Please use these contacts if you need further information or assistance with this Annual Report:

Phone: 1300 086 489 Email: communications@unitywater.com



INTERPRETER SERVICE

We are committed to providing accessible services to Queensland residents from all cultural and linguistic backgrounds. If you have difficulty understanding this Annual Report and require an interpreter, please contact the Translating and Interpreting Service (TIS National) by phoning 131 450.

OUR CONTACT DETAILS

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Unitywater Annual Report 2021-22
© Unitywater 2022 ISSN 1838-5788

Acknowledgement of Country

Unitywater acknowledges the Traditional Owners of the lands on which we operate – the Jinibara, Kabi Kabi and Turrbal people. We recognise their significant contributions to the conservation of our environment and their deep connection to the land and waters.

We pay respect to their Elders, past, present and emerging, and acknowledge the important role all Aboriginal and Torres Strait Islander peoples continue to play within our communities.



Our Cultural Spring motif symbolises a water hole, traditionally a gathering place where knowledge is shared. The depth of colour illustrates the connection between land and water and our commitment to reconciliation, bringing our people together and fostering a deeper understanding and respect for Aboriginal and Torres Strait Islander cultures.

We are proud to have worked with Gilimbaa Creative Agency on this cultural artwork.

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2021-22 Highlights



37%

reduction in injuries over the last 5 years to keep our people and community safe

62%

Sustainability goals reached

30

community groups supported through financial grants, volunteer time and in-kind donations

7

consecutive years of frozen usage charges

\$50

rebate given to customers affected by the 2022 wet weather flood emergency

10,501

digital water meter installations

99 MILLION

litres of water saved through digital meters

39%

female representation in leadership roles

64%

customers received their bills electronically

Message from the Chairman

It has once again been a big year of challenges and extremes, including severe wet weather in February triggering the largest emergency incident that our organisation has ever faced. Our people rose to the relentless challenges posed by that incident, working tirelessly to deliver essential Unitywater services to our valued customers.

We are driven by a goal to be a valued member of the communities we serve, and the following pages outline where and how we are adding lasting value to our region's people and our environment. This is my second year as Chairman of Unitywater and I remain as proud as ever of the continued resilience of our community, and our own Unitywater team members, in the face of ongoing challenges.

This has been a landmark year for sustainability at Unitywater. Capitalising on momentum generated by last year's sustainability pathway, we joined 14 Australian and New Zealand water utilities in the United Nations-backed Race to Zero campaign to achieve net zero carbon emissions by 2050. We have long and short-term goals that further protect public health, contribute to sustainable services and help us on our way to achieving our "big three": net zero carbon emissions, net zero nutrients to waterways, net zero biosolid waste to landfill by 2050.

We operate in one of the fastest-growing regions of Australia and we continue to carefully plan for that ever-present growth. This year, we have invested \$162.3 million in water and sewerage infrastructure. To meet growing demands for utility services, we have made substantial progress with planning for essential infrastructure connections for the significant growth site at Caboolture West as part of the Neighbourhood Development Plan 1 (NDP1), Caloundra South and Palmview. These Aura and Harmony projects total more than \$152 million.

This year we delivered a total profit of \$153.1 million. After excluding developer contributions of cash and gifted assets, our profit was \$4.5 million. We continue to deliver valuable returns to our participating councils of Moreton Bay, Sunshine Coast and Noosa.

I thank each council for their ongoing support of our Board and the Unitywater team. I remain honoured to chair an organisation with a strong reputation as a leading water utility committed to building foundations of care and operational excellence. I extend my thanks to the Board members and Executive Leadership Team for their guidance and support.

With a mixture of sadness and pride, Unitywater introduced the Fiona Waterhouse Women in STEM Scholarship this year, to honour the memory of our late Board member.

Finally, I acknowledge outgoing CEO George Theo who departed Unitywater in February 2022. I thank George for his leadership and vision. Unitywater is a better, stronger and more resilient business because of his influence.

I must also acknowledge Pauline Thomson, who did a wonderful job acting as CEO. We thank her for her leadership and dedication.

We have now welcomed our new CEO Anna Jackson, who will lead Unitywater into a new era of growth in our region.



Michael Arnett
Chairman
06 September 2022

Foreword from the CEO

I am proud to deliver the 2021-22 Annual Report and reflect on a year of significant achievements, strong performance and essential service delivery.

Unitywater's core purpose is keeping our communities healthy by providing safe and reliable water and sewerage services 24 hours a day, seven days a week. As the custodian of these essential services, we are committed to making them sustainable, affordable, reliable and resilient for current and future generations.

While delivering our essential services, we continued our success across our strategic priorities of helping our customers, adding value to the community and creating a safe and rewarding work experience for our people.

We were severely tested in February, when the biggest emergency incident in our history unfolded in the wake of a rain event that caused record flooding across South East Queensland. Our people are well trained in incident response, however, much like the pandemic that greatly tested us in years earlier, these conditions were unprecedented.

Thanks to a mix of our people's expertise and their above-and-beyond teamwork, everyone who responded to that emergency did an excellent job and went home safely. I'd like to pay special thanks to those people, and their families, for their courage, support and resilience.

We began construction on our Wamuran Irrigation Scheme in March, which will provide a year-round water supply for Wamuran farmers and sustainably manage wastewater from the Caboolture South Sewage Treatment Plant by diverting nutrients away from Caboolture River. It's a win for the community and environment and demonstrates our commitment to sustainable development in our region.

This year we continued to care for customers, through good times and the challenges of COVID-19 and wet weather events. We supported 30 community groups across our Moreton Bay, Noosa and Sunshine Coast regions with \$52,696 in funding to support those most vulnerable in our communities.

Our digital future is taking great shape via progress on our Digital Neighbourhood Program which will improve

the customer experience and how we manage our network. So far, the trial of 10,501 digital meters has avoided more than 39 Olympic swimming pools of water being wasted through hidden leaks.

The safety and wellbeing of our people are at the forefront of everything that we do and the launch of our Safe 24/7s program this year aims to ensure all our team members go home safely every day.

I would like to pay special thanks to outgoing CEO George Theo for his guidance, leadership and commitment over the past 11 years to developing Unitywater into a modern and efficient water utility.

Unitywater is entering a new era, and we look forward to our new CEO Anna Jackson leading Unitywater as we meet the water and sewerage needs of fast growing populations of Moreton Bay, Sunshine Coast and Noosa, with sustainability and affordability front of mind.

Thank you to the Board and Executive Leadership Team for their ongoing support and guidance and to all our people at Unitywater for their passion, commitment and contribution.

Pauline Thomson

Pauline Thomson
Acting Chief Executive Officer
during 2021-22 reporting period
06 September 2022



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WHO
WE ARE


About us

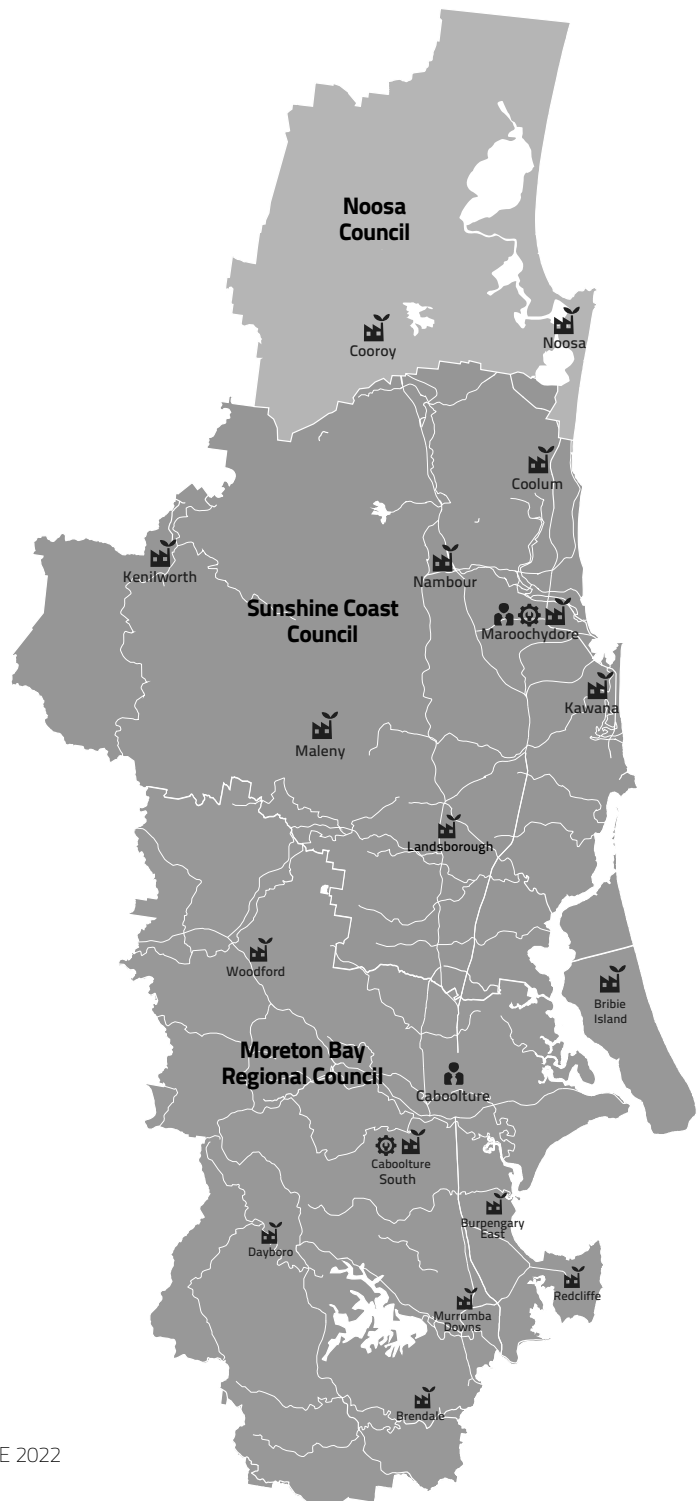
Unitywater is a resilient customer-focused organisation that provides safe and reliable water and sewerage services to the communities of Moreton Bay, Sunshine Coast and Noosa. Our service is essential, economically and environmentally sustainable and vital to keeping our communities healthy.

We are committed to caring for our customers, our communities, our people and our environment. We work around the clock 365 days of the year, knowing our services are important to the liveability and quality of life in our region.

Unitywater is a statutory authority, formed under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*. Governed by an independent Board, we have a Participation Agreement with our shareholders – Moreton Bay Regional Council, Noosa Council and Sunshine Coast Council. We align with the State Government’s objectives for the community through safeguarding the health of Queenslanders, supporting jobs, driving investment in infrastructure, growing our regions and protecting the environment.

UNITYWATER'S SERVICE AREA

-  Corporate Offices
-  Service Centres
-  Sewage Treatment Plants



Our purpose, vision and values

Unitywater has a clear purpose, vision and set of shared values that underpin how we do business. These guide our people to make a meaningful contribution to our business operations, our goals and our aspirations.

Every day, the people at Unitywater:

- › maintain and supply drinking-quality water to homes, businesses and public areas
- › collect, treat and dispose of sewage
- › manage, operate and maintain our water and sewerage infrastructure
- › provide around-the-clock response to sewerage and water emergencies
- › provide responsive 24/7 incident, media and public information to ensure that our communities are prepared, informed and supported as needed
- › manage trade waste from our business and industrial customers
- › respond to customer and stakeholder enquiries
- › issue and manage customer accounts
- › support the communities we operate in by partnering with local businesses and charities
- › actively research, innovate and invest in improving the environmental sustainability of our waterways.

In 2021-22 we demonstrated these values in our resilience through the most challenging of times.

OUR PURPOSE

Our purpose is keeping our communities healthy. We do this by providing essential water and sewerage services that enrich the lives of all our customers.

OUR VISION

To be a sustainable water and sewerage service provider that creates value for its customers and returns value to its stakeholders.

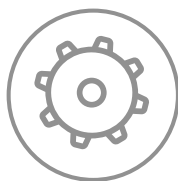
OUR VALUES



RELIABILITY



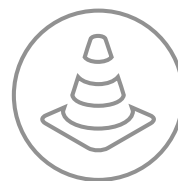
ONE TEAM



EFFICIENCY



HONESTY
& INTEGRITY



SAFETY



INNOVATION

Creating sustainable value

As an essential services provider, Unitywater is in a privileged position. We are able to make valued and appreciated contributions to the health and wellbeing of our customers, communities and the environment every single day.

We're also always thinking about the future and exploring what we can do today that will have a positive, lasting influence on the world.

Unitywater's big-picture focus reflects a choice and a commitment to a standard of governance that is responsible, sustainable and ethical.

There is always more to be done, but here are some of the ways we are helping to create genuine and beneficial outcomes for our planet and its people.



ENVIRONMENT

- › Joined Race to Zero campaign to achieve net zero carbon emissions by 2050.
- › Our sustainability pathway includes a plan to achieve net zero: carbon emissions, nutrients to waterways, biosolid waste to landfill by 2050.
- › Climate change risk management and reduction.
- › Our Water Matters program is about sustainable water use planning today to secure reliable supplies for tomorrow.
- › We support the United Nations Sustainable Development Goal 6 – Clean water and sanitation, contributing to global aid initiative WaterAid.
- › Our Yandina Creek Wetland project will provide ongoing nutrient offset benefits and supply recycled water for use in the service region.



SOCIAL

- › Reconciliation Action Plan at Innovate level.
- › Thriving Communities partnership member to support customers experiencing hardship.
- › Reaccredited as a White Ribbon Workplace in 2022.
- › 33 Unitywater team members participated 211 uVolunteer hours in 2021-22.
- › Gender pay equity in like-for-like roles.
- › We support developing overseas nations to improve their industry knowledge and partnered with PDAM Surabaya on the Indonesia-Australia Water Utility Improvement Program.
- › Inclusive Healthy Families parental leave program.
- › Supporter of Pride in Water for safe, inclusive work environments for the LGBTIQ+ community
- › Modern Slavery Statement adopted, setting clear, ethical expectations for our employees and suppliers.
- › Since 1 January 2019, Unitywater's major contracts include *Human Rights Act 2019* requirements.



GOVERNANCE

- › We value diversity across the board from our leadership to all team members, with focus on inclusion and incorporation.
- › We ensure our policies and procedures focus on honesty, fairness and transparency around regulatory compliance, risk management, accounting practices and tendering and procurement.
- › Our Safety Culture drives the way that we work and ensures our people go home safely every day.
- › Our investments are environmentally and socially responsible and bound by governance.



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THE YEAR IN
REVIEW

Our biggest wet weather incident

In late February 2022 an extreme weather event caused flooding and widespread damage throughout South East Queensland. This incident had an emergency impact on our customers, experiencing challenges not previously seen. Through this extreme weather Unitywater worked with customers and within our communities in an effort to keep essential services running.

Unitywater’s Incident Management Teams, crews and contractors worked around the clock for our customers, responding to multiple, simultaneous incidents, including: a water outage affecting 2000 people in Beachmere, a 20-metre section of road at White Patch washing away – taking the main water supply line pipes in Nambour and Water Treatment Plants offline in communities not connected to the water grid.

“I couldn’t be prouder of our people in the way they responded to such a large number of issues across our water and sewerage networks. There were times where we thought we might be getting on top of things and then another incident would occur – we were expanding our attention to multiple issues across multiple regions, all at the same time. Our Incident Management Teams, crews and contractors worked day and night through the event and the following weeks. An incredible achievement, and a testament to our teams, that during this peak we had no recordable injuries to our people or contractors.”

Executive Manager Customer Delivery,
Rhett Duncan



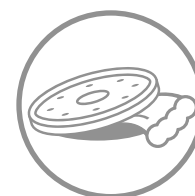
2,484

emergency calls
(1,558 during event, 926 during recovery)



2,393

work orders
(740 during event, 1,653 during recovery)



351

manhole overflow events

Building on resilient foundations

From the COVID-19 pandemic to enduring the biggest wet-weather emergency in our history, Unitywater has evolved, stronger, smarter and more resilient than ever.

Our dedicated and skilled team members once again went above and beyond for customers this year, further demonstrating our agility, responsiveness and resourcefulness.

Our forward planning has proven its value. Following the wet weather event, we undertook damage assessments across our fleet of more than 1000 water and sewage assets, with only minor damage noted on 85 assets. Whilst we did experience electrical outages due to the intensity of the weather, our electrical assets remained resilient with not a single switchboard requiring replacement after the weather event. This demonstrates the value and benefit in our switchboard renewal and upgrade program which has renewed and elevated (where appropriate) over 100 switchboards over the last five years to avoid consequences of extreme weather.

Prior to this year's wet weather event, we had already established an inflow and infiltration inspection program. Through the forward planning required for this program, we were able to identify sewer network defects that would lead to stormwater inundation. To date, this program has inspected over 4000 properties and found nearly 900 defects. Of those defects 50% have been resolved, further reducing the risk of stormwater disrupting our sewer network operations.

From performance during general operations, to extreme weather events, our assets have proven to be reliable, resilient and well placed to service our communities now, and into the future.

We operate in one of the fastest growing areas of Australia, providing water and sewerage services to three council regions that are home to 16.4% of Queensland's population.

With our local population forecast to grow from 800,000 in 2016 to 1.2 million in 2036, it's more important than ever that we continue to focus on planning to meet the region's future needs in an economically and environmentally sustainable way.

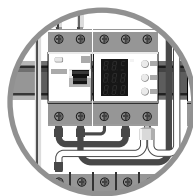
We are actively investing in water and sewerage infrastructure to serve new and emerging communities. We will continue to upgrade and invest in sewerage and water supply infrastructure in ways that keep us at the forefront of environmental practices.

Having kept our customers safely connected to essential services during not one, but two, unprecedented extreme weather events in the past two years and strengthening our one-team spirit while we did so, we are ready for the challenges and to face and embrace future challenges and opportunities



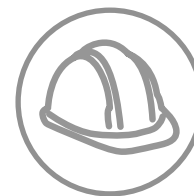
LESS THAN **5**

breaks per 100km of water main



0

switchboard losses from 2300 assets



112

assets recording damage from 1000+ assets on facilities

Our performance on core services

99.94%
ACHIEVED

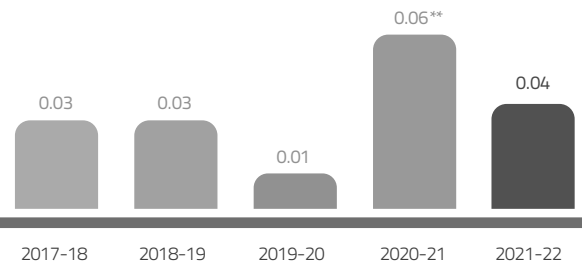
Bacteriological compliance with Public Health Regulation 2018

TARGET >99%



DRINKING WATER QUALITY COMPLAINTS per 1000 connected properties

*INDUSTRY MEDIAN = 1.0



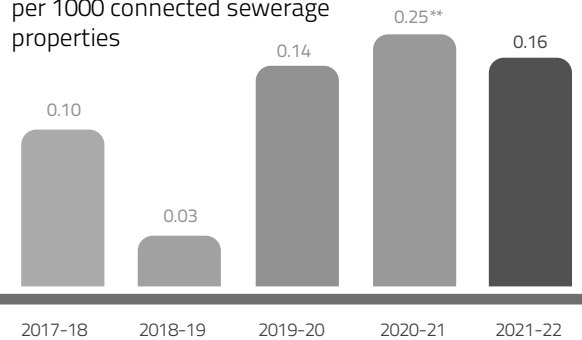
96.6%
ACHIEVED

Sewage treatment plants met licence requirements

TARGET >99.9%



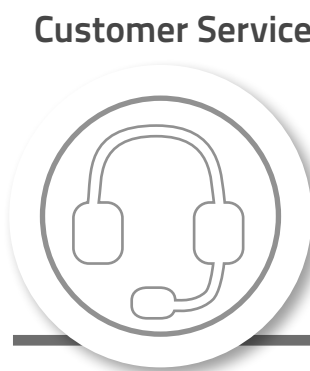
ODOUR COMPLAINTS per 1000 connected sewerage properties



75%
ACHIEVED

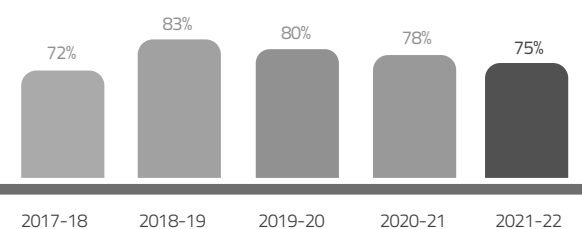
Grade of service

TARGET = 82%



CALLS ANSWERED BY AN OPERATOR within 30 seconds (%)

*INDUSTRY MEDIAN 66.6%

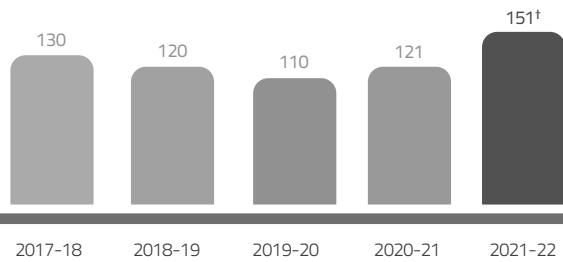


*Australian utilities with 100,000+ connected properties (National Performance Report 2020-21 Urban Water Utilities).

**Despite service levels remaining stable, water and sewerage complaints increased from 2020/21 to 2021/22, with no major systemic trends identified. In response to growing complaints, Unitywater formed a dedicated response team which resolved the root cause issues where clusters of complaints were identified.

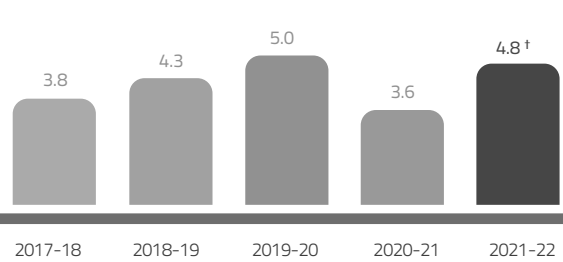
AVERAGE DURATION OF AN UNPLANNED WATER OUTAGE (MINUTES)

TARGET <110 *INDUSTRY MEDIAN = 147

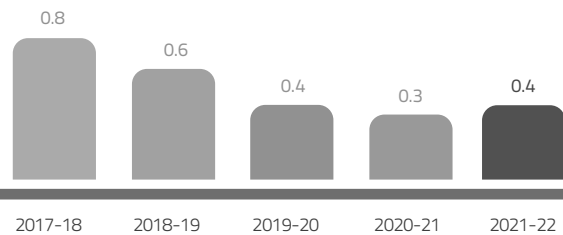


WATER MAIN BREAKS AND LEAKS per 100 km of mains

TARGET <4.3 *INDUSTRY MEDIAN = 20.2

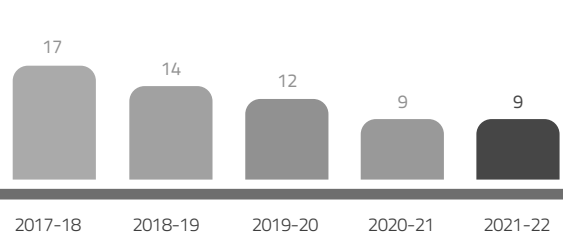


DRY WEATHER SEWAGE OVERFLOWS Monthly average per 100 km of main



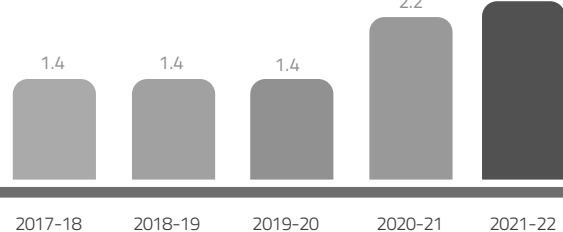
SEWER MAIN BREAKS AND CHOKES per 100 km of mains

TARGET <20 *INDUSTRY MEDIAN = 30



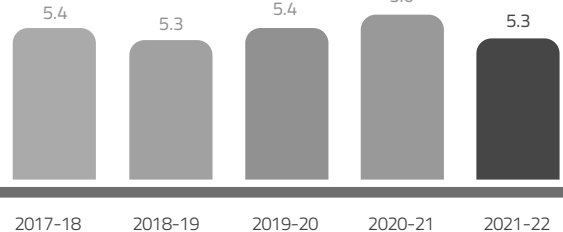
WATER AND SEWERAGE COMPLAINTS per 1000 properties

TARGET <1.9 *INDUSTRY MEDIAN = 4.1



CUSTOMER EASE SCORE Customer-initiated contact

SCORE OUT OF 7 TARGET 5.7



[†]These increases are the result from the immediate and trailing impact of wet weather events.

*Australian utilities with 100,000+ connected properties (National Performance Report 2020-21 Urban Water Utilities).

**Despite service levels remaining stable, water and sewerage complaints increased from 2019/20 to 2020/21, with no major systemic trends identified. In response to growing complaints, Unitywater formed a dedicated response team which resolved the root cause issues where clusters of complaints were identified.

Delivering our core services

NOOSA SEWER CLEANING

Unitywater cleaned and inspected Noosa's sewerage pipes in February, following the busy holiday period. This type of preventative maintenance, particularly in areas that welcome high volumes of visitors to our region helps avoid future sewage odours and overflows, thereby minimising environmental impact.

WATER QUALITY CERTIFIED AGAIN

Unitywater was audited and successfully recertified for the International Food Safety Certification ISO 22000 this year. Unitywater was the first distributor-retailer in South East Queensland to receive the certification, which is for our Drinking Water Management System. ISO 22000 certification provides additional assurance to our customers that we manage and supply water quality to the highest standards. Unitywater's other ISO accreditations include our laboratory, which is accredited under the National Association of Testing Authorities (NATA) to AS ISO/IEC 17025-2005. We are third party certified to the Quality Management ISO 9001, Environmental Management ISO 14001 and Occupational Health and Safety ISO 45001.

WAMURAN IRRIGATION SCHEME

Construction on the Wamuran Irrigation Scheme began in March 2022. This significant project is being delivered by the Wamuran Irrigation Scheme Joint Venture, made up of Pensar Project Infrastructure, Twin View Turf and Pinata Farms.

The recycled water scheme will provide year-round water security for a number of Wamuran farmers while sustainably managing wastewater from the Caboolture South Sewage Treatment Plant (STP). The Scheme will supply high-quality recycled water to irrigate turf and crops and will help us meet our 2050 sustainability goals of zero nutrients into our waterways. Read more about the [Wamuran Irrigation Scheme](#).

CABOOLTURE WEST NEIGHBOURHOOD DEVELOPMENT PLAN

Unitywater continues to work closely with the Queensland Government, Moreton Bay Regional Council, other service providers and developers to progress planning and delivery of water supply and sewerage infrastructure to the Caboolture West Neighbourhood Development Plan 1 (NDP1) area.

There has been a collaborative approach between developers and Unitywater this year to design and prepare tender documents for the delivery of major infrastructure to connect NDP1 to Unitywater's networks.

The State Government have recently announced a new Growth Acceleration Fund which has been created to support the development of new communities like Caboolture West. The fund has already allocated \$15 million to delivery of water and sewer infrastructure in Caboolture West. Unitywater will continue to work with the Queensland Government to ensure the timeline and efficient delivery of this critical infrastructure to enable the development to commence and the associated economic benefits to flow to the community.

WATER MATTERS

Unitywater's Water Matters program is enabling us to work with our partners and the community to develop a long-term plan for a healthier, more liveable future to 2050.

The plan will help guide how water supply and sewerage services are delivered, how key waterway catchments are managed, and what new and sustainable options can be explored in the future to support the environment and a growing community.

Water Matters will lay the foundations for working towards outcomes for 2050. Unitywater's Water Matters is being developed in partnership with Sunshine Coast Council and Noosa Council.

FISHERMANS ROAD SEWER MAIN REPLACEMENT

Unitywater finished replacing the sewer main on Fishermans Road, Maroochydore in August 2021.

Delivering our core services *continued*

The existing sewer main was built in 1977 by the then Maroochy Council however ground conditions had accelerated aging of the pipework. The new sewer was installed using directional drilling and realigned underneath the Maroochy Sports Complex.

AURA WATER AND SEWER PROJECTS

The Aura development in Caloundra will be home to more than 15,000 people and a third of the region's retail, commercial and industrial development by 2025. To meet these future demands, we progressed planning of the Aura Water Project, which will provide potable water to the development area and the Aura Sewer Project, which will collect and transport sewage to the Kawana Sewage Treatment Plant. Detailed design of both projects was completed in early 2022. Contracts are expected to be awarded in early 2023 with construction scheduled to start in 2023.

HARMONY WATER PROJECT

As the Palmview area continues to grow, we are working on plans to provide new water infrastructure to the 20,500 residents who will live in the Harmony estate by 2026. Detailed design for the construction of a new water main and reservoir at Tanawha was completed in late 2021. Contracts will be awarded in 2022 with construction scheduled to start early 2023.

STP UPGRADES

Work progressed on upgrades to our Sewage Treatment Plants (STPs) to keep the network in top operating condition.

Our Redcliffe STP services residents and businesses in the suburbs of Rothwell, Kippa-Ring, Redcliffe, Clontarf, Scarborough, Margate and Woody Point. This year Unitywater has continued to progress with works on the \$39 million plant upgrade project at the Redcliffe STP. The project will reduce odour impacts on the local community and reduce environmental impacts.

Upgrades to the Maroochydore STP and Murrumba

Downs STP have also progressed.

Design and some early works are progressing for major upgrades to the Burpengary East STP, Brendale STP and Coolum STP to keep pace with our rapidly growing region.

PARTNERSHIPS – WATERSTART AND WATER SERVICES ASSOCIATION OF AUSTRALIA

Building strategic partnerships is helping us to improve services to our customers, drive innovation and deliver wider industry benefits. Unitywater has continued to develop two such partnerships with WaterStart and the Water Services Association of Australia's W-Lab. These collaborations connect us to a global network developing and sharing innovative solutions to industry challenges.

STREAMLINING SEWAGE TREATMENT OPERATIONS

Work is underway to return the operation and maintenance of our Noosa and Redcliffe sewage treatment plants (STPs) to Unitywater by 1 December 2022 to leverage the skills and capabilities of our own STP operators in all 17 of our plants. The transition to Unitywater is a proud moment for our people as it confirms that our internal efficiency and capability matches that of the private sector. The move also allows us to unify the delivery of our sewage treatment services and further strengthen the efficient and effective operations of our STPs.

2021-22 by the numbers



Investing in our assets

	Number	Measure
Value of water supply and sewerage assets	3.8	\$B
Length of water mains servicing customers	6290	KM
Reservoirs renewed/reroofed	29	reservoirs
Reservoirs cleaned	21	reservoirs
Drinking water supplied	56,947	ML
Water mains acoustically swept for leaks	2400	KM
Hydrants/valves replaced	423	hydrants/valves
Sewage treated	73,784	ML
Length of sewer mains servicing customers	6101	KM
Sewer mains relined	28.3	KM
Sewer mains inspected with CCTV	84.2	KM
Percentage of biosolids recycled	100	%
Recycled water supplied	635.11	ML



Delivering for our customers

	Number	Measure
Total customers	368,885	total accounts
Residential properties served	329,221	properties
Commercial and industrial enterprises served	18,352	enterprises
Customer satisfaction score	6.7	out of 10
Visits to our website	576,645	visits
Customer calls received	102,514	calls
Water meter readings performed	1,229,542	readings
Customer issues resolved on first contact	59	%
Priority 1 water supply and sewerage issues responded to in less than 1 hour	69	%

Our financial performance

We are focused on robust financial management to ensure we meet our customers' expectations and obligations to our participant councils.

In the 2021-22 financial year Unitywater's profit was \$153.1 million after tax. After excluding developer contributions of \$148.7 million (comprised of cash and donated assets), we made a profit of \$4.5 million.

For 2021-22 Unitywater provided total returns to Participating Councils, comprising tax equivalents, dividends and interest on loans, totalling \$133 million, the same as 2020-21.

Developer cash contributions of \$70.3 million in 2021-22 continued to be a revenue source which Unitywater has an obligation to use to fund new water and sewerage infrastructure for our growing communities.

Our response to the major weather event in late February 2022 resulted in additional maintenance expenditure due to widespread damage throughout South East Queensland. This event also contributed to reduced customer water consumption.

Unitywater has continued to support customers with affordable prices and rebates, as part of our ongoing commitment to keep bills as low as possible to ease the rising cost of living pressures.

Our focus on environmental sustainability, conservation and great community outcomes remains even while we continue to deliver price stability. Efficiency in our operations means that we are able to successfully pursue both environmental and economic sustainability, which is good news for our customers and for the health of the land and waterways in the region.

Since Unitywater's inception in 2010, growth in customers in our region has been close to 30%. During this same period, expenditure has increased by only 6.5% excluding bulk water purchased.

STATEMENT OF PROFIT OR LOSS

	2017-18 \$M	2018-19 \$M	2019-20 \$M	2020-21 ¹ \$M	2021-22 \$M
Revenue					
Utility charges	526.2	549.5	578.8	581.2	582.2
Fees and charges	7.9	7.5	8.8	9.6	8.3
Developer contributions	142.6	152.0	123.3	113.4	148.7
Other income	19.5	21.6	19.2	19.5	19.2
Total revenue	696.2	730.6	730.1	723.7	758.3
Operating expenses					
Bulk water purchases	(176.4)	(189.3)	(205.1)	(204.6)	(203.7)
Employee expenses	(61.1)	(68.0)	(71.9)	(76.1)	(75.7)
Supplies and services	(89.9)	(86.2)	(82.9)	(94.6)	(92.7)
Depreciation and amortisation	(80.5)	(83.0)	(83.9)	(89.0)	(97.3)
Impairment losses	(0.1)	-	-	-	-
Finance and borrowing costs	(76.2)	(73.9)	(70.3)	(64.7)	(59.2)
Other expenses	(6.0)	(13.4)	(11.3)	(8.0)	(11.0)
Total operating expenses	(490.2)	(513.9)	(525.4)	(537.0)	(539.6)
Profit before tax	206.0	216.7	204.7	186.7	218.7
Tax expense	(86.6)	(64.9)	(61.3)	(56.0)	(65.6)
Profit after tax	119.4	151.8	143.4	130.7	153.1
Adjusted profit					
Profit after tax	119.4	151.8	143.4	130.7	153.1
Developer contributions	(142.6)	(152.0)	(123.3)	(113.4)	(148.7)
Less one-off tax adjustment	31.1				
Profit/(Loss) ex developer contributions	7.9	(0.2)	20.1	17.3	4.5

¹Comparatives restated



3 OUR STRATEGY

About our strategy

OUR STRATEGY

Unitywater's strategy is all about caring for our customers, our community and our people. It is centred around our core purpose of keeping our communities healthy by providing essential water and sewerage services to customers 24/7. We understand the importance of keeping prices affordable, whilst still being easy to interact with. We care about our people and want each and every one of our team members to go home safely every day. We are committed to giving back to our communities because we take our social and environmental responsibilities seriously.

We have a strategy that contains our goals, aspirations and targets over the next five years. To achieve this strategy, we align our individual, team, branch and business unit plans to achieve our goals as an organisation.

Our strategy provides direction and a razor-sharp focus for us to achieve our vision and deliver on our purpose.





4

HELPING
OUR
CUSTOMERS

We are driving better outcomes for our customers and our communities every day by keeping our prices affordable and being easy to do business with.

PERFORMANCE SUMMARY

- › Water and sewerage usage charges for the average Unitywater customer have not changed for the seventh year in a row.
- › Enhanced customer notification processes by providing regular SMS updates.
- › Continuation of remote monitoring for leak detection on 52km (8%) of Unitywater trunk water mains, preventing up to 20 million litres of water loss.

OUR FOCUS IN 2021-22

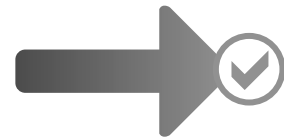
- › Continued customer programs supporting those impacted by COVID-19 and recent floods, including a \$50 flood rebate to impacted customers.
- › Trialled digital meters and trunk main monitoring devices, providing earlier detection of hidden leaks which enabled notification to customers, avoiding unnecessarily high bills.
- › Continued to engage and support customers through tough times with the Thriving Communities partnership.

5.3

(OUT OF 7)

Customer Ease Score

HOW EASY WE ARE TO DEAL WITH AS MEASURED BY OUR CUSTOMERS



(CONSISTENT WITH 2020-21)

Strategic goal	Measure	2021-22 Performance
We keep our prices affordable	Change in the Unitywater component of the average bill	TARGET: 0.0% RESULT: 0.0% ✓
	Total Losses from the Network	TARGET: 80.1 L RESULT: 55.8 L ✓
	Transactions completed through self-serve	TARGET: 88% RESULT: 87.7% ✓
	Electronic bills	TARGET: 66% RESULT: 64.10% -
We are easy to do business with	Customer Ease	TARGET: 5.7 RESULT: 5.3 -

Strategic measure

- ✓ Achieved target
- Slightly outside of target
- ✗ Significantly outside of target

Keeping prices affordable

LAND OPPORTUNITIES FOR REVENUE GROWTH

We continue to transform and repurpose Unitywater-owned land that isn't required for operations, in order to maximise returns. Our development of a nine-lot subdivision in Maroochydore has seen four of the lots sold and the remaining lots retained by Unitywater to generate revenue from leases. In June 2022, construction began on a light industrial warehouse on one of these lots, while leases are in place with commercial tenants for the remaining four lots.

SEVENTH YEAR OF PRICE FREEZES

We continued to support our customers by freezing water and sewerage usage charges for the seventh year in a row. This is part of our ongoing commitment to provide an affordable service and keeping customers' bills as low as possible to ease rising cost-of-living pressures.

SUPPORTING OUR FLOOD-AFFECTED CUSTOMERS

During the COVID-19 pandemic and the recent floods we created customer support programs to ease the financial pressure created by these unprecedented events. The extreme wet weather event in late February 2022 impacted thousands of people in our service area and we quickly recognised that support was required. Mindful that some of our customers were impacted heavily by flood and inundation, we offered affected customers \$50 off their Unitywater bill to help cover the cost of water used to clean up.

BROADER DIGITAL NETWORK LEAK DETECTION

In addition to the above digital meter trial, Unitywater uses data analytics and machine learning tools to monitor leakage throughout its entire water network. In 2021, we carried out active leak detection on 40% of our water mains. We found approximately 1300ML of leaks and were able to prevent the loss of \$4.2 million worth of bulk water (had the leaks remained undetected for six months before being reported).

Our leak detection program continues to achieve great results, with water losses reducing by 13% in the northern supply zone in 2021-22.

Unitywater has also developed an innovative approach to leak management over next 10 years and is targeting a 15% reduction in water lost through leaks over the next five years.

SHARING OUR DIGITAL METER SMARTS

We are working with the Southern Downs Regional Council on the design of a Digital Water Network trial in Stanthorpe. The objective of the trial is to help council reduce leakage across their water network. The trial is planned to be rolled out in the next financial year.

PIPE AI – AUTOMATED PIPE ASSET ASSESSMENT

Unitywater partnered with Queensland tech company Pipe AI in 2021 to leverage their expertise in artificial intelligence and automation to improve asset management, by detecting pipe defects and predicting pipe failures. This unique partnership has facilitated the development of Pipe AI software which is being used by Unitywater and other water utilities, councils and consultants for automated review of bulk CCTV footage to assess the condition of water and sewerage pipes.

CAPITAL DELIVERY EFFICIENCIES

We are improving the way we engage with design and construction suppliers to deliver our capital program through a dedicated project established to optimise our capital delivery operating model. Benefits of the new model will include reducing costs and project cycle times, earlier involvement during planning for stakeholders and equitable risk sharing. Planning and development of the new operating model has begun and implementation is expected in late 2022.

We are easy to do business with

DIGITAL BOOST TO OUR NETWORK IQ – METERING

We're making our network smarter so our customers can be smarter about their water usage in the future. Through our Digital Neighbourhood Program, we're exploring what a digital world might mean in the future for Unitywater and our customers.

10,000 digital meters and 115 trunk main monitoring devices are now installed in Maroochydore, Alexandra Headland, Buderim and Mooloolaba. The devices provide real-time data on water use, water quality and other information relating to our water mains. Find out more about our [Digital Meter Network](#).

We are trialling how best to communicate with our customers to warn them they may have a hidden leak at their home. We are testing how much water can be saved – and how much cost can be avoided when customers can fix leaks on their property as soon as we can see them.

Unitywater's acoustic leak detection process is also showing early success. For example, a significant leak was detected in a water main in a remote area that may have otherwise gone unnoticed. The find allowed us to plan a repair rather than react to a burst main. As at 30 June 2022, the digital meters have saved the equivalent of more than 39 Olympic swimming pools.

SMS ALERTS

We continue to improve the way we give our customers advance notification of planned water outages. The customer notification process has been enhanced with the ability to SMS customers, in addition to our traditional method of letter box notifications. While the SMS functionality is primarily used to advise customers about planned water outages ahead of time, it was also used during the recent flooding event to notify customers of unplanned, reactive outages. SMS served as a particularly useful channel for us to provide targeted updates to affected areas such as Whitepatch on Bribie Island.

IMPROVING OUR SERVICE FOR DEVELOPERS

In response to feedback from the development community, Unitywater is sourcing additional resources to help improve application turnaround times. There is also a focus on coaching registered certifiers to support them in submitting complete and accurate applications under the Accreditation and Certification system, which became fully operational from 1 July 2022. At the same time, Unitywater is investing in long term system and process improvements that will assist in improving the customer experience for developers and registered certifiers into the future.

HARDSHIP SUPPORT

Unitywater works hard to continuously improve its support for customers experiencing vulnerability and hardship. Our team members are trained to recognise, respond and refer customers to Unitywater support options, as well as helping to connect these customers with external community services who provide support and advice. Since Unitywater joined the Thriving Communities partnership in 2020, it has continued to engage and learn how best to support customers through tough times.



5

ADDING
VALUE TO OUR
COMMUNITY

We strive to make positive contributions to the environment we operate in and to the people and organisations in our service region, because we aim to be a valued member of our community.

PERFORMANCE SUMMARY

- › Joined 14 Australian and New Zealand water utilities in the Race to Zero campaign to achieve net zero carbon emissions by 2050.
- › Ahead of targets for nutrient reduction and carbon emissions reduction through the Sustainability Pathway.
- › Supported 12 community groups across our region with grants up to \$5000 each.

OUR FOCUS IN 2021-22

- › Continuing to progress towards our 2050 sustainability targets.
- › Partnering with our community to protect and restore our environment and wildlife.
- › Continued care and support for our community members by partnering with local service providers, offering community grants, donations and supporting local farmers.

9368 MWH

Renewable energy generation



(UP FROM 2020-21)

Strategic goal	Measure	2021-22 Performance
We make a positive contribution to the environment we operate in	Renewable energy generation	TARGET: 3000 Mwh RESULT: 9368 Mwh ✓
	Carbon emissions reduction	TARGET: 5% ¹ RESULT: 7% ✓
	Total nitrogen diverted away from natural waterways	TARGET: 1000 kg ² RESULT: 10000 kg ² ✓
	Total phosphorus diverted away from natural waterways	TARGET: 130 kg ³ RESULT: 1700 kg ³ ✓
We are a valued member of the community	Unitywater puts the interests of its customers and community first	TARGET: 5.8 (out of 10) RESULT: 5.7 –

¹ % reduction from 2019-20 baseline of 77,216 tonnes CO2-e (Scope 1 & 2)

² 2019-2020 baseline total nitrogen mass was 100,000 kg

³ 2019-2020 baseline total phosphorus mass was 13,000 kg

Strategic measure

- ✓ Achieved target
- Slightly outside of target
- ✗ Significantly outside of target

We make a positive contribution to the environment

JOINING THE RACE TO ZERO

We have joined 14 Australian and New Zealand water utilities in the United Nations-backed global Race to Zero campaign to achieve net zero carbon emissions by 2050. This campaign is about water utilities combining to form a united approach on the journey to facilitating climate change action and cutting carbon emissions. It recognises that water services are an energy intensive activity and that the water industry has a pivotal role to play in reducing emissions, but are also in a unique position to produce renewable energy. To be eligible to join the Race to Zero, water utilities must pledge to reach net zero emissions by 2050 or earlier with interim targets within the next decade, as well as be willing to publicly report on their progress. Some of the ways Unitywater is on track to achieving these outcomes include:

- upgrades to our Sewage Treatment Plants (STPs) to save the equivalent of \$2.5 million per annum in energy costs from 2020 to 2027, and
- increasing renewable energy production, including reuse of biogas, solar panels and battery installation to power our infrastructure.

SUSTAINABILITY PATHWAY

At Unitywater we aim to deliver innovative and environmentally sustainable solutions across our water and sewerage networks, treatment plants, facilities and fleet.

2050 SUSTAINABILITY TARGETS SET

ZERO net carbon emissions

ZERO net nutrients to waterways

ZERO waste from STPs to landfill

SUSTAINABILITY STEPPING STONES

In view of sustained high growth in our service area and the challenges we face from changes in our environment, we have set relevant short-term sustainability measures of success as stepping stones towards a more sustainable future.

By 2025 we aim to achieve the following:

- Goal 1: **45%** carbon emissions reduction (baseline 2019-20)
- Goal 2: **9,900 kg** Total Nitrogen diverted or offset from waterways (baseline 2019-20)
1400kg Total Phosphorus diverted or offset from waterways (baseline 2019-20)
- Goal 3: **15,000 MWh** renewable energy generation

PROGRESS MADE IN 2021-22

Goal 1: **45%** carbon emissions reduction (baseline 2019-20) by 2025
Progress in 2021-22 was a 7% reduction
Unitywater continues its focus on reducing its carbon footprint through a focus on renewable energy and energy efficiency.

Goal 2: **9,900kg** Total Nitrogen diverted or offset from waterways by 2025

1,400kg Total Phosphorus diverted or offset from waterways by 2025

Progress in 2021-22 was:

Total nitrogen diverted away from natural waterways 10,000kg

Total phosphorus diverted away from natural waterways 1,700kg

Unitywater's program of nutrient reduction and offsetting initiatives is hitting short-term targets and going beyond.

Key achievements include the ongoing nutrient offset benefits from the Yandina Creek Wetland site and Caboolture River nutrient offset stabilisation project at Bellmere and supply of recycled water for a variety of fit-for purpose uses in the service region.

Goal 3: **15,000 MWh** renewable energy generation by 2025.

Progress in 2021-22 was 9,368MWh of renewable energy generated.

We make a positive contribution to the environment *continued*

BIOSOLID COMPOSTING

We scaled up our biosolid composting trial this year. Biosolids are an organic by-product of the sewage treatment process. Once carefully treated, biosolids can be used as nutrient-rich fertilisers and soil improvers. We are currently investigating establishing a full-scale commercial composting facility in 2023.

RENEWABLE PROJECT

Unitywater has been conducting a trial exploring the gasification of biosolids from a sewage treatment plant.

We are investigating the potential for this type of technology to reduce contaminants in biosolids and provide an alternative biosolids management option, significantly reducing the cost of transporting this material to farmland.

PASSIVE AERATION

Unitywater launched an innovation trial this year to investigate the energy and cost-saving benefits of an emerging sewage treatment technology called passive aeration.

Conventional sewage treatment processes, which remove organic matter and nutrients from wastewater, are energy intense, due to the need to add large volumes of air into the treatment process.

This emerging technology helps to save energy by aerating in a more passive way while still reducing nutrients to a compliant level.

CABOOLTURE RIVER NUTRIENT OFFSET PROJECT

After the completion of a pilot restoration project at a Bellmere site on the Caboolture River, we have been working on a detailed design and third-party approvals for a new offset project along the Caboolture river.

SUSTAINABILITY PATHWAY & ENERGY MANAGEMENT PLAN

Unitywater has a number of ongoing plans in progress in the sustainability space including the Sustainability Pathway shown in the 20-21 Annual Report. In addition, we are conducting concept planning and business case preparation for solar and battery

opportunities at four sewage treatment plants. We are still investigating opportunities for Unitywater involvement in green hydrogen.

YANDINA CREEK WETLAND

After officially opening the wetland to the community in late 2020, Unitywater is currently planning future site improvements and repairs for the Yandina Creek Wetland. Unitywater continues its partnership with Birdlife Southern Queensland to monitor birdlife changes at the site. Overall indications are that the abundance and diversity of birdlife has increased since creating the wetland. The research study on fishlife with University of Sunshine Coast also continues. The study indicates that the diversity and abundance of fish and crabs has also improved since the wetland was established.

BLUE HEART

Blue Heart refers to an area of more than 5000 hectares within the Maroochy River Catchment where a dedicated land and water management project will deliver a range of integrated environmental, social and economic outcomes. Unitywater's Yandina Creek Wetland is located in the Blue Heart area. Unitywater has supported the Blue Heart partnership with Sunshine Coast Council and Department of Environment and Science and contributed to concept recreational planning, landholder information sessions and Blue Carbon research.

We are a valued member of the community

CARE FOR OUR MOST VULNERABLE

Unitywater's partnership with medical outreach service Sunny Street strengthened further this year through funding that allows the most vulnerable in our community a space for healthcare and confidential conversations. The Community Connection pod is part of the service's new Maroochydore clinic. We also partnered with a Sunshine Coast Indigenous artist to design a 'wrap' to go around the pod to provide more privacy for patients. This was funded through our Community Partnerships program.

COMMUNITY GRANTS LEND A HAND

In December 2021, we announced our support for 12 community groups across our Moreton Bay, Noosa and Sunshine Coast regions. These groups received up to \$5000 each as part of our community grants program which supports projects designed to have a positive impact on the communities we serve. Our support focuses on five key areas of need: prevention of domestic and family violence, homelessness, mental health, children and youth and the environment. [Read more on our website.](#)

REINVIGORATING CABOOLTURE CBD

In partnership with the Moreton Bay Regional Council, Unitywater co-sponsored the Caboolture Town Square markets to revitalise the town square. Visitors enjoyed live music, food trucks and stalls every second Wednesday over a two-month period. The markets successfully encouraged people back to the town centre and gave Unitywater an opportunity to engage directly with our customers and community members.

'BERRY' GOOD SOLUTION FOR FRUIT GROWERS

Strawberry growers experiencing serious oversupply issued an urgent SOS in September to buy the fruit to save it from destruction. Unitywater answered the call, making a bulk purchase of fruit from three growers in our service area and delivering the strawberries to our team members and local community groups.

DV SAFE PHONE DONATION

In October, we donated 36 mobile phones to DV Safe Phone, a support service in Caloundra that supplies

mobile phones to women experiencing domestic and family violence. Our Technology and Digital Solutions team dedicated their time to wiping, restoring and upgrading the phones ready for new owners, giving people experiencing domestic and family violence a way to call for help.

ACCOMMODATION OPTIONS FOR THE COMMUNITY

We partnered with Youngcare and the De Luca Charitable Foundation to provide housing for young people with disabilities. From early 2022, Unitywater will commence leasing a parcel of land in Noosa Heads to the foundation to provide accommodation, managed by Youngcare, for 10 young people with high physical support needs.

OZHARVEST DONATION

Unitywater partnered with waste management service provider Suez to make a donation to OzHarvest following the floods in early 2022. The weather emergency triggered a sudden decrease in available food donations, forcing OzHarvest to buy food to top up supplies. Suez was able to assist by donating funding for much-needed food supplies for vulnerable community members.

POINT CARTWRIGHT RESERVOIR ARTWORK

Point Cartwright water reservoir is one of our iconic community artwork program showpieces. Situated atop a coastal headland and originally painted in 2016 with an eye-catching design featuring local fauna that was chosen by the community, the artwork was given a makeover this year. In 2021, we asked the community to vote on how they wanted to refresh the 17-metre-high reservoir artwork. They chose to repaint the existing design, with some improvements following engagement with Traditional Owners. The new, updated artwork was unveiled to the community on 6 June 2022. Read more on our website www.unitywater.com/artwork

SUPPORT FOR WATERAID

A Unitywater team took to the golf course in March as part of a golf day that raised more than \$40,000 for WaterAid Australia to fund water, sanitation and hygiene projects for those without access to these basic necessities.



6 BETTER
AND SAFER
TOGETHER

We will be better and safer together by creating a healthy work experience that supports the health, safety and wellbeing of our valued team members every day

PERFORMANCE SUMMARY

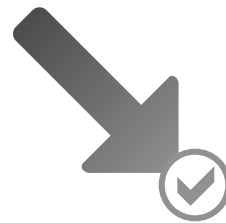
- › Awarded the Endorsed Employer for All Women as part of our WORK180 Reaccreditation.
- › Reaccredited as a White Ribbon Workplace.
- › Enhancement of safety management by the addition of a fatigue self-assessment tool and support to promote its use across the organisation.

OUR FOCUS IN 2021-22

- › Continued effort to shape our workplace safety culture, demonstrating trust and active care.
- › Continued to deliver on our Reconciliation Action Plan (RAP) through inductions, awareness courses and engagement with Traditional Owners.
- › Launched our Safe 24/7's Program, encouraging our people to always conduct themselves in a safe manner.

12.2

Total Recordable Injury Frequency Rate



(DOWN FROM 2020-21)

Strategic goal	Measure	2021-22 Performance
Our people go home safe every day	Recordable injuries	TARGET: 9.3 TRIFR RESULT: 12.2 X
We create a healthy work experience	Organisation culture index	TARGET: Strengthening culture indicator RESULT: Not registered until later this year
	Diverse and inclusive workplace	TARGET: Level 3 - Established RESULT: Level 3 - Established ✓

Strategic measure

- ✓** Achieved target
- Slightly outside of target
- X** Significantly outside of target

Our people go home safe every day

RETURN TO WORK POST-COVID

Unitywater has adopted a hybrid approach to the post-COVID working world. Our hybrid model offers team members flexibility and protection against COVID-19 while meeting people’s expectations of a contemporary workplace.

WHITE RIBBON REACCREDITATION

In March 2022, Unitywater was reaccredited as a White Ribbon Workplace for the next three years. This internationally-recognised accreditation affirms our commitment to promoting healthy relationships, ensuring our people work in a safe and respectful environment and preventing family and domestic violence.

Our team members understand how to recognise, refer and respond to family and domestic violence-related issues through awareness training, contact officers and a supportive culture.

SAFETY INITIATIVES

During Safe Work Month in October Unitywater launched our ‘Safe 24/7s’ program, which encourages our people to always behave safely, remembering the things that matter most to them as their personal reason to stay safe. We also assessed the suitability of safety gloves through consultation with team members following an increase in hand injuries and have changed the type of gloves we supply to ensure we provide the highest level of protection to keep our people safe.

FATIGUE SELF-ASSESSMENT

In February 2022, Unitywater’s safety management was enhanced by the addition of a fatigue self-assessment tool. Now, our people can use the app to answer some targeted questions and receive advice and helpful tips about how to better manage their fatigue levels to improve their overall wellbeing. This is in addition to the Stay Safe App developed to protect our people when they are working alone.

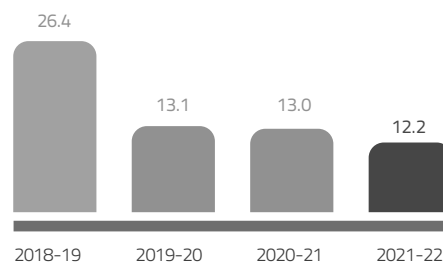
SAFETY CULTURE TRANSFORMS

There has been a concerted effort in the past two years to better understand and shape our workplace safety culture. All team members participate in learning programs that refresh and reframe how we

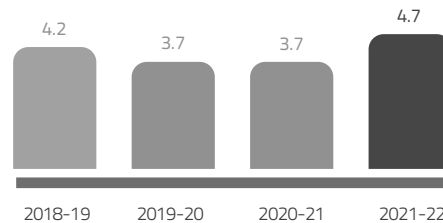
want to work together to create a culture of trust, mateship and active care.

In early 2022, when we had teams of people mobilised across the region day and night in response to the largest incident in Unitywater’s history caused by severe rainstorms, all of our people were able to go home safely at the end of their shifts. The ongoing willingness of our team members to be a part of our safety culture transformation supported this positive outcome.

TOTAL RECORDABLE INJURY FREQUENCY RATE per million hours worked



LOST TIME INJURY FREQUENCY RATE per million hours worked



HOLISTIC HEALTH AND WELLBEING

Unitywater has a range of health and wellbeing tools, resources and programs designed to keep our people healthy and safe. We offer flu vaccinations, regular participation in events such as RUOK? Day and a comprehensive Employee Assistance Program that offers counselling and support for mental, physical and financial wellbeing.

WORK180 ENDORSEMENT

As part of our commitment to building a diverse and inclusive workplace, we were proud to have been awarded the Endorsed Employer for All Women as part of our WORK180 Reaccreditation.

We create a healthy work experience

PROUDLY INCLUSIVE AND TEAM MEMBER PROFILE

GENDER IDENTITY	Number (Headcount)	Percentage of total workforce (Calculated on headcount)
Female	266	37.8%
Male	437	62.1%
Non-binary	1	0.1%

STRENGTH IN DIVERSITY	Number (Headcount)	Percentage of total workforce (Calculated on headcount)
Aboriginal Peoples and Torres Strait Islander Peoples	17	2.4%
People with disability	1	0.1%
Culturally and Linguistically Diverse – Born overseas *	69	9.8%

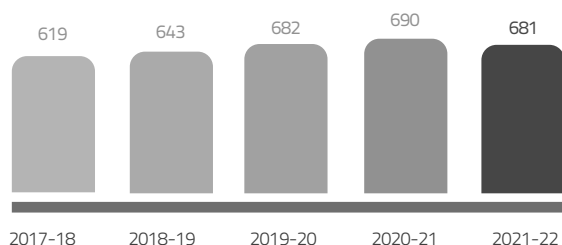
Culturally and Linguistically Diverse – Speak a language at home other than English (including Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages)	Not recorded	Not recorded
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WOMEN IN LEADERSHIP ROLES	Number (Headcount)	Percentage of total workforce (Calculated on headcount)
Women in leadership roles	32	39%

Outside of gender, Unitywater provides an opportunity for team members to identify as members of diverse groups.

*Have identified as an overseas national in their employee profile, however cannot confirm if born overseas.

FULL-TIME EQUIVALENT EMPLOYEES



GENDER PAY EQUITY

Unitywater’s gender pay gap as at 31 December 2021 was 5.77% compared to 4.67% in 2020. The organisation continues to outperform the industry rate of 14.0% (Workplace Gender Equality Agency

Electricity, Gas, Water and Waste Services 2020 benchmark). The overall pay gap is driven by lower female participation in leadership and senior operational roles. At Unitywater we are actively addressing female participation and retention through targeted talent acquisition initiatives and talent and succession management, together with supported development planning.

EARLY RETIREMENT, REDUNDANCY AND RETRENCHMENT

During the reporting year, four (4) employees received redundancy packages at a cost of \$341,483.01. No early retirement packages were paid during the period.

LEARNING OPPORTUNITIES

We give our people professional development and learning opportunities to gain formal qualifications to offset the expertise lost through the departure of past generations and to increase our capability. For example, this year we introduced the opportunity for our people to study certificates or diplomas in water treatment, water operations or leadership. 21 of our people completed these courses this year, balancing their day jobs, family responsibilities and other commitments while studying.

RECONCILIATION COMMITMENT CONTINUES

Unitywater continues to deliver on our Innovate Reconciliation Action Plan (RAP), due for completion in October 2022. This year, Cultural Heritage inductions were led by local Traditional Owners for field and capital project teams, providing training on how to identify and handle cultural artefacts if discovered when out in the field. The internal First Nations Network continues to meet quarterly, supporting and strengthening relationships between team members, sharing family history and providing advice on the delivery of the RAP.

A site visit was funded for Kabi Kabi Traditional Owners to reconnect with the land at Yandina Creek Wetlands and explore the idea of future Interpretive signage for the area. Unitywater has purchased an online cultural awareness course that is available

We create a healthy work experience *continued*

for all team members and promoted during National Reconciliation Week. Our very own Asset Data Officer was awarded the LOGIT IPWEA Indigenous Asset Management scholarship.

Unitywater continues to engage with Traditional Owners on Capital Projects. The ongoing engagement and development of Cultural Heritage Agreements ensures that effective management strategies are implemented, minimising the potential impact to Cultural Heritage.

AWARD-WINNING PORTFOLIO MANAGEMENT OFFICE

Unitywater's Enterprise Portfolio Management Office (EPMO) and Technology & Digital Solutions teams tasted success at the 2021 Project Management Achievement Awards (PMAAs). At the Queensland awards, our EPMO team won the Transformation category with their 'Transforming the Portfolio Management Capability Within Unitywater' project, while our T&DS Portfolio Delivery team won the ICT/ Telecommunications category with their 'Safe When Working Alone: Stay Safe App' project. Both projects went onto compete against other State and Territory winners to establish the top 10 projects across the Country. Our EPMO team won the National title for project of the year in the Transformation Category to become one of the top 10 projects of the year in our Country for 2021. The Australian Institute of Project Management (AIPM) encouraged these top 10 projects to enter the International competition. The EPMO project has submitted an entry which will be judged in August 2022 by a panel of International judges. Winners will be announced in November in the Netherlands.

The EPMO team went on to be named the best transformation project in the country at the AIPM National Conference and awards in February 2022.

STUDENT OPPORTUNITIES AT UNITYWATER

Our Graduate Development Program is an opportunity for us to welcome bright talent and fresh ideas into our business each year, across a variety of disciplines.

A group of 12 tertiary students, mainly from the University of the Sunshine Coast, joined us in

December for a 12-week work placement. In a new addition to the vacation students' program, players from Suncorp Super Netball team, the Sunshine Coast Lightning, led a unit around teamwork and resilience. The program reinforces our talent pipeline and showcases the varied and exciting aspects a career in the water industry can provide.

Our university graduate program is in its seventh year and in 2022 we have employed three engineering graduates who are gaining valuable, real-world experience in the water industry.

UNIVERSITY SCHOLARSHIPS

This is the ninth year we have partnered with the University of the Sunshine Coast to offer scholarship opportunities to promising students. This year we awarded three types of scholarships to USC students. The First Nations scholarship and the Fiona Waterhouse Women in STEM scholarship now join our longstanding Civil Engineering scholarship.

Fiona served on the Unitywater Board for six years. She was an inspirational leader, a pioneer and production engineer by trade. Fiona had a passion for showing that people could make a mark in any industry. Through this scholarship, we have been able to honour Fiona and recognise her legacy and contribution.

DARKNESS TO DAYLIGHT

Our people have the opportunity to participate in Darkness to Daylight, an event that raises money for services that focus on the prevention of family and domestic violence. This is the 11th year Unitywater has supported Challenge DV (formerly Australia's CEO Challenge) in this important cause. Our people embrace every opportunity to get involved, walking or running 110km over the month of May. This year, the Unitywater team raised more than \$10,000.

We create a healthy work experience *continued*

PRIDE IN WATER

Unitywater are proud to partner with Water Services Association of Australia (WSAA) and water utilities across Australia to help shape a more inclusive water industry for LGBTIQ+ people through the Pride in Water Network. Unitywater nominated two representatives to join the WSAA Pride in Water Network for 2022 providing an opportunity to collaborate with industry peers to create a safer, more supportive and inclusive workplace for everyone.

KEEPING IN TOUCH DAYS

Our Keeping in Touch morning teas are an important opportunity for team members on parental leave to bring in their babies and reconnect with our workplace, their colleagues and leaders. Along with our industry-leading Healthy Families parental leave program, it's one way we support our people and their families.



7

GOVERNANCE

Risk management and accountability

Our business-wide approach to identifying, prioritising and managing risks underpins Unitywater's commitment to good management and corporate governance.

Unitywater's approach to risk management aligns with AS/NZS ISO 31000: 2018 Risk Management – Principles and Guidelines. Our framework, tools and reporting processes have been noted as 'Leading Practice' by the Water Services Association of Australia independent auditors.

CLIMATE VARIABILITY RISK

Unitywater's Board is responsible for effectively managing risk, including those related to climate variability. The Audit and Risk Committee, which meets quarterly, supports the Board in this function through review and monitoring of the appropriateness of Unitywater's risk management practices and ensuring that the approved risk management practices are followed. Committee proceedings are reported to the Board.

At an operational level, Unitywater's Executive Leadership Team lead climate variability risk management by ensuring that risks and opportunities are identified, assessed and monitored and that appropriate risk mitigation strategies are implemented in accordance with the risk appetite agreed by the Board.

Risk reduction initiatives including raising the level of certain critical Unitywater assets above historic flood levels and increased vegetation management have proven effective through the bushfires of 2020 and the floods of 2022. In both these events, services were maintained, and no insurance claims were lodged. Unitywater established a disruption management

Framework and steering committee this year to strengthen our response to emergency incidents and events. It provides improved incident, crisis and business continuity management planning and training. These plans are integrated with our regional partners through local and district disaster

management groups.

Unitywater's planning for a future with further climate variability which may be affected by flood and rising sea levels also includes the development of adaptive infrastructure planning and other critical plans including Drought Management Plan, Water Matters Plan and Leakage Management Plan.

CYBER SECURITY RISK

Unitywater remains vigilant to the cyber security risks that are ever present in the world. This year we continued to focus on and invest in strengthening the security of our information systems and information assets.

We manage our security posture by keeping infrastructure and business systems up to date with recommended security patches, enhancing network security and corporate firewalls, as well as continual maintenance of back-up recovery environments that provide a last line of defence in the event of a threat.

Our cyber security program continues to deliver improvements that keep Unitywater in front of current and emerging threats.

This program is aligned to industry standards and frameworks including the Australian Cyber Security Centre's Strategies to Mitigate Cyber Security Incidents and the Essential Eight mitigation strategies to protect against cyber threats.

INTERNAL AUDIT

Unitywater has an internal audit function to provide assurance to the Board that our financial and operational controls manage our risks, achieve our objectives and that we operate in an efficient, effective and ethical manner and in accordance with the Financial Accountability Act 2009. Internal audit

Risk management and accountability *continued*

is undertaken by independent auditors who work to an annual strategic plan that has been approved by the Audit and Risk Committee and which aligns with the Internal Audit Charter and the Treasury's Audit Committee Guidelines. The annual strategic plan has regard for Unitywater's strategic risk profile, previous audits, industry insights and the Queensland Audit Office key focus areas.

In 2021-22 the internal auditors successfully completed audits identified in the annual plan. The internal audit function was conducted independently of management, and authorised auditors and the deployment of the program had due regard to Queensland Treasury's Audit Committee Guidelines.

EXTERNAL SCRUTINY

The Queensland Audit Office is Unitywater's external auditor under the terms of the *Financial Accountability Act 2009*. It is responsible for auditing Unitywater's financial statements (see the opinion at page 107).

CODE OF CONDUCT

Code of Conduct aligns to the ethics principles and ethics values in the *Public Sector Ethics Act 1994*. Unitywater's Code of Conduct describes these principles in terms of the values that guide our behaviours and the way we treat each other. Unitywater is committed to creating and maintaining an environment which is professional, responsive, safe and free from any form of unlawful or inappropriate behaviour.

Code of Conduct training is provided to all new starters as part of their induction training and retraining is undertaken every two years. Unitywater will continue to ensure that its team members actively participate in all training concerning the Code of Conduct to ensure that these principles are instilled in all aspects of the organisation.

All Unitywater team members are responsible for implementing the Code of Conduct and ensuring that their behaviour reflects Unitywater's values and the standards of conduct described in the Code of Conduct.

This includes in the use of Unitywater systems, tools and property.

CONSULTANCIES AND OVERSEAS TRAVEL

Details of spending on consultants and overseas travel undertaken by Unitywater representatives can be accessed at the Queensland Government Open Data website www.data.qld.gov.au, however, there has been no travel this year.

INFORMATION SYSTEMS AND RECORD KEEPING

Unitywater continues its commitment to quality information and records management by embedding, communicating and maintaining information management policies, standards and procedures.

Unitywater's information and records are managed by appropriately skilled staff supported by organisational structure improvements to align people and capabilities with emerging business needs.

We remain focused on mitigating risks and meeting the challenges of evolving technologies, an increase in large, complex data sets and our obligations under the *Public Records Act 2002*, and other applicable whole-of-government records governance policies and guidelines. Unitywater creates and keeps full and accurate records of its activities as prescribed by the Corporate Records Management Policy, and in accordance with the standards and policies issued by the Queensland State Archives.

In line with an evolving information landscape, Unitywater undertook a range of strategic positioning activities to ensure, as the capture and use of information grows, that we provide the technologies and processes to ensure information and knowledge is secure, accessible and available to team members, our customers and the public.

Unitywater undertakes regular health checks across all information systems to ensure they continue to provide business value, are strategically aligned

Risk management and accountability *continued*

and are secure, supported and monitored. Plans are produced for key systems to ensure they are enhanced, replaced, retired or otherwise improved to retain continual alignment to business drivers.

HUMAN RIGHTS

The COVID-19 pandemic brought a fresh wave of various matters to consider this year, regarding our existing policies and procedures based on the *Human Rights Act 2019*. We considered and addressed these new issues whilst maintaining our ongoing focus on mitigating breaches of human rights.

All of Unitywater's key contracts include *Human Rights Act 2019* requirements and non-compliances are reported to the Board on a quarterly basis as part of our compliance reporting. As at 30 June 2022 Unitywater has received zero Human Rights complaints for the financial year.

MODERN SLAVERY

Unitywater was proud to submit our second Modern Slavery Statement this year that is publicly available on the Australian Government's online Modern Slavery Register.

The Modern Slavery Act 2018 (Cth) requires entities based or operating in Australia, which have an annual consolidated revenue of more than \$100 million, to annually report on the risks of modern slavery in their operations and supply chains.

'Modern Slavery' is an overarching term used to cover a range of exploitative practices including human trafficking, slavery, forced labour, child labour, removal of organs and slavery-like practices. Generally, it pertains to a situation of servitude or forced labour activities in which an individual's freedom and liberty is unable to be exercised.

The development of our Modern Slavery Statement was guided by our commitment to the Act and greatly assists our organisation to identify and abolish the occurrence of Modern Slavery within Unitywater's operations and supply chains.

OUR STAND AGAINST DOMESTIC VIOLENCE

We hold our White Ribbon Australia Workplace Accreditation in high regard as it demonstrates to our team members, stakeholders, customers, clients and partners that we are committed to gender equality and to creating a safer workplace for everyone.

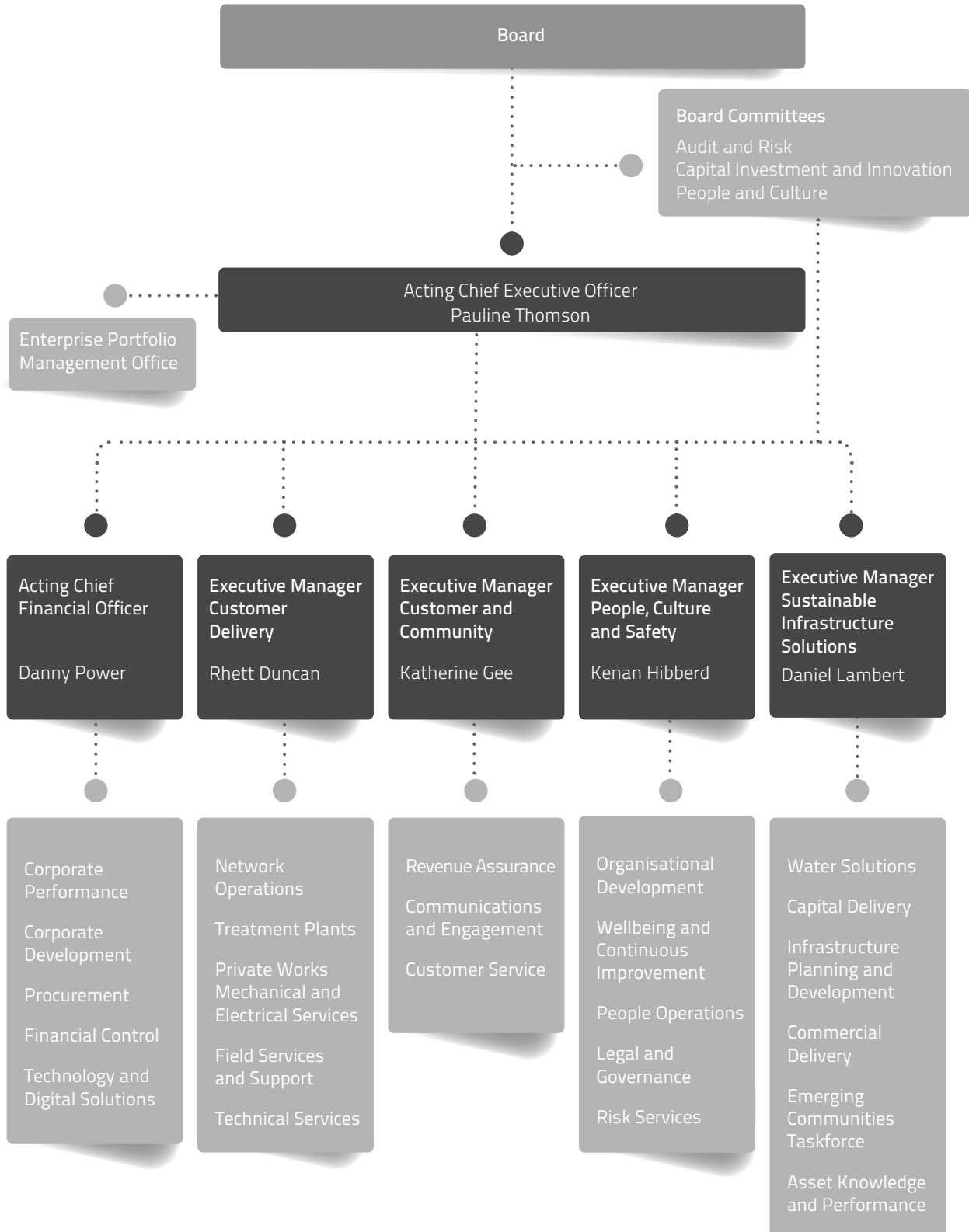
Unitywater has actively taken steps to demonstrate our commitment by preparing mandatory training and education modules for our team members. We have also updated our procurement contracts to ensure our contractors and suppliers are conducting themselves to the high standards of diversity and anti-discrimination that reflect our core values diversity and discrimination.

A large, stylized white number 8 is positioned on the left side of the page. The background consists of a dark gray circle on the left and a lighter gray circle on the right, separated by a curved boundary.

OUR
STRUCTURE

Our organisational structure

AS AT 30 JUNE 2022



Our Board

Unitywater's independent skills-based Board guides our Executive Leadership Team to fulfil its vision to be a sustainable water and sewerage service provider that creates value for its customers and returns value for its stakeholders.

The combination of Board members' qualifications, skills and experience ensures a strong commercial focus, with emphasis on identifying efficiencies across the organisation and passing on cost savings to customers.

Under the Participation Agreement, the performance of the Board is evaluated annually and reported to our participating councils.

MICHAEL ARNETT

BCom, LLB (Chairman)

Michael has significant experience in the corporate, commercial, mining and natural resources (including water), banking, finance and securities sectors. He was a previously a Board member of Unitywater (from 2009 to 2012) and of Seqwater (from 2012 to 2019).

Michael is a Board member of, amongst others, NRW Holdings Limited and Queensland Energy Resources Limited.

CHRIS HERTLE

MPhil - Bio & Env Sci, BE(Chem)

Chris brings to Unitywater over 38 years' international experience in municipal and industrial water, wastewater and solid waste management. His roles have spanned from concept design through to commissioning and operation, with the last decade focused on developing and implementing robust strategies for growth of water business.

He has been an active member of various water associations globally (Fellow of IWA and EA) and on several technical and advisory committees. He has been an Adjunct Professor at the University of Queensland's' Australian Centre for Water and Environmental Biotechnology for the last 10 years.

SARAH ZELJKO

LLB, GAICD, GAIST

Sarah brings to Unitywater over 25 years' of extensive executive, operational, governance and advisory experience. She is a non-executive director of Powerlink, LGIASuper, Stockyard Beef, Intellidesign and Verbrec and holds several advisory roles. She has a record of delivering revenue growth in large corporations through developing and executing corporate strategy, negotiating commercial agreements, capital raising, M&A, construction, infrastructure and project management across complex multi-million-dollar transactions.

MEGAN CORFIELD

B Comm, BA (Econ), GAICD

Megan Corfield is a strategic businessperson and leadership coach with 25 years of executive and governance roles across utilities, sustainability, professional services, government, and major events. Megan serves on the boards of Unitywater, Altogether Group and the Brisbane Grammar School and has previously served on the Infrasol, Tourism and Events Queensland, GOLDOC (Commonwealth Games Organising Committee) and Urbis Boards.

Our Board *continued*

Former Board Members

MIKE WILLIAMSON

FAICD

Retired 31 August 2021

Mike brought to Unitywater more than 30 years' experience in the fields of water and sewage management, waste minimisation, resource recovery, engineering and project management.

He has held positions as Managing Director of CH2M Australia and as Managing Partner of global consulting firm Environmental Resources Management. Mike is also non-executive Chair of ECOllaboration Ltd, a not-for-profit company, based on the Sunshine Coast, providing ecological and environmental services and environmental education.

Mike is a qualified marine and mechanical engineer and is a Fellow of the Australian Institute of Company Directors.

FIONA WATERHOUSE

B Mfg Mgt, Dip Env Studies, Cert Business, GAICD

It is with deep sorrow we advise of the sudden passing of Board Member Fiona Waterhouse in November 2021. Fiona's contribution to Unitywater, personally and professionally, will be missed.

Fiona was CEO of bioenergy developer Utilitas Group, one of the pioneers of the emerging industrial bioproducts market in Australia. A production engineer by trade, Fiona owned and advised industrial and technology-related businesses for the past 20 years. The Business Sustainability Roadmap that she developed as part of her role in the Queensland Environment Department between 2000 and 2003 was recognised as a sustainable development milestone for Queensland.

Our Board *continued*

Committee	Chairperson	Members	Frequency of meeting
Audit and Risk	Megan Corfield	Michael Arnett Sarah Zeljko	Quarterly

This committee helps the Board to fulfil its corporate governance responsibilities by reviewing Unitywater's safety reports, risk management reports and annual financial reports. In addition, it provides oversight and direction with respect to internal control systems, insurance, and audit and regulatory compliance processes.

Capital Investment and Innovation	Michael Arnett	Chris Hertle	Bi- Monthly
--	----------------	--------------	-------------

This committee reviews and oversees Unitywater's annual program of capital works while also providing direction on sustainable investment strategies and innovation that informs long-term sustainability goals.

People and Culture	Michael Arnett	Megan Corfield Sarah Zeljko	Mar, Jun, Sept
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This committee supports the Board by conducting detailed examination of Unitywater's annual corporate objectives and the remuneration framework for all our team members. It assists the Board to meet its decision-making obligations under the incentive framework for senior team members. The committee also provides oversight and direction on Unitywater's strategic workforce and culture transformation programs.

BOARD MEETING ATTENDANCE 2021-22

Member	Board		ARC		PCC		CIIC	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Michael Arnett (Chairman)	11	11	4	4	3	3	6	6
Fiona Waterhouse	3	3	-	-	1	1	2	2
Mike Williamson	1	1	-	-	-	-	1	1
Megan Corfield	11	11	4	4	3	3	-	-
Sarah Zeljko	11	10	4	4	3	3	-	-
Chris Hertle	10	10	-	-	-	-	5	5

Our Executive Leadership Team

The Executive Leadership Team, headed by the Chief Executive Officer, leads the daily operation of Unitywater and delivers on corporate objectives.

The team is firmly focused on achieving strategic goals, improving customer service, achieving operational efficiencies and providing high quality, affordable and sustainable sewerage and water supply services.

GEORGE THEO

MBA (Bus), BEng (Civil), FIEAust, CPEng, NER APEC Engineer
IntPE (Aus), Ass Dip Mun (Eng), MIEAust, GAICD

CHIEF EXECUTIVE OFFICER – 1 July 2021 to 18 February 2022

George brought more than 30 years' experience to Unitywater and a wealth of knowledge of the water industry through previous roles with global consulting company GHD, Brisbane Water (now Urban Utilities) and City West Water, Victoria. George was Unitywater's Chief Operating Officer prior to taking up the position of CEO. George departed Unitywater in February 2022.

PAULINE THOMSON

BBus (Acc), FCPA, GAICD

ACTING CHIEF EXECUTIVE OFFICER - 19 February 2022 to 30 June 2022

CHIEF FINANCIAL OFFICER - 1 July 2021 to 18 February 2022

Pauline is a Certified Practising Accountant and brings more than 25 years' experience in retail, distribution and transmission entities across the energy and water sectors. Her leadership experience includes leading teams in a range of senior commercial, finance and regulatory roles.

DANIEL LAMBERT

MBT MEngSc BE(Hons) BSc MAICD FIML FIEAust CMgr CPEng
EXECUTIVE MANAGER - SUSTAINABLE INFRASTRUCTURE SOLUTIONS

Daniel joined Unitywater in 2022 to lead our strategic planning, asset management, capital delivery and water solutions functions. He brings more than 20 years of experience in strategy, design and delivery working on water, energy and waste infrastructure projects spanning more than 25 countries.

KENAN HIBBERD

BCom, FAHRI

EXECUTIVE MANAGER - PEOPLE, CULTURE AND SAFETY

Kenan has 30 years of experience in human resources and safety leadership in both public and private sectors. He has held senior management positions in national and international organisations in the industrial services, engineering, logistics and health sectors.

KATHERINE GEE

BBus (Acc), LLB, CA, GAICD

EXECUTIVE MANAGER - CUSTOMER AND COMMUNITY

Throughout her extensive experience in both the private and public sector, Katherine has gained deep insight into the needs of customers and the community. Her roles in telecommunications, local government and the water industry have included implementing major customer management systems, transforming customer experience and delivering organisational change.

RHETT DUNCAN

BEng (Civil), MBA, GAICD

EXECUTIVE MANAGER - CUSTOMER DELIVERY

Rhett has more than 15 years' leadership experience at executive and general management levels. He is responsible for Unitywater's safe and efficient operation of the water supply and sewerage systems to provide reliable services to customers.

Rhett has previously worked in Waste Management, Transport Infrastructure and Construction Materials and led teams in challenging and changing business environments.

Our Executive Leadership Team *continued*

DANNY POWER

CPA, BCOM, GRAD DIP SUSTAINABILITY

ACTING CHIEF FINANCIAL OFFICER - 19 February 2022 to
30 June 2022

Danny is a proven finance leader with 30 years experience in both public and private sectors. His experience covers senior management and accounting roles in multiple industries including Water and Sewerage, State and Local Government, Rail, Health, Construction, and Primary Industries. He is a Certified Practising Accountant, and has post graduate qualifications in sustainability.

The cover features a dark grey background with a large, light grey circular shape on the left side. The number '9' is prominently displayed in white within this circle. To the right of the circle, the words 'ANNUAL FINANCIAL REPORT' are written in white, stacked vertically.

9

ANNUAL
FINANCIAL
REPORT

Annual Financial Report

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KEY	 Judgements and estimates	 Risks	 Climate change impacts
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Board Members' Report

The Board of The Northern SEQ Distributor-Retailer Authority trading as Unitywater (Unitywater) is pleased to submit this Annual Financial Report of the Unitywater Group (the Group) for the financial year ended 30 June 2022. The Board Members' Report is as follows:

BOARD

The names of the Board members in office at any time during, or since the end of, the year are:

- i. Michael Arnett – Chairman
- ii. Mike Williamson (ceased 30 August 2021)
- iii. Fiona Waterhouse (ceased 11 November 2021)
- iv. Megan Corfield
- v. Sarah Zeljko
- vi. Chris Hertle (appointed 1 September 2021)

These Board members have been in office since the start of the financial year to the date of this report, unless otherwise stated. Please refer to the Our Board section of the Unitywater Annual Report 2021-22 for details of Board members' qualifications, experience and special responsibilities.

PRINCIPAL ACTIVITIES

The principal activities of Unitywater during the financial year were water supply and sewage collection, transport and treatment services to the Moreton Bay, Sunshine Coast and Noosa communities.

OPERATING RESULTS

The profit of the Group after providing for income tax expense, amounted to \$153,132,018 (2021: \$130,740,500).

REVIEW OF OPERATIONS

A review of the Group's operations during the financial year and the results of those operations are contained in the Unitywater Annual Report 2021-22.

COVID-19

The economy continues to be impacted by the COVID-19 virus. As a financially responsible statutory body with a robust Statement of Financial Position, Unitywater is equipped to support the community whilst still meeting its current and future financial obligations.

CLIMATE CHANGE

Unitywater has developed a number of plans and is in the process of developing further plans in response to the impact of climate change. Potential impacts on the Group are outlined in Note 1.2.11. Further information can be found in the body of the Annual Report under Climate variability risk within the Risk management and accountability section.

Board Members' Report

EVENTS AFTER THE REPORTING PERIOD

In the opinion of the Board members, there has not been any item, transaction or event of a material or an unusual nature that has arisen between the end of the financial year and the date of this report that is likely to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years other than as outlined in Notes 6.3 and 6.4.

FUTURE DEVELOPMENTS

Unitywater will continue to pursue its objective of delivering high quality and affordable water supply and sewerage services for customers in the Sunshine Coast, Moreton Bay and Noosa regions.

ENVIRONMENTAL REGULATIONS

The Group's operations are subject to environmental regulations under both Commonwealth and State legislation. Unitywater's Board maintains oversight of key environmental risks and obligations and is committed to achieving a high standard of environmental performance. The Board has established appropriate governance arrangements in relation to the environment. The Group is responsible for the regular monitoring of environmental exposures, review of incident trends, environmental initiatives, endorsement of recommendations for environmental improvement policies, programs and investments, as well as compliance with environmental regulations.

SAFETY COMPLIANCE

Unitywater's operations are subject to Workplace Health and Safety legislation. The Board maintains oversight of key safety risks and obligations and is committed to keeping our people free from harm. Unitywater undertakes key programs of work to address key and emerging risks, and to continuously improve the organisation's safety management system. These programs include improving our safety culture through personal and collaborative responsibility for safety. This extends to our service delivery partners (contractors) where we developed a Collaborative Safety Agreement to drive common standards and improvements. Unitywater is accredited to ISO standard 45001 for management systems of occupational health and safety, with the goal of reducing injuries, diseases and protecting physical and mental health. The organisation does this through the provision of comprehensive health monitoring, health support and employee assistance programs that are delivered in conjunction with external partners. The Board monitors the organisation's health and safety performance including progress on initiatives, emerging risks and incident trends.

PARTICIPATION RETURNS

Participation returns paid or declared by Unitywater during the 2022 financial year were:

	Total amount 2022 \$'000	Total amount 2021 \$'000
Final participation return	40,403	35,190

Refer to Note 5.2 of the consolidated financial statements for details of participation returns paid or payable.

Board Members' Report

REMUNERATION AND OTHER INTERESTS OF BOARD MEMBERS AND EXECUTIVES

Note 3.3 of the consolidated financial statements provides details of Board members' and executives' remuneration. Between 1 July 2021 and 30 June 2022, no Board member has received or become entitled to receive a benefit, other than as disclosed in that note. Any other interests Board members or executives have in Group transactions are outlined in Note 8.3 of the consolidated financial statements.

INDEMNIFICATION OF BOARD MEMBERS AND OFFICERS

Indemnification of Board members of Unitywater

Unitywater has agreed to indemnify Michael Arnett, Megan Corfield, Sarah Zeljko and Chris Hertle, being current Board members of Unitywater, and other former Board members of Unitywater, against all liabilities to another person (other than Unitywater or a related body corporate) that may arise from their position as a Board member of Unitywater, except where the liability arises out of conduct involving a lack of good faith or liability against which Unitywater is not permitted by law to exempt or indemnify the Board member in accordance with the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* and regulations.

Indemnification of Board members of Unitywater Group and officers appointed to boards and committees

Unitywater has agreed to indemnify any Board members or officers who are nominated by Unitywater's Board to represent Unitywater on boards, directorships and committees to the extent as follows:

- i. Indemnities provided to former Board members continue for seven years following their resignation from that position, in accordance with the terms of the deed of indemnity.
- ii. Other officers appointed to boards, directorships and committees are indemnified in accordance with the terms of Unitywater's directors' and officers' liability insurance policy.

Insurance premiums

Premiums have been paid on policies of insurance for former and current Board members and officers. Disclosure of the nature of the liability covered by and premiums paid under these contracts of insurance is prohibited by the terms of the insurance contracts.

Board Members' Report

BOARD MEMBERS' MEETINGS


The numbers of meetings of Unitywater's Board members and each Board committee held and attended by each Board member during the year ended 30 June 2022 were:

Board Member	Board meetings		Committee meetings					
	A	E	Audit and Risk		People and Culture		Capital Investment and Innovation	
(A)ttended / (E)ligible	A	E	A	E	A	E	A	E
Michael Arnett – Chairman	11	11	4	4	3	3	6	6
Mike Williamson ¹	1	1	-	-	-	-	1	1
Fiona Waterhouse ¹	3	3	-	-	1	1	2	2
Megan Corfield	11	11	4	4	3	3	-	-
Sarah Zeljko	10	11	4	4	3	3	-	-
Chris Hertle ¹	10	10	-	-	-	-	5	5

¹ As outlined at the beginning of the report, a number of Board Members were appointed or ceased to serve during the year. The eligible meetings above represent the number held while the Board Member was in office and eligible to attend.

ROUNDING OF AMOUNTS

Amounts in the consolidated financial statements and Board members' report have been rounded to the nearest thousand dollars, unless otherwise stated.



Michael Arnett

Chairman
Unitywater
17 August 2022
Caboolture, Queensland

Consolidated Statement of Profit or Loss

for the year ended 30 June 2022

	Notes	2022 \$'000	2021 ¹ \$'000
Revenue			
Utility charges	2.1	582,174	581,200
Developer contributions	2.2	148,652	113,410
Other revenue	2.3	27,499	29,055
Total revenue		758,325	723,665
Expenses			
Bulk water purchases	2.4	(203,695)	(204,560)
Supplies and services	2.5	(92,735)	(94,580)
Employee expenses	3.1	(75,700)	(76,064)
Depreciation and amortisation	4.1, 4.2, 4.3	(97,277)	(89,052)
Borrowing costs	5.8	(59,200)	(64,693)
Other expenses	2.6	(11,020)	(7,997)
Total expenses		(539,627)	(536,946)
Profit before income tax expense		218,698	186,719
Income tax expense	7.1	(65,566)	(55,979)
Profit for the year		153,132	130,740

¹Comparatives restated (see Note 1.2.8).

The Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

as at 30 June 2022

	Notes	2022 \$'000	2021 ¹ \$'000
Current assets			
Cash and cash equivalents	5.3	133,739	135,173
Trade and other receivables	5.4	142,607	140,436
Other assets	8.1	9,213	8,869
Total current assets		285,559	284,478
Non-current assets			
Trade and other receivables	5.4	1,369	1,233
Property, plant and equipment	4.1	3,999,293	3,847,397
Intangible assets	4.2	18,093	19,214
Right of use assets	4.3	7,038	6,024
Other assets	8.1	10,063	10,924
Total non-current assets		4,035,856	3,884,792
Total assets		4,321,415	4,169,270
Current liabilities			
Trade and other payables	5.6	107,719	103,748
Contract liabilities	5.5	43,274	31,495
Employee benefits provision	3.4	22,342	21,019
Lease liabilities	5.7	2,332	2,258
Other liabilities	8.2	995	1,062
Total current liabilities		176,662	159,582
Non-current liabilities			
Contract liabilities	5.5	-	1,000
Employee benefits provision	3.4	1,697	1,832
Lease liabilities	5.7	5,347	4,727
Borrowings	5.8	1,557,652	1,557,652
Deferred tax liabilities	7.1	223,245	200,394
Other liabilities	8.2	582	582
Total non-current liabilities		1,788,523	1,766,187
Total liabilities		1,965,185	1,925,769
Net assets		2,356,230	2,243,501
Equity			
Contributed equity	5.2	1,434,782	1,434,782
Retained earnings		921,448	808,719
Total equity		2,356,230	2,243,501

¹Comparatives restated (see Note 1.2.8).

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2022

	Notes	Retained earnings \$'000	Contributed equity \$'000	Total \$'000
Balance at 30 June 2020¹		713,169	1,434,782	2,147,951
Total distribution to participants	5.2	(35,190)	-	(35,190)
Profit for the year ¹		130,740	-	130,740
Balance at 30 June 2021¹		808,719	1,434,782	2,243,501
Total distribution to participants	5.2	(40,403)	-	(40,403)
Profit for the year		153,132	-	153,132
Balance at 30 June 2022		921,448	1,434,782	2,356,230

¹Comparatives restated (see Note 1.2.8).

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the year ended 30 June 2022

	Notes	2022 Inflow / (Outflow) \$'000	2021 ¹ Inflow / (Outflow) \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		608,785	631,651
Developer contributions		76,127	61,857
Government grants and subsidies		3,704	3,583
Interest received		1,091	906
Goods and services tax refunded (net)		23,949	21,983
Payments to suppliers (inclusive of GST)		(328,893)	(316,369)
Payments to employees		(74,513)	(75,227)
Borrowing costs		(60,452)	(65,951)
Income tax payments		(48,718)	(37,227)
Net cash inflow from operating activities	5.3	201,080	225,206
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		758	836
Payments for property, plant and equipment and intangibles		(165,981)	(146,234)
Payments for investments in associates		-	(6,320)
Net cash outflow from investing activities		(165,223)	(151,718)
Cash flows from financing activities			
Proceeds from borrowings		60,296	95,821
Repayments of lease liabilities		(2,532)	(2,462)
Repayments of borrowings		(60,296)	(95,821)
Participation return payments		(34,759)	(38,015)
Net cash outflow from financing activities		(37,291)	(40,477)
Net increase / (decrease) in cash and cash equivalents		(1,434)	33,011
Cash and cash equivalents at the beginning of the year		135,173	102,162
Cash and cash equivalents at the end of the year	5.3	133,739	135,173

¹Comparatives restated (see Note 1.2.8).

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 About this financial report

1.1 REPORTING AUTHORITY

The Northern SEQ Distributor-Retailer Authority trading as Unitywater has been established under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* (the Restructuring Act) and is a Queensland statutory body under the *Financial Accountability Act 2009* and the *Statutory Bodies Financial Arrangements Act 1982*.

Unitywater is governed by an independent Board under the *Northern SEQ Distributor-Retailer Authority Participation Agreement* (the Participation Agreement) and the Restructuring Act on behalf of its three participating Councils: Moreton Bay Regional Council, Sunshine Coast Council and Noosa Council (the participants).

In accordance with the Restructuring Act, Unitywater expires at the end of 99 years from when it was established on 3 November 2009 and the participants become the successor in law of the assets and liabilities in accordance with their participation rights at the expiry date of the Northern SEQ Distributor-Retailer Authority.

Unitywater is a for profit entity for the purpose of reporting and is required to provide commercial returns to its participants per the Participation Agreement based on each participant's share of the Regulated Asset Base, comprising debt and participation rights as agreed by the Participating Councils and Unitywater. Refer to Note 5.2 for participation rights allocation.

Unitywater's primary function is the provision of water and sewerage services for its geographic area as set out in Section 11(1) of the Restructuring Act.

1.2 BASIS OF PREPARATION

1.2.1 Basis of consolidation

The Group financial statements comprise the audited general purpose financial statements of Unitywater and the subsidiaries it controls (see Note 8.4), for the year ended 30 June 2022. Each member of the Group uses the same reporting period and accounting policies. All material intra-group transactions and balances are eliminated on consolidation. Subsidiaries are consolidated from the date control commences, to the date it ceases.

1.2.2 Statement of compliance

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

- i. Applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB)
- ii. The *Financial Accountability Act 2009*
- iii. The *Financial and Performance Management Standard 2019*
- iv. Queensland Treasury's *Financial Reporting Requirements for Queensland Government Agencies* (as applicable to statutory bodies)
- v. *Statutory Bodies Financial Arrangements Act 1982*
- vi. The exemptions under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*
- vii. Other authoritative pronouncements

The consolidated financial statements were authorised for issue by the Board on 17 August 2022. Board members have the power to amend and reissue the financial statements.

1 About this financial report

1.2 BASIS OF PREPARATION

1.2.3 Measurement basis

These consolidated financial statements have been prepared on an historical cost basis.



Estimation of fair value - is used for other measurement purposes. Fair value is defined as 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.

Further information about the assumptions made in measuring fair value is included in Notes 2.2, 4.1, 4.4 and 6.1.

1.2.4 Classification as Current or Non-current

An asset or liability is current if the Group expects to realise or settle it within twelve months of the reporting period.

In addition, cash or cash equivalents, and liabilities which the Group does not have the unconditional right to defer settlement for at least twelve months after the reporting period, are considered current.

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

1.2.5 Presentation currency

These consolidated financial statements are presented in Australian dollars. Amounts included in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated.

1.2.6 Goods and services tax

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). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross GST basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1 About this financial report

1.2 BASIS OF PREPARATION

1.2.7 Going concern

The consolidated financial statements have been prepared on a going concern basis in accordance with AASB 101 *Presentation of Financial Statements*. The Group considered the effect of climate related risks and COVID-19 and noted that there is no impact on the Group's ability to continue as a going concern.

1.2.8 Changes in significant accounting policies

During the year, the Group revised its accounting policy in relation to configuration and customisation costs incurred in implementing cloud computing arrangements (CCA's) in response to the IFRIC agenda decision clarifying its interpretation of how current accounting standards apply to these types of arrangements. The new accounting policy is presented in Note 4.2.

The change in policy has been retrospectively applied and comparative financial information has been restated, as follows:

		30 June 2021		
	Notes	As previously reported \$'000	Adjustment \$'000	Restated \$'000
Consolidated Statement of Profit or Loss:				
Other revenue ¹	2.3	29,220	(165)	29,055
Total revenue		723,830	165	723,995
Supplies and services ¹	2.5	(84,801)	(9,779)	(94,580)
Employee expenses	3.1	(73,033)	(3,031)	(76,064)
Depreciation and amortisation	4.1,4.2,4.3	(90,830)	1,778	(89,052)
Total expenses		(525,914)	(11,032)	(536,946)
Profit before income tax expense		197,916	(11,197)	186,719
Income tax expense	7.1	(59,338)	3,359	(55,979)
Profit for the year		138,578	(7,838)	130,740

¹Includes remapping adjustments made in the current year.

1 About this financial report

1.2 BASIS OF PREPARATION

1.2.8 Changes in significant accounting policies

		30 June 2021		
	Notes	As previously reported \$'000	Adjustment \$'000	Restated \$'000
Consolidated Statement of Financial Position:				
Current assets				
Other assets ¹	8.1	8,720	149	8,869
Total current assets		284,329	149	284,478
Non-current assets				
Intangible assets ²	4.2	44,130	(24,916)	19,214
Other assets	8.1	10,239	685	10,924
Total non-current assets		3,909,023	(24,231)	3,884,792
Total assets		4,193,352	(24,082)	4,169,270
Current liabilities				
Trade and other payables	5.6	103,741	7	103,748
Total current liabilities		159,575	7	159,582
Non-current liabilities				
Deferred tax liability	7.1	207,621	(7,227)	200,394
Total non-current liabilities		1,773,414	(7,227)	1,766,187
Total liabilities		1,932,989	(7,220)	1,925,769
Net assets		2,260,363	(16,862)	2,243,501
Equity				
Retained earnings ³		825,581	(16,862)	808,719
Total equity		2,260,363	(16,862)	2,243,501

¹Includes remapping adjustments made in the current year.

²The adjustment includes \$13,788,680 related to intangibles as at 30 June 2020, plus \$12,905,383 related to additions for the year ended 30 June 2021, less a reduction of \$1,778,045 related to amortisation for the year ended 30 June 2021.

³The adjustment includes \$9,023,799 related to retained earnings as at 30 June 2020, and \$7,838,085 related to profit for the year ended 30 June 2021.

1 About this financial report

1.2 BASIS OF PREPARATION

1.2.8 Changes in significant accounting policies

		30 June 2021		
	Notes	As previously reported \$'000	Adjustment \$'000	Restated \$'000
Consolidated Statement of Cash Flows:				
Payments to suppliers (inclusive of GST) ¹		(304,771)	(11,598)	(316,369)
Payments to employees		(73,067)	(2,160)	(75,227)
Net cash inflow from operating activities	5.3	238,964	(13,758)	225,206
Payments for property, plant and equipment and intangibles ¹		(160,060)	13,826	(146,234)
Payments for investments in associates ¹		(6,274)	(46)	(6,320)
Net cash outflow from investing activities		(165,498)	13,780	(151,718)
Proceeds from lease liabilities ¹		22	(22)	-
Net cash outflow from financing activities		(40,455)	(22)	(40,477)

¹Includes remapping adjustments made in the current year.

1 About this financial report

1.2 BASIS OF PREPARATION

1.2.9 Comparatives

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

1.2.10 Use of estimates and judgements



In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. 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 amount recognised in the consolidated financial statements are described in the following notes:

- Note 1.2 Basis of preparation – Estimation of fair value
- Note 2.1 Utility charges – Estimation of consumption
- Note 2.2 Developer contributions – Fair value estimation of developer contributions (donated assets)
- Note 2.4 Bulk water purchases – Estimation of consumption
- Note 3.4 Employee benefits provision – Leave provision estimations
- Note 4.1 Property, plant and equipment – Fair value estimation of donated property, plant and equipment
- Note 4.1 Property, plant and equipment – Estimated useful lives of property, plant and equipment
- Note 4.2 Intangible assets – Estimated useful lives of intangible assets
- Note 4.3 Right of use assets – Estimation of cost of right of use assets
- Note 4.4 Impairment – Estimation of fair value of non-current assets
- Note 5.4 Trade and other receivables – Receivables expected credit loss estimation
- Note 5.7 Lease liabilities – Judgement and estimation regarding lease liabilities
- Note 6.3 Contingencies – Judgement regarding legal claims
- Note 7.1 Income tax – Deferred tax estimate

1 About this financial report

1.2 BASIS OF PREPARATION

1.2.11 Climate change



Unitywater continues to develop its assessment of the emerging climate-related risks and opportunities that impact the business. Risks include climate extremes such as floods, droughts, heatwaves, bushfires and tidal inundation.

Unitywater assesses the potential impact of the physical risks of climate change in line with Unitywater's Risk Management Framework, through the development of critical plans, including the Drought Management Plan, Emergency Response Plan, Business Continuity Plan, and Water Matters Plan. In limited circumstances, where proposed responses to risks identified in the critical plans are sufficiently mature, they have been incorporated into the forecast cash flows of Unitywater's assets.

Unitywater has established a Sustainability Pathway which focuses on the development of overarching sustainability goals and strategies to reduce our energy consumption and carbon footprint, and to improve the health of our waterways. During the year, Unitywater has commenced development of a detailed Sustainability Plan to achieve the goals outlined in the Sustainability Pathway.

If new risks are identified as part of ongoing climate-related assessment, Unitywater will continue to monitor and assess the impacts as they relate to financial results and the carrying values of assets and liabilities.

1.2.12 COVID-19

COVID-19 has continued to impact some organisations this year, either directly or indirectly. Unitywater is reviewing and assessing the ongoing situation, impacts on financial performance, financial position and cash flows, and responding accordingly. However, at this point in time it has not had a significant impact on Unitywater's financial position and performance to date.

2 Our performance

This section gives further insight into the financial performance of Unitywater by providing details of Unitywater's earnings and costs.

2.1 UTILITY CHARGES

	2022 \$'000	2021 \$'000
Revenue from contracts with customers		
Water access charges	111,139	107,189
Water volumetric charges	233,626	234,685
Sewerage access charges	202,955	200,511
Sewerage volumetric charges	34,454	38,815
Total utility charges	582,174	581,200

Utility revenue comprises variable usage (volumetric) and fixed access charges for the provision of water and sewerage services. It is recognised at the time of supply and customer consumption. Unitywater's performance obligations are met over time as the customer simultaneously receives and consumes the services provided (access to the network and provision of water and sewerage services). Revenue is measured at the price allocated to each service, whether it be access or usage.



Estimation of consumption - Unitywater estimates customer consumption where customer water meters are unread at reporting date. Volumetric estimates are based on historical usage patterns (including consideration of bulk water purchases). Access charge accruals are based upon each customers' access fees for the number of days from the last billing period to the end of the reporting period.

2.2 DEVELOPER CONTRIBUTIONS

	2022 \$'000	2021 \$'000
Revenue from contracts with customers		
Developer contributions – donated assets	78,325	54,723
Developer contributions – cash	70,327	58,687
Total developer contributions	148,652	113,410

Unitywater finances part of its capital works infrastructure program through non-refundable cash contributions from developers. Contributions are also received in the form of donated assets. Cash contributions and donated assets are recognised at a point in time, when network capacity is made available to the developer. This is evidenced by the developer receiving the right to connect to the infrastructure network. Approval to connect constitutes fulfilment of Unitywater's performance obligation in relation to revenue being recognised. Where approval to connect is yet to be given, contributions are shown as a contract liability (refer to Note 5.5 Contract liabilities).



Fair value estimation of developer contributions (donated assets) – The fair value of donated assets is estimated as: the amount that it would cost Unitywater to have the asset constructed (by applying standard market rates by unit), or the total market value of similar assets. This represents the amount recognised as developer contributions – donated assets.

2 Our performance

2.3 OTHER REVENUE

	2022 \$'000	2021 ¹ \$'000
Revenue from contracts with customers		
Fees and charges	8,318	9,643
Private works	11,097	12,366
Other	506	335
	19,921	22,344
Other revenue		
Grants and subsidies	3,704	3,583
Lease revenue	2,294	2,027
Interest	1,129	878
Other	451	223
	7,578	6,711
Total other revenue	27,499	29,055

¹Comparatives restated (see Note 1.2.8).

2.4 BULK WATER PURCHASES

	2022 \$'000	2021 \$'000
Bulk water purchases	203,695	204,560
Total bulk water purchases	203,695	204,560

Bulk water purchases from Seqwater (the sole supplier of bulk water to Unitywater) are recognised as an expense in the period that the water is provided. The price Unitywater pays for bulk water is recommended by the Queensland Competition Authority and determined by the Minister for Regional Development and Manufacturing and the Minister for Water.



Estimation of consumption – Unitywater estimates bulk water consumption where meters are unread at reporting date. Year-end estimates are provided by region, are typically for a short period of between 3 and 14 days, and are based on recent usage patterns for the region. The expense is measured at the estimated volume multiplied by the bulk water price.

2 Our performance

2.5 SUPPLIES AND SERVICES

	2022 \$'000	2021 ¹ \$'000
Materials and services	90,954	93,385
Consultants and legal fees	1,781	1,195
Total supplies and services	92,735	94,580

¹Comparatives restated (see Note 1.2.8).

Supplies and services generally represent the day-to-day running costs incurred in normal operations. They are expensed in the reporting period in which they are incurred.

Consultants are classified according to the Queensland Government Procurement guidance definition.

2.6 OTHER EXPENSES

	2022 \$'000	2021 \$'000
Insurance	1,903	1,615
Audit fees (internal and external) ¹	1,091	690
Adjustment of expected credit losses	(11)	(30)
Indirect tax expenses	2,385	2,306
Loss on disposal of property, plant and equipment	4,345	2,807
Other	1,307	609
Total other expenses	11,020	7,997

¹Total external audit fees quoted by the Queensland Audit Office (QAO) relating to the 2022 consolidated financial statements are estimated to be \$280,000 (2021: \$251,130). Additional costs of \$80,000 regarding 2021 were also recognised in 2022. There are no non-audit services included in this amount.

2 Our performance

2.7 FINANCIAL SUSTAINABILITY

2.7.1 Financial sustainability ratios

The Group seeks to ensure it remains financially sustainable by ensuring that we can meet our financial obligations both current and future, managing and operating our water and sewerage infrastructure in order to meet our customer service obligations, environmental licence conditions and requirements for water quality, and by working to deliver our services to our customers at the lowest cost.

The following ratios reflect measures of financial sustainability and enable comparison with other water sector entities:

- i. Operating ratio – Operating profit before income tax expense expressed as a proportion of total revenue. Ongoing positive results are one factor which indicate that sufficient revenue is being generated to fund operating and future capital expenditure.
- ii. Capital replenishment ratio – Capital expenditure on construction or replacement of non-current assets divided by depreciation expense on non-current assets. An average above one, over time, indicates that assets are being built or replaced at or above the rate the non-current asset base is being depreciated.
- iii. Debt to revenue ratio – Total loans and borrowings divided by total revenue. This indicates the ability to pay principal and interest on borrowings when they fall due, from the funds generated through operations. Based on an optimal gearing ratio of 60%, the benchmark for a water utility debt to revenue ratio would be no more than 3 times.

The consolidated results have been disclosed for the current and comparative year as below:

	2022	2021 ¹
Financial sustainability metrics		
Operating ratio	29%	26%
Capital replenishment ratio	2.6 x	2.3 x
Debt to revenue ratio	2.1 x	2.2 x

¹Comparatives restated as a result of a change in accounting policy (see Note 1.2.8).

3 Our team

This section provides details of the costs of our employees, including key management personnel, and outlines our related obligations for employee benefits.

3.1 EMPLOYEE EXPENSES

	Notes	2022 \$'000	2021 ¹ \$'000
Employee benefits			
Salaries and wages		80,905	79,660
Employer superannuation contribution	3.2	8,416	7,743
Other employee benefits		613	588
		89,934	87,991
Employee related expenses			
Payroll tax		4,360	4,181
Workers compensation premium		789	878
Training		1,561	815
Recruitment		678	440
Other employee expenses		793	596
		8,181	6,910
Less allocations to capital expenditure		(22,415)	(18,837)
Total employee expenses		75,700	76,064

¹ Comparatives restated (see Note 1.2.8).

Employee expenses include costs related to employment. Other employee benefits include directors' fees and redundancy payments. Other employee expenses include fringe benefits tax, conferences and seminars and employee health expenses. They are expensed in the period in which they are incurred unless they are directly attributable to capital projects in which case they are capitalised and depreciated over the life of the asset.

The number of employees as at 30 June including both full time and part time employees measured on a full time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)) is:

	2022	2021
Number of employees	681	690

3 Our team

3.2 SUPERANNUATION

Unitywater contributes to the Local Government Investment Australia Superannuation Scheme (LGIAsuper) for employees under both a defined benefit scheme and an accumulation superannuation scheme. Unitywater has no liability to, or interest in, LGIAsuper other than the payment of the statutory contribution. Contributions are expensed when incurred.

LGIAsuper acquired Suncorp's superannuation business, Suncorp Portfolio Services Ltd (SPSL) during 2022. In addition, LGIAsuper rebranded as Brighter Super from 1 July 2022.

Local Government Investment Australia Superannuation Scheme – LGIAsuper

Unitywater contributes to the LGIAsuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIAsuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the entity level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of Unitywater.

Unitywater may be liable to the scheme for a portion of another entities' obligations should that entity be unable to meet them. However, the risk of this occurring is extremely low and in accordance with the LGIAsuper trust deed, changes to Unitywater's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2021. The actuary indicated that "At the valuation date of 1 July 2021 the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. Unitywater is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages, and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2024.

3 Our team

3.2 SUPERANNUATION



Superannuation risks – The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk – The risk that the scheme’s investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk – The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

Legislative risk – The risk that the cost of providing the benefits will increase as a result of changes to legislation.

The amount of superannuation contributions by superannuation plan type and fund incurred by Unitywater is as follows:

	Notes	2022 \$'000	2021 \$'000
Superannuation plan			
Regional Defined Benefit Fund – LGIASuper		369	416
Accumulation Benefit Fund – LGIASuper		4,733	4,702
Other defined contribution funds		3,314	2,625
Total superannuation contributions	3.1	8,416	7,743

3.3 KEY MANAGEMENT PERSONNEL

3.3.1 Board members

Board members’ remuneration is established under the Participation Agreement and is with the unanimous agreement of the participants. Board members’ fees include fees paid for membership of Unitywater’s Board and relevant Board committees. The Board members who were paid, or were due to be paid from Unitywater were:

	2022 \$	2021 \$
Remuneration		
Michael Arnett	136,451	112,370
Jim Soorley	-	31,228
Sharon Doyle	-	15,898
Mike Williamson	10,945	65,149
Fiona Waterhouse	21,714	63,179
Megan Corfield	68,154	48,728
Sarah Zeljko	68,154	48,728
Chris Hertle	55,335	-
Total board members' remuneration	360,753	385,280

3 Our team

3.3 KEY MANAGEMENT PERSONNEL

3.3.2 Key executive management personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Group during the year. Further information can be found in the body of the Annual Report under the section relating to Our Structure – Our Executive Leadership Team.

Position	Responsibilities
Chief Executive Officer	Accountable to the Board for the overall management and operation of the Group as well as ensuring the successful delivery of the Group's strategic direction.
Chief Financial Officer	Responsible for managing corporate strategy, new business investment strategy, corporate performance, financial reporting, tax, treasury, procurement, pricing and Unitywater's information technology environment.
Executive Manager Sustainable Infrastructure Solutions	Responsible for water and sewerage asset management including planning, design and capital delivery, drinking water quality monitoring, testing and assurance, and development services of Unitywater.
Executive Manager Customer Delivery	Responsible for managing all aspects of the day-to-day operation and maintenance of the water reticulation network, recycled water network, sewage collection network, pumping stations and sewage treatment plants of Unitywater as well as fleet operation, stores and non-regulated private works revenue.
Executive Manager Customer and Community	Responsible for ensuring Unitywater's commercial and regulatory obligations to customers, community and government are met through the effective management and leadership of communications, stakeholder engagement, customer service and revenue assurance.
Executive Manager People Culture and Safety	Responsible for workforce strategy, safety, environmental compliance, quality systems, workplace relations, human resources practices, policies and procedures of Unitywater, business resilience, risk management and legal and governance.

3 Our team

3.3 KEY MANAGEMENT PERSONNEL

3.3.3 Remuneration for key executive management personnel

Remuneration and other terms of employment for Unitywater's key executive management personnel are determined by the Board and specified in individual employment contracts. The contracts provide for the provision of fixed term and performance-related cash payments, including:

- i. Short-term employee benefits:
 - Monetary benefits which include salaries and allowances paid and provided for during the year, performance payments paid during the year, and annual leave entitlements paid and provided for.
 - Non-monetary benefits which relate to allocated parking spaces provided for the executive team.
- ii. Post-employment benefits which consist of superannuation contributions.
- iii. Long term employee benefits which represent long service leave entitlements paid and provided for.
- iv. Termination benefits which consist of additional payments made on termination of employment, such as severance packages.

Performance payments of key executive management are capped at 20% of Fixed Annual Remuneration (FAR). Amounts payable are tied to the achievement of pre-determined and documented organisational, business unit and individual performance targets as agreed by the Board and the Chief Executive Officer. Performance payments require endorsement by the People and Culture Committee and approval by the Board. No other non-cash benefits are provided to executives as the FAR concept captures various benefits structured within a total reward rather than a base salary plus benefits approach.

All remuneration component amounts are reviewed annually and annual increases in remuneration are in accordance with recommendations endorsed by the People and Culture Committee and approved by the Board.

Where employment is terminated due to Unitywater's operational requirements, a redundancy payment is payable in accordance with the *Fair Work Act 2009*. The payment is based on the individual's FAR figure and period of service.

All executives were employed for the entire financial year unless otherwise disclosed.

3 Our team

3.3 KEY MANAGEMENT PERSONNEL

3.3.3 Remuneration for key executive management personnel

Remuneration for key executive management personnel comprises the following components:

1 July 2021 - 30 June 2022

Position	Short term benefits		Post employment benefits ¹	Long term employment benefits	Termination benefits	Total remuneration
	Monetary	Non-monetary				
	\$	\$	\$	\$	\$	\$
Chief Executive Officer (1 July 2021 - 18 February 2022)	308,465	3,511	17,676	(11,541)	105,754	423,865
Acting Chief Executive Officer (19 February 2022 - 30 June 2022)	189,642	1,989	8,333	3,665	-	203,629
Chief Financial Officer (1 July 2021 - 18 February 2022)	280,948	3,511	16,034	8,785	-	309,278
Acting Chief Financial Officer (19 February 2022 - 30 June 2022)	110,065	1,989	10,783	2,167	-	125,004
Executive Manager Sustainable Infrastructure Solutions (1 July 2021 - 28 October 2021)	114,808	1,808	11,784	(11,585)	25,699	142,514
Acting Executive Manager Sustainable Infrastructure Solutions (29 October 2021 - 20 February 2022)	84,615	1,733	3,980	5,767	-	96,095
Executive Manager Sustainable Infrastructure Solutions (21 February 2022 - 30 June 2022)	130,582	1,959	9,002	1,108	-	142,651
Executive Manager Customer Delivery	325,766	5,500	24,058	9,466	-	364,790
Executive Manager Customer and Community	353,268	5,500	24,087	6,225	-	389,080
Executive Manager People, Culture and Safety	324,258	5,500	27,985	11,721	-	369,464
Total remuneration	2,222,417	33,000	153,722	25,778	131,453	2,566,370

¹Post employment benefits includes year end accruals

1 July 2020 - 30 June 2021

Position	Short term benefits		Post employment benefits	Long term employment benefits	Total remuneration
	Monetary	Non-monetary			
	\$	\$	\$	\$	\$
Chief Executive Officer	501,504	5,500	20,994	30,229	558,227
Chief Financial Officer	364,120	5,500	20,904	20,714	411,238
Executive Manager Sustainable Infrastructure Solutions	309,826	5,500	20,722	4,956	341,004
Executive Manager Customer Delivery	306,663	5,500	21,694	4,311	338,168
Executive Manager Customer and Community	274,160	5,500	21,392	18,002	319,054
Executive Manager People, Culture and Safety	292,388	5,500	20,904	11,992	330,784
Total remuneration	2,048,661	33,000	126,610	90,204	2,298,475

3 Our team

3.3 KEY MANAGEMENT PERSONNEL

3.3.4 Performance payments

Individual performance payments are based upon achievement of corporate, business unit and individual targets. The performance assessment process occurs after the end of the financial year when performance reviews are completed and endorsed by the People and Culture Committee and approved by the Board. Payment of performance bonuses occurs in the year following actual performance. Performance bonuses were paid this financial year by 1st December 2021.

The aggregate performance bonuses paid to key executive management personnel are as follows:

	2022 \$	2021 \$
Performance payments paid	283,598	-

3.4 EMPLOYEE BENEFITS PROVISION

	2022 \$'000	2021 \$'000
Current		
Accrued salaries and wages	2,950	2,449
Annual leave liability	7,063	6,677
Long service leave liability	12,164	11,744
Leave in lieu liability	165	149
Total current employee benefits provision	22,342	21,019
Non-current		
Long service leave liability	1,697	1,832
Total non-current employee benefits provision	1,697	1,832

A liability is recognised for benefits accruing to employees for salaries and wages, annual leave, leave in lieu and long service leave up to the reporting date, when it is probable that settlement will be required, and the liability is capable of being measured reliably. Employee benefits are recognised as a current liability where Unitywater does not have an unconditional right to defer settlement of these liabilities.

i. Salaries and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current salary and wage rates in respect of employees' service up to that date.

3 Our team

3.4 EMPLOYEE BENEFITS PROVISION

ii. Annual leave and long service leave

A liability for annual leave and long service leave expected to be settled within 12 months of the reporting date is recognised in respect of employee's service up to the reporting date and is measured at current salary and wage rates and includes related employee on-costs. Leave expected to be settled more than 12 months after the reporting date is measured at the present value of expected future payment eligibility in respect of services provided by employees up to the reporting date. For long service leave, consideration is also given to expected future wage and salary levels, staff retention and periods of service.



Leave provision estimations – Expected future payments relating to such leave are compiled using average oncost rates, uplifted using the Consumer Price Index (CPI), then discounted using the corporate bond market yield at the reporting date and adjusted for historical retention rates where appropriate.

iii. Leave in lieu

A liability for leave in lieu is accrued up to the end of the reporting period and represents the amount unpaid at the reporting date at current salary and wage rates and includes related employee on-costs.

iv. Sick leave

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

4 Our assets

This section outlines the key assets we use to support delivery of our water and sewerage services.

4.1 PROPERTY, PLANT AND EQUIPMENT

4.1.1 Movement in carrying amounts

	Land \$'000	Buildings \$'000	Infrastructure \$'000	Plant and equipment \$'000	Work in progress \$'000	Total \$'000
Cost	53,857	16,786	4,152,648	69,591	166,761	4,459,643
Less accumulated depreciation ¹	-	(2,352)	(695,601)	(28,587)	-	(726,540)
Net book value at 1 July 2020	53,857	14,434	3,457,047	41,004	166,761	3,733,103
Additions	-	-	-	-	144,922	144,922
Transfers from investment property	5	-	-	-	-	5
Transfers from work in progress	872	625	143,097	5,145	(149,739)	-
Donated assets	-	4	57,458	56	-	57,518
Disposals	-	-	(2,669)	(974)	-	(3,643)
Depreciation						
Depreciation expensed	-	(277)	(78,119)	(5,432)	-	(83,828)
Depreciation capitalised	-	(42)	(42)	(596)	-	(680)
Net book value at 30 June 2021	54,734	14,744	3,576,772	39,203	161,944	3,847,397
Cost	54,734	17,458	4,342,662	68,822	161,944	4,645,620
Less accumulated depreciation ¹	-	(2,714)	(765,890)	(29,619)	-	(798,223)
Net book value at 1 July 2021	54,734	14,744	3,576,772	39,203	161,944	3,847,397
Additions	-	-	-	-	174,050	174,050
Transfer to assets held for sale	(128)	-	-	-	-	(128)
Transfers between classes	-	(264)	264	-	-	-
Transfers from work in progress	1,036	96	161,774	6,352	(169,258)	-
Donated assets	-	-	77,063	-	-	77,063
Disposals	-	-	(4,051)	(1,052)	-	(5,103)
Depreciation						
Depreciation expensed	-	(279)	(87,564)	(5,387)	-	(93,230)
Depreciation capitalised	-	(44)	(43)	(669)	-	(756)
Net book value at 30 June 2022	55,642	14,253	3,724,215	38,447	166,736	3,999,293
Cost	55,642	17,290	4,573,961	71,835	166,736	4,885,464
Less accumulated depreciation ¹	-	(3,037)	(849,746)	(33,388)	-	(886,171)
Net book value at 30 June 2022	55,642	14,253	3,724,215	38,447	166,736	3,999,293

¹ Including accumulated impairment losses/reversals.

4 Our assets

4.1 PROPERTY, PLANT AND EQUIPMENT

4.1.1 Movement in carrying amounts

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Items of property, plant and equipment with a total value in excess of the following thresholds are recognised in the year of acquisition:

Asset type	Threshold
Land	\$1
Buildings	\$5,000
Plant and equipment – fleet	\$5,000
Plant and equipment – other	\$1,000
Infrastructure	\$1

Infrastructure assets are defined as a group of separately identifiable assets which, when considered together, are operating to achieve the objectives of the provision of a particular service. For example, individual components of a pumping station.

All infrastructure assets deemed to form part of a major network (for example water supply and sewerage services) will be recorded as an asset regardless of the cost of the individual asset.

i. Initial recognition of property, plant and equipment

Acquisitions of property, plant and equipment are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Constructed assets include the cost of purchased services, materials, direct labour, borrowing costs and an appropriate proportion of overheads attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets under construction not commissioned at the reporting date are reported as work in progress.

Assets donated by developers are initially recorded at fair value when Unitywater obtains control of the assets and then AASB 116 *Property, Plant and Equipment* rules apply after that as if that value had been their cost.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for Unitywater. Costs incurred subsequent to initial recognition are capitalised when the expenditure improves the condition of the asset beyond its originally assessed standard of performance or capacity.


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. Components are separately recorded and valued on the same basis as the asset class to which they relate.

Unitywater's complex assets are its infrastructure distribution networks.

4 Our assets

4.1 PROPERTY, PLANT AND EQUIPMENT

4.1.1 Movement in carrying amounts



Fair value estimation of donated property, plant and equipment – The initial value of donated assets is estimated as: the amount that it would cost Unitywater to have the asset constructed (by applying standard market rates by unit), or the total market value of similar assets.

ii. **Asset valuation**

Property, plant and equipment is measured at historical cost less accumulated depreciation and accumulated impairment losses.

iii. **Depreciation**


Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use. Land is not depreciated as it has an indefinite life.

Property, plant and equipment is depreciated on a straight-line basis over the estimated useful life of each item of property, plant and equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset.

Major spares purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment are reviewed annually and adjusted if appropriate.



The **estimated useful lives** for each class of depreciable assets are:

Buildings	40 - 60 years
Infrastructure assets	
– Water infrastructure assets	10 - 120 years
– Sewer infrastructure assets	5 - 180 years
Plant and equipment	2 - 25 years

iv. **Gains and losses on disposals**

Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the asset at the time of disposal. These gains and losses are included in the Consolidated Statement of Profit or Loss.

4 Our assets

4.2 INTANGIBLE ASSETS

4.2.1 Movement in carrying amounts

	Software ¹ \$'000	Work in progress ¹ \$'000	Total ¹ \$'000
Cost	53,832	2,814	56,646
Accumulated amortisation	(38,545)	-	(38,545)
Net book value at 1 July 2020	15,287	2,814	18,101
Additions	-	5,288	5,288
Transfers from work in progress	5,769	(5,769)	-
Amortisation	(4,175)	-	(4,175)
Net book value at 30 June 2021	16,881	2,333	19,214
Cost	57,457	2,333	59,790
Accumulated amortisation	(40,576)	-	(40,576)
Net book value at 30 June 2021	16,881	2,333	19,214
Additions	-	1,893	1,893
Disposals	(5)	-	(5)
Amortisation	(3,009)	-	(3,009)
Net book value at 30 June 2022	13,867	4,226	18,093
Cost	57,452	4,226	61,678
Accumulated amortisation	(43,585)	-	(43,585)
Net book value at 30 June 2022	13,867	4,226	18,093

¹ Comparatives restated (see Note 1.2.8).

Intangible assets with a cost greater than \$1,000 are capitalised. Subsequent expenditure is capitalised when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

i. Software

Costs associated with the development, implementation or enhancement of on-premise systems and software are capitalised where they meet the definition of and recognition criteria for an intangible asset. The cost of software includes the cost of all materials, direct labour, other directly attributable costs, borrowing costs (if applicable) and an appropriate proportion of overheads attributable during the configuration of the software. These costs are then amortised over the useful life of the software on a straight-line basis.

ii. Cloud computing arrangements (CCA's)

Costs associated with CCA's (which provide the Group with the right to access the cloud providers application software over the contract period) are recognised as an operating expense when the services are received i.e. either at a point in time or over the term of the contract depending on whether the promises set out in the CCA arrangement are separable from other promises within the arrangement. Previously some costs had been capitalised and amortised over the useful life of the software.

4 Our assets

4.2 INTANGIBLE ASSETS

4.2.1 Movement in carrying amounts

iii. Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The useful lives of intangible assets are reviewed annually and adjusted if appropriate.



The estimated useful lives for intangible assets are:
Software 3 - 20 years

4.3 RIGHT OF USE ASSETS

4.3.1 Movement in carrying amounts

	Land \$'000	Buildings \$'000	Total \$'000
Cost	193	21,556	21,749
Less accumulated depreciation	(31)	(13,540)	(13,571)
Net book value at 1 July 2020	162	8,016	8,178
Reassessments ¹	-	22	22
Depreciation			
Depreciation expensed	(4)	(1,045)	(1,049)
Depreciation capitalised	-	(1,127)	(1,127)
Net book value at 30 June 2021	158	5,866	6,024
Cost	193	21,578	21,771
Less accumulated depreciation	(35)	(15,712)	(15,747)
Net book value at 30 June 2021	158	5,866	6,024
Reassessments ¹	8	3,218	3,226
Depreciation			
Depreciation expensed	(5)	(1,033)	(1,038)
Depreciation capitalised	-	(1,174)	(1,174)
Net book value at 30 June 2022	161	6,877	7,038
Cost	201	24,796	24,997
Less accumulated depreciation	(40)	(17,919)	(17,959)
Net book value at 30 June 2022	161	6,877	7,038

¹ CPI adjustments and lease extensions as per lease contracts.

Unitywater leases office premises in the Sunshine Coast and Moreton Bay regions, and wetlands in the Sunshine Coast. A right of use asset is recognised when control of the use of a specific asset for a length of time is conveyed by a lease contract in exchange for consideration. Except in the case of short-term leases or leases of low-value assets (which are expensed through the Consolidated Statement of Profit or Loss), such right of use assets are capitalised at cost on the commencement date of the lease.

4 Our assets

4.3 RIGHT OF USE ASSETS

4.3.1 Movement in carrying amounts



Estimation of cost of right of use assets – The cost of right of use assets comprises the initial lease liability adjusted for initial direct costs, lease payments prior to commencement, lease incentives and estimated make good costs. The assets are subsequently held at cost less accumulated depreciation and impairment losses, and remeasured in line with lease liabilities as a result of CPI adjustments. They are depreciated on a straight-line basis over the lesser of the various lease terms and the assets' estimated useful lives, with any extension clause options being taken up where reasonably certain.

Refer to Note 5.7 Lease liabilities for details of the financing of these assets.

4.4 IMPAIRMENT

4.4.1 Impairment testing

The carrying amounts of Unitywater's non-current assets (including intangible assets and right of use assets) are reviewed annually to determine whether there is any indication of impairment. If there is an indication of impairment, an impairment test is performed to determine whether the assets' carrying value exceeds their recoverable amount. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised as an expense. An impairment loss is reversed when there is an indication the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



Estimation of fair value of non-current assets – The recoverable amount of an asset is the higher of its net selling price (fair value less costs to sell) and the value to be realised through using the assets (value in use). In assessing value in use, the estimated future cash flows are discounted to their present value using a Weighted Average Cost of Capital (WACC) as the discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The fair value of Unitywater's assets has been estimated using an income based approach and assessed against carrying amount.

Unitywater undertook an impairment review during the financial year. Internal indicators of impairment including obsolescence and physical damage, significant changes with an adverse effect and internal reporting concerning economic performance of an asset were considered, together with external sources of information such as changes in technological, market, economic or legal environment, changes in regulated environment, policy and/or legislative changes and market interest rate changes.

Impacts of growth in Unitywater's service region (which drives developer contributions - cash and assets) were assessed against long-term inflation expectations in the impairment review.

Unitywater's review of asset valuation in 2022 concluded that the fair value range remains supportive of the assets' carrying value and hence no impairment is indicated. There are no material indicators of impairment at the time the financial statements were authorised for issue.

Based on this review, no impairment (2021: \$Nil) was recognised in relation to property, plant and equipment, intangibles and right of use assets in the Consolidated Statement of Profit or Loss.

5 Our funding

This section provides information on funding our daily operations and the related costs.

5.1 CAPITAL MANAGEMENT

Unitywater Group manages its finances to maintain a stable and appropriate capital structure given the financial risk profile and regulated nature of its business, whilst delivering returns to its Participating Councils (Moreton Bay Regional Council, Sunshine Coast Council and Noosa Council) and to ensure it can fund its ongoing operations.

Unitywater's capital comprises contributed equity, retained earnings and net debt.

	Notes	Parent 2022 \$'000	Parent 2021 ¹ \$'000
Contributed equity	5.2	1,434,782	1,434,782
Retained earnings		922,464	808,959
Total equity		2,357,246	2,243,741
Borrowings	5.8	1,557,652	1,557,652
Less: cash and cash equivalents	5.3	(133,739)	(135,173)
Net debt		1,423,913	1,422,479
Net capital		3,781,159	3,666,220
Gearing ratio		38%	39%

¹ Comparatives restated as a result of a change in accounting policy (see Note 1.2.8).

The gearing ratio represents the degree to which an entity's activities are funded through debt versus equity. This is calculated by dividing the net debt by the net capital as shown above.

Unitywater's capital usage is monitored using key credit metrics and ratios which also form part of our funding arrangements with Queensland Treasury Corporation (QTC).

	Parent 2022	Parent 2021 ¹
Key credit metrics		
EBITDA ² interest coverage >= 2.5	21.2	20.0
EBIT ³ interest coverage >=1.75	12.1	12.1
Funds from operations interest coverage >= 2.25	16.6	16.7
Net debt to fixed assets <= 60%	7%	7%

¹ Comparatives restated as a result of a change in accounting policy (see Note 1.2.8).

² Earnings before interest, tax, depreciation and amortisation.

³ Earnings before interest and tax.

Unitywater is in compliance with the facility covenants. Its implied credit rating, as determined by QTC, is BBB+. The definition of interest expense and net debt under the Participating Local Government (PLG) Loan Agreements and QTC Master Facility Agreements excludes any debt or interest payable under the PLG Loan Agreements. These metrics also exclude developer contributions (cash and donated assets).

5 Our funding

5.2 EQUITY

5.2.1 Contributed equity

On 1 July 2010, the Moreton Bay Regional Council and the Sunshine Coast Council transferred their water businesses to Unitywater. The transfer comprised assets, liabilities and employees of the participant Councils' water distribution and sewerage operations.

On 19 December 2013, the Minister for Energy and Water Supply approved the amendments to the Participation Agreement required to accommodate Noosa Council as a participant from 1 January 2014.

The resulting participation rights of each council are as follows:

		2022 \$'000	2021 \$'000
Moreton Bay Regional Council	58.24%	835,591	835,591
Sunshine Coast Council	37.51%	538,213	538,213
Noosa Council	4.25%	60,978	60,978
Total contributed equity	100.00%	1,434,782	1,434,782

5.2.2 Participation returns

In accordance with the Restructuring Act, the participating Councils have entered into an agreement (the Participation Agreement) to determine each entity's participation rights in Unitywater Group. The Participation Agreement specifies the participants' rights to participate in a distribution of profits of Unitywater Group in proportion to the percentage set out next to the participant's name in the Register of Participation Rights. During the period from 15 March to 15 April in each financial year, Unitywater Group must give to the participants an estimate of Unitywater Group's net profit for the financial year; and the amount of the participation return to be paid for the financial year, including the amount payable for different participation rights.

A liability for participation return payable is made for the amount of any participation return declared by the Board on or before the end of the financial year but not distributed at the end of the reporting period. A participation return may only be paid out of current year net profits after tax of Unitywater Group (excluding developer contributions in excess of a progressively decaying cap on developer contributions through to 2021-22, because developer contributions are a form of funding for Unitywater's capital expansion). If insufficient adjusted profits are available to meet agreed returns, there is provision for a special dividend to be made.

The following participation returns have been paid or are payable at 30 June 2022:

	2022 \$'000	2021 \$'000
In accordance with the Participation Agreement, an interim participation return was declared on 21 January 2022 and paid on 15 February 2022	19,934	20,365
The Board declared the full year participation return on 28 June 2022	20,469	14,825
Total participation return paid/payable	40,403	35,190
Moreton Bay Regional Council	23,531	20,495
Sunshine Coast Council	15,155	13,199
Noosa Council	1,717	1,496
Total	40,403	35,190

5 Our funding

5.3 CASH AND CASH EQUIVALENTS

	2022 \$'000	2021 \$'000
Cash at bank and on hand	133,739	135,173
Total cash and cash equivalents in the Consolidated Statement of Cash Flows	133,739	135,173

Cash and cash equivalents comprise cash on hand and at bank, cheques received not banked, deposits held on call, and 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.

5.3.1 Reconciliation of cash flows from operating activities

	2022 \$'000	2021 ¹ \$'000
Cash flows from operating activities		
Profit for the year	153,132	130,740
Non-cash items included in operating result:		
Depreciation and amortisation	97,277	89,052
Loss on disposal of property, plant and equipment	4,345	2,807
Donated assets	(77,063)	(57,518)
Share of loss from investments in associates	798	46
Credit losses on trade and other receivables	(11)	(30)
Changes in assets and liabilities:		
Decrease / (Increase) in trade and other receivables	(2,296)	24,470
Increase in inventories held for use	(381)	(1,093)
Decrease / (Increase) in prepayments	228	(478)
(Decrease) / Increase in trade and other payables	(9,700)	17,337
Increase in contract liabilities	10,779	7,452
Increase in employee benefits provision	1,188	28
Decrease in other liabilities	(67)	(282)
Increase in deferred tax liabilities	22,851	12,675
Net cash inflow from operating activities	201,080	225,206

¹ Comparatives restated (see Note 1.2.8).

5 Our funding

5.4 TRADE AND OTHER RECEIVABLES

	2022 \$'000	2021 \$'000
Current		
Trade debtors and accrued receivables	139,273	137,556
Less: expected credit losses	(488)	(559)
	138,785	136,997
GST receivables	3,767	3,342
Other receivables	55	97
Total current	142,607	140,436
Non-current		
Other receivables	1,369	1,233
Total non-current	1,369	1,233
Total trade and other receivables	143,976	141,669

Trade debtors are amounts due from customers for the provision of water, sewerage, trade waste and other services performed in the ordinary course of business. Accrued receivables are recognised for water and sewerage charges and other works and services where performance obligations have been satisfied but not yet invoiced.

Trade and other receivables are initially measured at fair value and are subsequently carried at amortised cost. Trade debtors (from contracts with customers) are generally due for settlement 30 days from invoice date and are therefore classified as current. Overpayments are reclassified to contract liabilities (see Note 5.5). Other receivables are due in accordance with their contractual terms.

Trade debtors are generally interest-bearing once they become due.



Receivables expected credit loss estimation – Collectability of trade receivables is reviewed on an ongoing basis with provision being made for impairment based on expected credit losses. This estimate considers future cash flows with regard to historical credit loss experience as well as forecast market outlook based on a provision matrix methodology. Individual debts that are uncollectible are written off when identified after obtaining the appropriate level of authorisation. Generally, trade receivables are written off where an amount is considered to be unrecoverable (i.e. bad debt, not economical to pursue, unable to locate customer or negotiated settlement). Movements in expected credit losses are recognised as an expense.

5 Our funding

5.4 TRADE AND OTHER RECEIVABLES

	2022 \$'000	2021 \$'000
Movement in expected credit losses		
Opening balance	559	621
Decrease in provision	(71)	(62)
Closing balance	488	559

Ageing of impaired, as well as unimpaired financial assets is disclosed in the following table:

	Expected Credit Loss Rate %	Gross \$'000	Expected Credit Losses \$'000	Total \$'000
Trade and other receivables				
2022				
Accrued receivables	0.02%	95,410	16	95,394
Current billed	0.01%	38,184	5	38,179
Past due 0-30 days	0.08%	4,802	4	4,798
Past due 31-60 days	0.35%	1,136	4	1,132
Past due 61-90 days	0.64%	782	5	777
More than 91 days	10.94%	4,150	454	3,696
Total trade and other receivables		144,464	488	143,976
2021				
Accrued receivables	0.02%	93,251	16	93,235
Current billed	0.02%	37,074	6	37,068
Past due 0-30 days	0.08%	4,798	4	4,794
Past due 31-60 days	0.35%	2,308	8	2,300
Past due 61-90 days	0.69%	871	6	865
More than 91 days	13.22%	3,926	519	3,407
Total trade and other receivables		142,228	559	141,669

5 Our funding

5.5 CONTRACT LIABILITIES

	2022 \$'000	2021 \$'000
Opening balance	32,495	25,043
Previously deferred revenue recognised during the period	(22,644)	(14,872)
Additional revenue deferred during the period	34,610	24,499
Refunds of balances previously deferred	(1,187)	(2,175)
Closing balance	43,274	32,495
Current	43,274	31,495
Non-current	-	1,000
Total contract liabilities	43,274	32,495

Contract liabilities represent customer receipts for which performance obligations have yet to be met. The majority of this balance reflects developer contributions/deposits where the right to connect has yet to be given (see Note 2.2 for details). Obligations are generally met within 12 months of receipt of the funds.

In addition, refundable infrastructure offsets are also recognised as a contract liability where construction of the asset has been lawfully completed or in accordance with the agreement with the developer.

5.6 TRADE AND OTHER PAYABLES

	2022 \$'000	2021 ¹ \$'000
Current		
Trade creditors	21,328	21,474
Participation return payable	20,469	14,825
Interest payable	14,727	15,928
Accrued expenses	45,273	39,777
Income tax payable	2,992	8,995
Other	2,930	2,749
Total trade and other payables	107,719	103,748

¹ Comparatives restated (see Note 1.2.8).

Trade and other payables represent the value of goods and services provided to Unitywater prior to the end of the financial year that remain unpaid. Trade and other payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase price less any applicable discounts. Generally, amounts owing are unsecured and are settled on 30-day terms or as contractually/legally required.

5 Our funding

5.7 LEASE LIABILITIES

	2022 \$'000	2021 \$'000
Lease liabilities		
Current	2,332	2,258
Non-current	5,347	4,727
Total lease liabilities	7,679	6,985

Discounted lease payments are recognised as lease liabilities at the commencement date of the lease. In determining the present value of the lease payments, Unitywater has used its incremental borrowing rate since the implied interest rate is not able to be readily determined. Subsequently, interest at this rate is added to the lease liability, and payments deducted, in order to reflect the carrying value of the lease liability. Where lease contracts incorporate CPI escalations, the lease liability and its corresponding right of use asset are adjusted to take this into account once the impact is known.

The total cash outflow for leases in 2022 was \$2,748,886 (2021: \$2,677,536).



Judgement and estimation regarding lease liabilities – The lease liability reflects an estimate of the present value of the lease payments since CPI adjustments are not accounted for until confirmed and the discounting is based on Unitywater's incremental borrowing rate. Management has used judgement when considering whether extension options will be exercised.

Refer to Note 4.3 Right of use assets for details of the assets covered by these leases.

5.8 BORROWINGS

5.8.1 Borrowing costs

	2022 \$'000	2021 \$'000
Interest on loans	59,095	64,566
Interest on lease liabilities	105	152
Other interest	-	(25)
Total borrowing costs	59,200	64,693

Borrowing costs comprise interest expense and related fees on bank overdrafts, short-term and long-term borrowings. They are recognised as an expense using the effective interest method in the period in which they are incurred. Borrowing costs that are not settled in the period in which they arise are accrued as interest payable. Where material, borrowing costs directly attributable to a specific capital project that takes more than 12 months to prepare for its intended use, are added to the cost of those assets.

No borrowings were used to directly fund capital projects in 2022 (2021: \$Nil).

5 Our funding

5.8 BORROWINGS

5.8.2 Composition of borrowings

	2022 \$'000	2021 \$'000
Non-current		
Participating Councils		
Subordinated debt	1,160,652	1,160,652
Queensland Treasury Corporation		
Portfolio linked loan	397,000	397,000
Total borrowings	1,557,652	1,557,652

Borrowings are initially recognised at fair value, net of any transaction costs directly attributable to the borrowings, and then subsequently held at amortised cost using the effective interest method. Borrowing costs that are not settled in the period in which they arise are accrued as interest payable.

No assets have been pledged as security for any liabilities. All borrowings are in Australian dollar denominated amounts and carried at amortised cost. The fair value of the loans and borrowings subsequently measured at amortised cost is set out in Note 6.1. There have been no defaults or breaches of the loan agreements during the 2022 financial year (2021: none).

Principal repayments for debt funding with Queensland Treasury Corporation and the Participating Councils are due at the end of the life of the loans as per their terms and conditions. Participating Councils' loans have a 20-year term, terminating on 30 June 2033 with an extension clause of 10 years. Debt is subordinated to Queensland Treasury Corporation with variable interest rates set annually on a portfolio-based approach. The maturity profile is disclosed in Note 6.1 along with Unitywater's other financial liabilities.

The weighted average interest rate on borrowings for the year is 3.79% (2021: 4.13%). Interest payments are made quarterly in arrears. For 2022, the rates ranged from 2.89% to 4.10% (2021: 3.03% to 4.51%).

5 Our funding

5.8 BORROWINGS

5.8.2 Composition of borrowings

Sensitivity analysis for variable rate instruments

The following sensitivity analysis depicts the outcome to profit and loss if interest rates would change by +/- 1% from the year end rates applicable to Unitywater'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, except for the current year financial liabilities which assume periodic refinancing.

	Net carrying amounts \$'000	Interest rate risk			
		-1%	+1%	-1%	+1%
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2022					
Financial assets	133,730	(1,337)	(1,337)	1,337	1,337
Financial liabilities	(1,557,652)	799	799	(784)	(784)
Sensitivity (net)	(1,423,922)	(538)	(538)	553	553
2021					
Financial assets	135,117	(1,351)	(1,351)	1,351	1,351
Financial liabilities	(1,557,652)	808	808	(785)	(785)
Sensitivity (net)	(1,422,535)	(543)	(543)	566	566

5.8.3 Financing arrangements at balance date

	2022 \$'000	2021 \$'000
Unitywater has access available at balance date to the following facilities:		
Bank overdraft	50	50
Credit card	750	750
Working capital	50,000	50,000
Loans	1,557,652	1,557,652
Total facilities	1,608,452	1,608,452
Facilities not utilised at balance date:		
Bank overdraft	50	50
Credit card	724	740
Working capital	50,000	49,998
Total facilities not used	50,774	50,788

6 Our financial risks

This section outlines the valuation methodologies for our financial instruments, the framework used to manage the financial risks to our business, as well as our commitments and potential commitments.

6.1 FINANCIAL RISK FRAMEWORK

6.1.1 Financial instruments

Financial instruments are classified and measured as follows:

Financial instrument	Initial measurement	Subsequent measurement
Cash and cash equivalents	Fair value	Amortised cost
Trade receivables and lease receivables	Fair value	Amortised cost
Investments in associates	Cost	Cost plus/minus profits/losses
Payables	Fair value	Amortised cost
Borrowings	Fair value net of directly attributable transaction costs	Amortised cost (using the effective interest method)
Lease liabilities	Present value of unpaid lease payments at commencement date	Adjusted for lease payments, interest and lease modifications

Unitywater classifies its financial assets at amortised cost because they are held to collect contractual cash flows and those cash flows are solely principal and interest.

Financial assets are derecognised if the contractual rights to the cash flows from the financial assets expire, if the financial asset is transferred to another party without retaining control, or substantially all risks and rewards of the asset are transferred. Financial liabilities are derecognised if the obligations specified in the contract expire or are discharged or cancelled.

Borrowing costs that are not settled in the period in which they arise are accrued as interest payable.

Unitywater does not enter into transactions for speculative purposes, or for hedging.

6.1.2 Categorisation of financial instruments

Unitywater has the following categories of financial assets and financial liabilities:

Category	Notes	2022 \$'000	2021 ¹ \$'000
Financial assets			
Cash and cash equivalents	5.3	133,739	135,173
Trade and other receivables	5.4	140,209	138,327
Other assets	8.1	5,476	6,274
Total financial assets		279,424	279,774
Financial liabilities			
Trade and other payables	5.6	107,719	103,748
Lease liabilities	5.7	7,679	6,985
Borrowings	5.8	1,557,652	1,557,652
Total financial liabilities		1,673,050	1,668,385

¹ Comparatives restated (see Note 1.2.8).

GST is excluded from trade and other receivables as it does not arise from a contract with the ATO and is therefore not a financial asset.

6 Our financial risks

6.1 FINANCIAL RISK FRAMEWORK

6.1.3 Financial risk management

Risk management framework

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board established the Audit and Risk Committee, which is responsible for developing and monitoring risk management policies. The committee reports regularly to the Board on its activities.

Exposure to financial risks is managed in accordance with Unitywater'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 Group.

Risk exposure

The activities of Unitywater Group expose it to a variety of financial risks as set out below.



Credit risk is the risk of financial loss to Unitywater Group if a customer or another party fails to meet its obligations.

Unitywater Group is exposed to credit risk through its customers, investments with the Queensland Treasury Corporation (QTC) and deposits held with banks. It uses ageing analysis to measure this risk (see Note 5.4).

Unitywater has a concentration of credit risk from receivables due from its customers. The QTC Cash Fund is an asset management portfolio with investments in a wide variety of high credit rating counterparties. Deposits are capital guaranteed.

In respect of trade and other receivables, Unitywater is obliged to service all customers in its service area without regard to customer credit quality. Unitywater manages credit risk in accordance with its Credit Management Policy, which outlines credit collection processes, continuing service provision whilst minimising risks associated with fulfilling payment requirements, customer awareness regarding the use of appropriate payment options and plans to reduce likelihood of non-payment and provisions for those customers suffering genuine financial hardship. Exposure to credit risk is monitored on an ongoing basis.

With regard to cash and cash equivalents, Unitywater only deals with creditworthy counterparties and recognised financial intermediaries as a means of mitigating the risk of financial losses from default. Unitywater's Investment and Cash Management Policy provides a high-level framework which prescribes the credit rating of counterparties.

The maximum exposure to credit risk at 30 June 2022 in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provision for impairment (see Notes 5.3 and 5.4).

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

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

6 Our financial risks

6.1 FINANCIAL RISK FRAMEWORK

6.1.3 Financial risk management



Liquidity risk is the risk that Unitywater may encounter difficulty in meeting obligations associated with financial liabilities which are settled by delivering cash or another financial asset.

Unitywater is exposed to liquidity risk through its trading in the normal course of business, and through borrowings from the QTC for its working capital requirements. It uses maturity analysis to measure this risk (see below).

Unitywater manages its exposure to liquidity risk due to unexpected volatility in cash flows, by maintaining sufficient cash deposits as well as short and long-term borrowing facilities.

The following table sets out the liquidity risk of financial liabilities held by Unitywater at reporting date. It represents the contractual maturity of financial liabilities, including interest payments, calculated based on undiscounted cash flows.

	Financial liabilities				
	Carrying amount	Cash flow payable in			Total cash flows
		\$'000	<1 year \$'000	1-5 years \$'000	
2022					
Trade and other payables	107,719	107,719	-	-	107,719
PLG loans	1,160,652	46,803	186,169	1,451,412	1,684,384
QTC borrowings	397,000	11,365	45,339	397,000	453,704
Lease liabilities	7,679	2,812	5,438	295	8,545
Total financial liabilities	1,673,050	168,699	236,946	1,848,707	2,254,352
2021¹					
Trade and other payables	103,748	103,748	-	-	103,748
PLG loans	1,160,652	48,776	190,347	1,505,525	1,744,648
QTC borrowings	397,000	11,464	45,815	397,000	454,279
Lease liabilities	6,985	2,706	4,719	291	7,716
Total financial liabilities	1,668,385	166,694	240,881	1,902,816	2,310,391

¹ Comparatives restated (see Note 1.2.8).

6 Our financial risks

6.1 FINANCIAL RISK FRAMEWORK

6.1.3 Financial risk management



Market risk – Unitywater’s market risk is primarily in relation to interest rate risk. This is the risk that a value of a financial instrument or cash flow associated with the instrument will fluctuate due to changes in market interest rates.

Unitywater is exposed to interest rate risk through its borrowings from QTC and Participating Councils, investment with QTC and cash deposited in interest-bearing accounts. It uses sensitivity analysis to measure this risk (see Note 5.8).

Unitywater does not trade in foreign currency and is not materially exposed to commodity price changes.

Unitywater manages this part of its portfolio by setting, monitoring and adjusting the terms and duration of its loan portfolio as allowed under its commercial financing contract, with QTC and the Participating Councils such that the desired interest rate risk exposure can be constructed.

6.1.4 Fair value

Unitywater Group does not carry any financial assets or financial liabilities at fair value.

Cash, trade and other receivables, and payables are carried at amortised cost which is assumed to approximate fair value – the value of the original transaction, less any allowance for impairment.

Borrowings are carried at amortised cost using the effective interest method. Fair value of interest-bearing borrowings is notified by QTC. It is calculated based on discounted expected future cash flows. The fair values of the borrowings, together with the carrying amounts, are as follows:

	Carrying amount \$'000	Fair value \$'000
2022		
Participating Councils		
Subordinated loans	1,160,652	1,124,367
QTC borrowings		
Portfolio linked loan	397,000	376,541
Total borrowings	1,557,652	1,500,908
2021		
Participating Councils		
Subordinated loans	1,160,652	1,410,921
QTC borrowings		
Portfolio linked loan	397,000	428,257
Total borrowings	1,557,652	1,839,178

6 Our financial risks

6.2 COMMITMENTS

6.2.1 Leases as lessor

Finance leases

Leases in which Unitywater Group transfers substantially all of the risks and rewards of ownership to another party are classified as finance leases. Unitywater Group does not at present have any such leases.

Non-cancellable operating leases

Where leases do not transfer substantially all of the risks and rewards of ownership, they are classified as operating leases. In this respect, Unitywater leases commercial property to businesses as well as other sites to telecommunication carriers for installation and operation of mobile telecommunication facilities. Commitments to Unitywater under non-cancellable operating leases at reporting date are receivable as follows:

	2022 \$'000	2021 \$'000
Within one year	1,635	1,721
Between one and five years	4,896	4,335
More than five years	13,427	4,502
Total commitments – leases as a lessor	19,958	10,558

6.2.2 Capital expenditure commitments

Material classes of capital expenditure commitments contracted for at reporting date but not recognised in the accounts as payable are as follows:

	2022 \$'000	2021 ¹ \$'000
Property, plant and equipment		
Within one year	77,422	37,445
One year and no later than five years	65,629	11,610
More than five years	461	-
Total commitments	143,512	49,055
Intangibles		
Within one year	354	56
One year and no later than five years	114	4
Total commitments	468	60

¹ Comparatives restated as a result of a change in accounting policy (see Note 1.2.8). The restatement resulted in a reduction to Intangibles due within one year of \$1,262,986.

6.3 CONTINGENCIES

Legal claims



Judgement regarding legal claims – There is currently a dispute with a Unitywater contractor in relation to a design and construct contract. Both parties are seeking compensation. Unitywater has filed a legal claim in July 2022. Unitywater does not admit liability.

6.4 SUBSEQUENT EVENTS

In July 2022, Unitywater filed a legal claim against a contractor in relation to a design and construct contract, see Note 6.3. There have been no other subsequent events to date that may significantly affect the operations of Unitywater or materially impact the consolidated financial statements.

7 Our tax

This section breaks down our costs and obligations regarding income tax.

7.1 INCOME TAX

7.1.1 Income tax expense

Unitywater Group is subject to the Local Government Tax Equivalents Regime (LGTER). Under the LGTER, Unitywater Group is required to make income tax equivalent payments to the Participating Councils in accordance with the requirements of its Participation Agreement.

Income tax equivalent expense (referred to as income tax expense) on the Consolidated Statement of Profit or Loss comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, less any instalments paid and any adjustment to tax payable in respect of the previous year. Taxable income differs from profit before tax reported in the Consolidated Statement of Profit or Loss, as it excludes items of income and expense that are taxable or deductible in other years, and also excludes any items that will never be taxable or deductible. Unitywater Group's liability for current tax expense is calculated using tax rates enacted at balance date.

The Group has formed an income tax consolidated group consisting of Headworks Australia Pty Ltd, Unitywater Properties Pty Ltd and their subsidiaries (see Note 8.4 for details). Unitywater is the head entity of the tax consolidated group.

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly owned entities in the case of a default by the parent entity, Unitywater.

The Group has also entered into a tax funding agreement under which the wholly-owned entities fully compensate Unitywater for any current tax payable assumed and are compensated by Unitywater for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Unitywater under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements. The amounts receivable/payable under the tax funding agreement are due upon payment by the parent entity of those liabilities and are subject to the parent entity providing to the wholly owned entities satisfactory evidence of that payment. The wholly owned entities shall promptly pay to the parent entity that contribution amount and the parent entity shall promptly pay to the relevant wholly owned entities, amounts receivable by them under the funding arrangement.

7 Our tax

7.1 INCOME TAX

7.1.1 Income tax expense

	2022 \$'000	2021 ¹ \$'000
Income tax expense recognised in consolidated profit or loss		
Current tax expense		
Current income tax charge	42,715	43,217
Adjustments for current income tax of prior years	-	87
Current tax expense	42,715	43,304
Deferred tax expense		
Deferred income tax charge	22,851	12,675
Adjustments for current income tax of prior years	-	-
Deferred tax expense	22,851	12,675
Total income tax expense	65,566	55,979
Reconciliation of effective tax rate		
Consolidated profit before income tax expense	218,698	186,719
Income tax expense at 30%	65,610	56,016
Cancellation of carried forward losses upon forming a tax consolidated group	36	-
Non-deductible expenses	11	33
Change in unrecognised temporary differences subject to initial recognition exemption	(91)	(70)
Income tax expense	65,566	55,979

¹ Comparatives restated (see Note 1.2.8).

7 Our tax

7.1 INCOME TAX

7.1.2 Deferred tax assets and liabilities



Deferred tax estimate – Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on 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. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse. A deferred tax asset is recognised for unused tax losses, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets 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 deferred tax liabilities have been offset as there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on Unitywater Group.

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2022 \$'000	2021 ¹ \$'000	2022 \$'000	2021 ¹ \$'000	2022 \$'000	2021 ¹ \$'000
Property, plant and equipment	-	-	(217,303)	(196,252)	(217,303)	(196,252)
Right of use assets	-	-	(2,112)	(1,807)	(2,112)	(1,807)
Prepayments	-	-	(251)	(40)	(251)	(40)
Employee benefits	6,419	6,137	-	-	6,419	6,137
Other provisions and accruals	196	348	-	-	196	348
Lease liabilities	2,478	2,270	-	-	2,478	2,270
Accrued revenue	-	-	(387)	(374)	(387)	(374)
Other items	465	134	(12,750)	(10,810)	(12,285)	(10,676)
Tax asset/(liability)	9,558	8,889	(232,803)	(209,283)	(223,245)	(200,394)
Set off	(9,558)	(8,889)	9,558	8,889	-	-
Net tax liability	-	-	(223,245)	(200,394)	(223,245)	(200,394)

¹Comparatives restated (see Note 1.2.8).

7 Our tax

7.1 INCOME TAX

7.1.3 Movements in deferred tax assets and liabilities

	Assets		Liabilities		Net	
	2022 \$'000	2021 ¹ \$'000	2022 \$'000	2021 ¹ \$'000	2022 \$'000	2021 ¹ \$'000
Opening balance	8,889	8,647	(209,283)	(200,234)	(200,394)	(191,587)
Adjustment on change in accounting policy SaaS	-	-	-	3,868	-	3,868
Restated opening balance	8,889	8,647	(209,283)	(196,366)	(200,394)	(187,719)
Current year's income tax equivalent expense	669	242	(23,520)	(12,917)	(22,851)	(12,675)
Closing balance	9,558	8,889	(232,803)	(209,283)	(223,245)	(200,394)

¹ Comparatives restated (see Note 1.2.8).

7.1.4 Unrecognised deferred tax liabilities

Deferred tax liabilities have not been recognised in respect of the following:

	Liabilities	
	2022 \$'000	2021 \$'000
Depreciating assets transferred from Councils on 1 July 2010	(10)	(51)
Employee provisions transferred from Councils on 1 July 2010	(81)	(19)
Tax liability	(91)	(70)

As part of the restructure of the water entities, the Sunshine Coast and Moreton Bay Regional Councils transferred assets and employee leave provisions to Unitywater on 1 July 2010. The requirements of the initial recognition exceptions in relation to these assets and liabilities were satisfied such that any temporary differences arising on the acquisition of the transferred assets and leave balances were not recognised; and no temporary differences are recognised in the current period, or future periods in relation to these assets and leave balances.

8 Other

This section covers remaining assets and liabilities of our business as well as disclosures to assist in understanding our consolidated financial statements.

8.1 OTHER ASSETS

	2022 \$'000	2021 ¹ \$'000
Current		
Prepayments	5,438	5,603
Inventories held for use (cost)	3,647	3,266
Non-current assets held for sale	128	-
Total other current assets	9,213	8,869
Non-current		
Prepayments	622	685
Investments in associates	5,476	6,274
Investment property	3,965	3,965
Total other non-current assets	10,063	10,924

¹ Comparatives restated (see Note 1.2.8).

An amount of \$2,903,357 (2021: \$3,883,898) of inventory was recognised as an expense during the year.

8.2 OTHER LIABILITIES

	2022 \$'000	2021 \$'000
Current		
Unearned revenue	880	932
Security deposits and retentions	115	118
Other payables	-	12
Total other current liabilities	995	1,062
Non-current		
Provision for restoration	582	582
Total other non-current liabilities	582	582

8 Other

8.3 RELATED PARTIES

8.3.1 Transactions and balances with Participating Councils

	Moreton Bay Regional Council		Sunshine Coast Council		Noosa Council		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue								
Utility charges	5,673	6,480	4,822	4,454	809	943	11,304	11,877
Developer contributions	474	(2,743)	-	256	-	-	474	(2,487)
Other revenue	2,107	2,131	1,203	707	613	326	3,923	3,164
	8,254	5,868	6,025	5,417	1,422	1,269	15,701	12,554
Expenses								
Supplies and services	78	137	79	583	9	126	166	846
Interest on loans	27,758	30,534	17,810	19,592	2,018	2,219	47,586	52,345
Taxation equivalents	26,214	26,479	16,884	17,054	1,913	1,932	45,011	45,465
Participation returns	23,531	20,495	15,155	13,199	1,717	1,496	40,403	35,190
	77,581	77,645	49,928	50,428	5,657	5,773	133,166	133,846
Amounts receivable								
Utility charges	682	777	576	681	109	105	1,367	1,563
Other receivables	345	58	109	69	172	1	626	128
	1,027	835	685	750	281	106	1,993	1,691
Contract liabilities								
Revenue deferred during the period	168	402	43	-	43	-	254	402
	168	402	43	-	43	-	254	402
Amounts payable								
Interest payable	6,940	7,633	4,453	4,898	504	555	11,897	13,086
Supplies and services	2	-	-	-	-	-	2	-
Taxation equivalents	3,079	6,497	1,983	4,184	225	474	5,287	11,155
Participation returns	11,921	8,634	7,678	5,561	870	630	20,469	14,825
	21,942	22,764	14,114	14,643	1,599	1,659	37,655	39,066
Borrowings								
Loans	677,025	677,025	434,409	434,409	49,218	49,218	1,160,652	1,160,652
	677,025	677,025	434,409	434,409	49,218	49,218	1,160,652	1,160,652

Amounts owing are unsecured and are expected to be settled in cash.

8 Other

8.3 RELATED PARTIES

8.3.2 Transactions with associate entities

Associate	Nature of payments	2022 \$'000	2021 \$'000
Pipe Management Australia Pty Ltd	Revenue from lease of property	64	68
Pipe Management Australia Pty Ltd	Maintenance of water and sewerage assets	2,329	979
Pipe AI Pty Ltd	Software services	120	-

8.3.3 Key management personnel transactions

A number of the Board members and executive management personnel hold positions in other entities that may result in them having control or significant influence over the financial or operating policies of those entities. Resulting related party transactions with Unitywater are conducted at arm's length, on normal commercial terms, in line with Unitywater's Conflict of Interest Policy.

8.4 GROUP STRUCTURE

The Unitywater Group consists of the following Australian incorporated entities:

Name of entity	Principal activity	Interest held by the Group	
		2022	2021
Northern SEQ Distributor-Retailer Authority trading as Unitywater	Water and sewerage services		
Unitywater Properties Pty Ltd ¹	Property investment	100%	100%
Unitywater Properties No.2 Pty Ltd ¹	Property investment	100%	0%
Headworks Australia Pty Ltd ¹	Holding company	100%	100%
WTCC Pty Ltd ¹	Water and sewerage services	100%	0%
Pipe AI Pty Ltd ²	Software services	30%	30%
Utility Management Group Pty Ltd ²	Holding company	24%	24%
Pipe Management Australia Pty Ltd ²	Water and sewerage services	24%	24%
IC Pipes Pty Ltd ²	Water and sewerage services	24%	24%
UMG Assets Pty Ltd ²	Water and sewerage services	24%	24%

¹ Consolidated subsidiary

² Equity accounted associate

All the above entities have fully paid up ordinary share capital. Ownership interests are a direct reflection of voting rights. Unitywater supports its subsidiaries to ensure they can meet their obligations when they fall due.

8 Other

8.5 NEW AND REVISED ACCOUNTING STANDARDS

At the date of authorisation of the financial report, the following Australian accounting standards and interpretations which could potentially have an impact on Unitywater Group's Financial Statements have been issued but were not yet effective as at 30 June 2022. None of these have been early adopted and their impacts on the consolidated financial statements are not expected to be material. All other Australian accounting standards and interpretations with future effective dates are not applicable.

Standard/Interpretation	Application date for Unitywater
AASB 2020-3 <i>Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments</i>	1 July 2022
AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i>	1 July 2022
AASB 2021-7a <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 And Editorial Corrections</i>	1 July 2022
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	1 July 2023
AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 July 2023
AASB 2021-5 <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 July 2023
AASB 2021-6 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	1 July 2023
AASB 2021-7b <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 And Editorial Corrections</i>	1 July 2023
AASB 2021-7c <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 And Editorial Corrections</i>	1 July 2025

Unitywater applies standards and interpretations in accordance with their respective commencement dates.

Management Certificate for the year ended 30 June 2022



Certificate of Unitywater Group for the year ended 30 June 2022

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

- i. the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- ii. the consolidated financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Unitywater Group for the financial year ended 30 June 2022 and of the financial position of the Group at the end of that year; and

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.

Michael Arnett
BCom, LLB

Chairman

Signature

Date: 17 August 2022

Pauline Thomson
BBus (Ace), FCPA, GAICD

Chief Financial Officer

Signature

Date: 17 August 2022

INDEPENDENT AUDITOR'S REPORT

To the Board of Northern SEQ Distributor-Retailer Authority trading as Unitywater

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Northern SEQ Distributor-Retailer Authority and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the group's financial position as at 30 June 2022, 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 consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory 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 group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the group 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 group'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 group or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- 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 group's transactions and account balances to enable the preparation of a true and fair financial report.



Vaughan Stemmett
as delegate of the Auditor-General

18 August 2022

Queensland Audit Office
Brisbane



Ground Floor
33 King Street
Caboolture QLD 4510
PO Box 953
Caboolture QLD 4510
1300 086 489
unitywater.com

Mr Robert Hearn
DRDMW
Level 3, 1 William St
Brisbane Qld 4000

Dear Robert,

I am pleased to submit for presentation to the Parliament the Annual Report 2021-2022 and financial statements.

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 111.

Yours sincerely

Michael Arnett
Chairman of Board, Unitywater
06 September 2022

Summary of compliance

	Summary of requirement	Basis for requirement	Annual Report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Page 110
Accessibility	Table of contents	ARRs – section 9.1	Page 4 and Page 50
	Glossary	ARRs – section 9.1	Page 113
	Public availability	ARRs – section 9.2	Page 2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Page 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Page 2
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	Introductory information	ARRs – section 10	Page 2
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	Page 8; Page 23; Page 27; Page 32; and Page 38
	Agency objectives and performance indicators	ARRs – section 11.2	Pages 9-11, Pages 15-16
	Agency service areas and service standards	ARRs – section 11.3	Page 9, Pages 15-16, Page 19
Financial performance	Summary of financial performance	ARRs – section 12.1	Page 20
Governance – management and structure	Organisational structure	ARRs – section 13.1	Page 43
	Executive management	ARRs – section 13.2	Page 44
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Page 36
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Page 40
	Human rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	Page 41

Summary of compliance *continued*

	Summary of requirement	Basis for requirement	Annual report reference
Governance – risk management and accountability	Risk management	ARRs – section 14.1	Page 39
	Audit committee	ARRs – section 14.2	Page 39
	Internal audit	ARRs – section 14.3	Page 39
	External scrutiny	ARRs – section 14.4	Page 40
	Information systems and recordkeeping	ARRs – section 14.5	Page 40
	Information Security attestation	ARRs – section 14.6	Page 40 but no attestation per se
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	Page 32
	Early retirement, redundancy and retrenchment	<i>Directive No.04/18 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Page 35
Open Data	Statement advising publication of information	ARRs – section 16	Page 2
	Consultancies	ARRs – section 31.1	data.qld.gov.au Page 40
	Overseas travel	ARRs – section 31.2	data.qld.gov.au Page 40
	Queensland Language Services Policy	ARRs – section 31.3	N/A
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Page 106
	Independent Auditor’s report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Page 107
Definitions	FAA <i>Financial Accountability Act 2009</i> FPMS <i>Financial and Performance Management Standard 2019</i> ARRs <i>Annual report requirements for Queensland Government agencies</i>		

Glossary

Term	Meaning
CEO	Chief Executive Officer
EWOQ	Energy and Water Ombudsman Queensland
GL	Gigalitre, which is 1 billion litres
IPA	Information Privacy Act
ISO	International standards developed by the International Organization for Standardization to ensure that products and services are safe, reliable and of good quality
ML	Megalitre, which is 1 million litres
Participation Agreement	Sets out the rights of our participating councils and Unitywater's obligations to these councils
Participating councils	The Moreton Bay Regional Council, Sunshine Coast Council and Noosa Council, with whom Unitywater has a Participation Agreement
QCA	Queensland Competition Authority
R&D	Research and development
RTI	Right to Information Act
Sewage	Waste discharged from sinks, drains, toilets and appliances such as dishwashers and washing machines
Sewerage	The infrastructure network used to receive, store, transport and treat sewage
SEQ	South East Queensland
STP	Sewage Treatment Plant



Unitywater

Serving you today,
investing in tomorrow.

-
-  unitywater.com
 -  1300 086 489
Emergencies and Faults 24 hours
Customer Service: 8am - 5pm,
Mon - Fri (except public holidays)
 -  Unitywater, PO Box 953, Caboolture QLD 4510
 -  Customer Service Counters 8.30am - 4.30pm,
Mon - Fri (except public holidays)
6 -10 Maud Street, Maroochydore QLD 4558
33 King Street, Caboolture QLD 4510

Unitywater has certification to
OH&S ISO 45001: 2018 Reg No 50000079
Environmental ISO 14001: 2015 Reg No 500000079
Quality ISO 9001: 2015 Reg No 500000079
Food Safety ISO 22000: 2018 Reg No 500000079

