

The information contained in this annual report is for general information purposes only and is not to be used as an official copy. A hard copy can be obtained from Lower Burdekin Water's office situated at 112 Airdmillan Road, Ayr.

TABLE OF CONTENTS

1. Introduction	3
1.1 Introductory Information	3
1.2 Agency Role and Main Functions	3
1.3 Operating Environment	4
1.3.1 Administration	4
1.3.2 General	5
1.3.3 Review of Operations	5
1.3.4 Capital Works	9
1.3.5 Review of Proposed Forward Operations	12
2. Non-Financial Performance	13
2.1 Government Objectives for the Community	13
2.2 Other Whole-of-Government Plans/Specific Initiatives	13
2.3 Objectives and Performance Indicators	13
2.4 Service Areas and Service Standards	14
3. Financial Performance	14
3.1 Summary of Financial Performance	14
4. Governance-Management and Structure	15
4.1 Organisational Structure	15
4.2 Executive Management	15
4.3 Government bodies (statutory bodies and other entities)	16
4.4 Public Sector Ethics Act 1994	16
4.5 Human Rights	16
5. Governance – Risk Management and Accountability	16
5.1 Risk Management	16
5.2 Audit Committee	16
5.3 Internal Audit	17
5.4 External Scrutiny	17
5.5 Information systems and recordkeeping	17
6. Governance – Human Resources	18
6.1 Workforce Planning and Performance	18
6.2 Early Retirement, Redundancy and Retrenchment	18
7. Open Data	18
7.1 Consultancies	19
7.2 Overseas Travel	19
7.3 Queensland Language Services Policy (QLSP)	19
8. Financial Statements	19
8.1 Remuneration Disclosures	19

1. Introduction

1.1 Introductory Information

Lower Burdekin Water ("LBW") is a category two (2) water authority under the Queensland Water Act 2000 and was established under the Queensland Water Regulation 2002 on 18 February 2015.

LBW's vision is to a progressive water service provider delivering sustainable water resources for stakeholder and environmental benefit through collaborative partnerships.

LBW's purpose is to sustainably distribute water within and around the authority area for aquifer recharge and stakeholder supply.

1.2 Agency Role and Main Functions

Lower Burdekin Water

112 Airdmillan Road

PO Box 720

Ayr QLD 4807

Phone Number: 07 4783 1988

Fax Number: 07 4783 1264

Email: admin@lowerburdekinwater.com.au

Website: www.lowerburdekinwater.com.au

Contact Officer: David Sartori, Executive Officer, Lower Burdekin Water

LBW has an authority area of approximately 76,000 hectares, is shown on plan AP22327 and is comprised of a northern and southern division.

LBW was formed from an amalgamation of the North and South Burdekin Water Boards, which were both originally constituted by Orders in Council on the 13th May, 1965 and 31st March, 1966 respectively. The original constitutions of the former North and South Burdekin Water Boards were to constitute Water Areas and Boards to construct, maintain and administer proposed works to fulfil the purpose of the Boards. The North and South Burdekin Water Board Areas were shown on plans AP7349 and AP6512 respectively. The areas of the Northern and Southern Burdekin Water Boards were constituted to utilise part of the flow of the Burdekin River to replenish the subterranean water supplies of the northern and southern parts of the Burdekin Delta and to thereby increase the quantity and improve the quality of supply available from this source for irrigation, domestic, stock and industrial purposes.

The objectives of LBW as set out in the LBW Governance Policy are:

- a) Safety and wellbeing of people.
- b) Engaged and productive workforce.
- c) Aquifer health management.
- d) Engaged and informed stakeholders.
- e) Proactive and transparent governance.
- f) Financial sustainability.
- g) Asset reliability.
- h) Ecological function.

The functions of the Authority as set out in the LBW Governance Policy are:

- i) to primarily replenish, recharge, manage, distribute and protect groundwater and surface water in the LBW authority area to the extent permitted by law for the purpose of maintaining ground water levels and to restrict/limit salt water intrusion by the promotion of the conjunctive use of surface water and groundwater;
- j) to represent the interests of ratepayers and customers in the authority area to the extent necessary to achieve the authority's objectives;
- k) to engage in water activities outside the LBW authority area, provided those water activities do not –
 - i. limit the authority's ability to perform its primary function; or
 - ii. financially prejudice the authority or its ratepayers or customers;

- l) to generate revenue, including by levying rates and charges upon ratepayers and customers;
- m) to construct, acquire, own, operate and maintain infrastructure for the purposes of water distribution and aquifer replenishment and recharge;
- n) to establish and maintain services of a commercial or non-commercial nature in accordance with the purposes of the authority;
- o) to carry out research and development in areas that will add value and/or improve the long term sustainability and health of the Burdekin aquifer and LBW authority area, and inform ratepayers and customers of the best practice for water use for the services provided by the authority;
- p) to borrow money and to secure funds in accordance with all legislative and regulatory requirements for the purposes of the authority and so as to enable the authority to carry out its functions;
- q) to expend money for the purposes of the authority and to enable the authority to carry out its functions.

LBW is a registered Service Provider under the Queensland Water Supply (Safety and Reliability) Act 2008 holding registration number SPID 571. LBW makes and levies rates and charges on ratepayers and customers within and outside of its authority area.

LBW reports to the Department of Regional Development, Manufacturing and Water (“DRDMW”).

Details and copies of the annual report are available on LBW’s website and at LBW offices.

1.3 Operating Environment

1.3.1 Administration

Summary details of Ordinary and Special Meetings/Inspections

Ordinary Meetings	
Board Meetings	11
Board Committee Meetings	15
Special Meetings/Inspections	27
Total	53

Details of Attendance at Conferences and Workshops

Staff and directors attended the following conferences and workshops during the reporting period:

- NRM Plan Advisory Panel – NQ Dry Tropics.
- Ramsar Management Advisory Panel – NQ Dry Tropics.
- Customer Reference Group – SunWater.
- Burdekin Customer Advisory Committee – SunWater.
- Burdekin Falls Dam Raising Project Community Reference Group – SunWater.
- Women in Sugar Conference – Women in Sugar Burdekin Inc.

The Chairman and Executive Officer of LBW also participate in the Burdekin Water Futures (BWF) group. The BWF group’s mission is ‘to support a long-term, strategic, whole-of-system approach to understanding and managing the LBW water resources and associated systems, and thereby deliver long-term economic, social and environmental outcomes that ensure the region’s sustainability’.

Policy

The following new policies were implemented by LBW during the reporting period.

- Privacy Policy
- Risk Appetite and Tolerance Statements

LBW also reviewed and implemented updates, where required, to various existing policies during the reporting period.

Improvements

During the 2020-21 financial year LBW continued to prepare for the implementation of a new Enterprise Resource Planning (“ERP”) software. LBW’s new system went live on 1 July 2022 and will enable LBW to consolidate many administrative and finance functions into one system.

LBW invested in two new additional automated water control gates within its water delivery system during the 2020-21 financial year. This investment is aimed at reducing operational hazards and improving water level and flow control within the water delivery system to enhance service standards and operational efficiencies.

1.3.2 General

LBW employed Cohen Legal for legal matters including acquisition and disposal of easements, debt recovery processes, commercial, native title, legislation and policy advice as well as contractual and industrial relations matters. The total amount paid to Cohen Legal during the 2020-21 financial year was \$65,077.94 (inc. GST). Specific details of fees paid by LBW to Cohen Legal during the reporting period are shown in Appendix 3.

1.3.3 Review of Operations

Benefits from Recharge Operations

LBW owns 255,000 ML of medium priority Water Allocation Entitlements (“WAE”), which it diverts from the Burdekin River via its six river pump stations. The water is distributed throughout LBW’s authority area via its network of pipelines, water channels and natural lagoons. The water is used to replenish the large coastal aquifer beneath LBW’s authority area and to supply water for irrigations of crops.

Replenishment of the aquifer is accomplished by pumping water into modified natural waterways, purpose-built channels and artificial recharge pits and allowing the water to percolate into the groundwater system under gravity. Fresh water contained in the aquifer is used by farmers to irrigate crops, residents for stock and domestic purposes and industry. The Burdekin Shire Council also sources water from the aquifer to supply potable water to the townships of Ayr, Brandon and Home Hill.

Given the close proximity to the Coral Sea, maintaining a freshwater head within the aquifer is crucial to prevent saltwater intrusion and long-term degradation of the groundwater system.

Additional to the aquifer recharge operations, LBW allow its customers to pump open water directly from water channels and lagoons. Open water is taken by customers under either a permit, licence or water supply agreement and is metered by LBW. Supply of open water to customers reduces demand on the aquifer and assists in conserving and managing underground water levels and improving the quantity and quality of water available within the aquifer.



Figure 1: Water Distribution Channel

Natural Recharge

Rainfall at the Burdekin Shire Council gauging station measured a total of 892mm for the 2021-22 financial year and is about 10% below the median (999mm) and 15% below the mean (1054mm) annual rainfall for the region.

Unlike most years about 25% of the rain was received in the first half of the financial year with the remainder being spread relatively evenly throughout the final six-month period. The rain events within the authority area enabled large quantities of water to soak directly into the ground to recharge the aquifer. The natural recharge and reduced irrigation demand from the rainfall assisted in maintaining healthy groundwater levels within the authority area as shown in Figure 2.

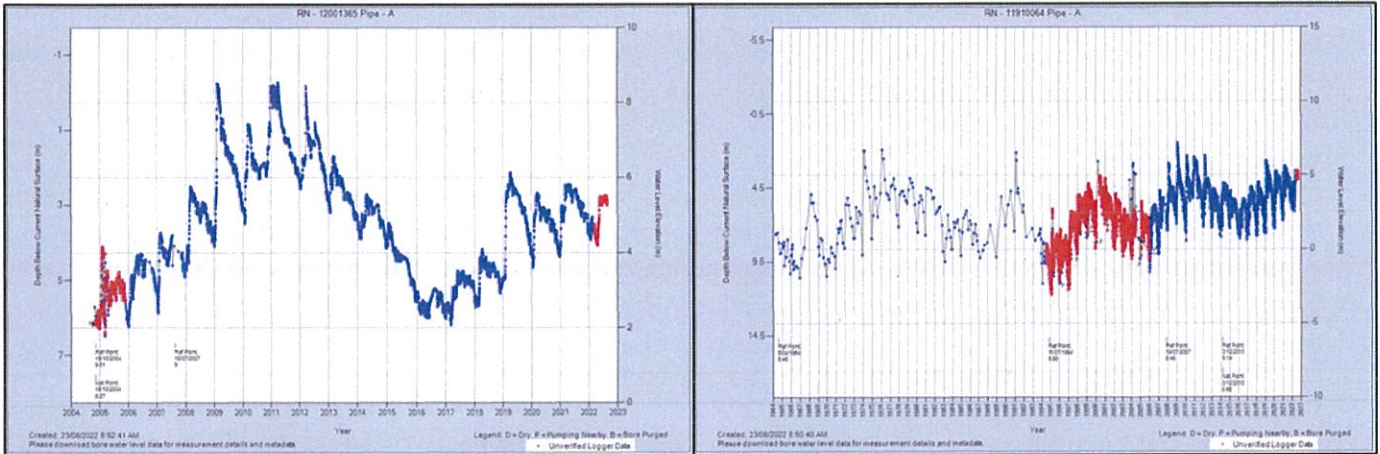


Figure 2: Ground Water Level vs Rainfall Within LBW Authority Area - Homestead Rd and Bowie Rd

LBW’s authority area and the Burdekin River catchment received reasonable rain which caused the Burdekin River to run in January 2021 causing the Burdekin Falls Dam to fill and over top. The water levels within the Burdekin River rose to just above 4.5m at the Clare gauging station. A second rain event was recorded in May which caused the Burdekin River to rise just above 7.5m at the Clare gauging station. The highest peak volume discharge within the Burdekin River at the Clare gauging station during the financial year was measured at approximately 350,000 megalitres (“ML”) per day. The elevated river levels assisted with replenishment of the aquifer during the reporting period. The river levels and daily flow rates with the Burdekin River measured by the Queensland Government at the Clare Guage Station are shown in Figure 3.

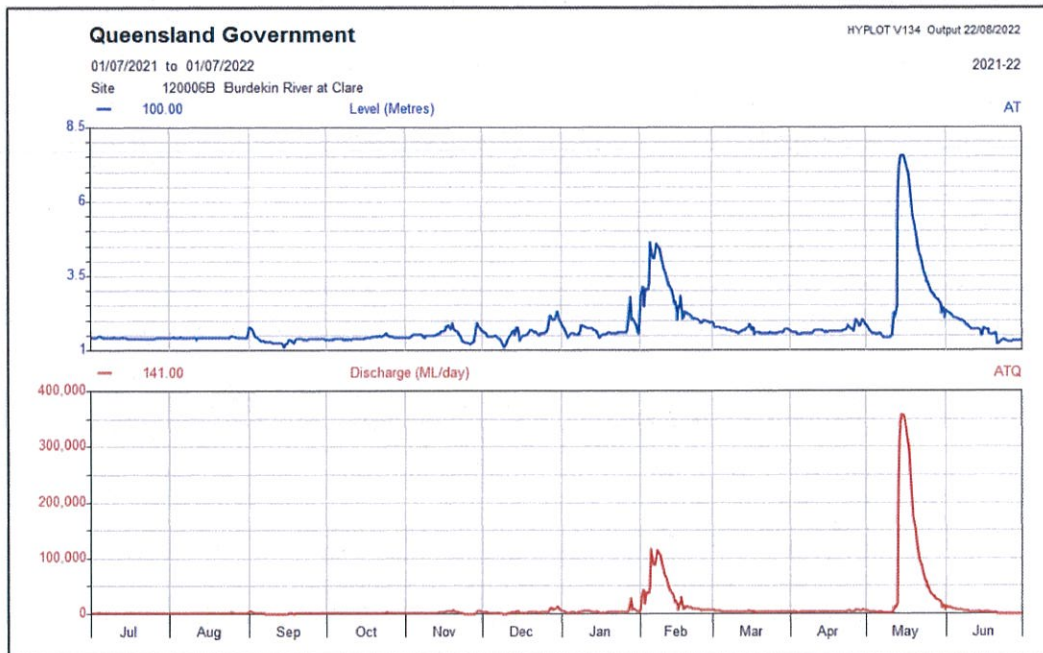


Figure 3: Burdekin River - Water Levels and Discharge (Source Queensland Government Water Monitoring Information Portal)

Artificial Recharge

Figure 4 shows that water levels behind the Burdekin Falls Dam (“BFD”) steadily fell during the first half of the financial year, rose sharply and over topped the spillway in late January 2022. Water levels behind BFD remained high and above the spillway for most of the remainder of the financial year. LBW’s announced Water Allocation entitlement (water available) to distribute within its authority area for aquifer replenishment and open water supply was 100% for the financial year.

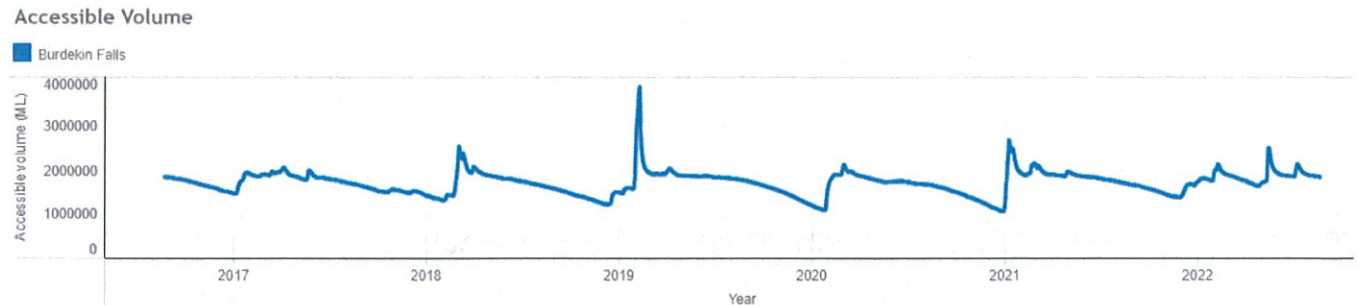


Figure 4: BFD Water Levels (Source Bureau of Meteorology Website)

Turbidity levels within the Burdekin River varied during the financial year and effected LBW’s artificial aquifer recharge operations. Recharge activities were halted once turbidity levels within the Burdekin River increased significantly following the January rain and high flow event within the river.

LBW’s ability to pump water from the Burdekin River was negatively impacted by elevated river levels in late January, early February, and May 2022. Despite the impacts on pumping ability during these months, local rainfall assisted in maintaining adequate water levels within channel systems and natural lagoons within the area.

Irrigation demand within the authority area during the first half of the financial year was high, due to periods of hot and dry conditions. Hot and dry conditions returned in late February through to April 2022 and groundwater levels fell during this period. Irrigation demand during the last quarter of the financial year was significantly reduced following rainfall received during that period. Groundwater levels recovered following the onset of the wet season in 2022 and remained high for the rest of the financial year.

The river pumping summaries shown in Table 1 and 2 below confirms a total of 192,507 ML of water was diverted from the Burdekin River through LBW’s pumping infrastructure during the financial year. Open water pumped by ratepayers and other customers with access to open water totalled 149,901 ML for the full financial year.

Table 1: Pumping Summary - Northern Division Individual Pump Stations and Totals

Month	Rocks	Plantation	Rita Island	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Jul	2,664	4,280	1,099	8,043	6,996	9,025	9,452	10,442	499	6,356	9,386
Aug	3,266	4,346	1,253	8,864	6,639	9,789	10,630	11,517	8,054	7,779	5,170
Sep	2,019	2,800	834	5,653	11,580	11,205	15,065	10,196	11,621	9,685	10,806
Oct	5,639	8,480	1,749	15,869	17,609	19,623	15,961	8,332	14,036	13,414	14,140
Nov	3,372	4,630	1,380	9,382	20,234	18,039	20,238	18,490	21,634	15,968	20,390
Dec	4,916	6,234	1,802	12,952	19,419	28,323	10,485	18,157	24,390	18,164	22,183
Jan	6,176	7,518	1,965	15,659	1,045	17,415	12,372	13,972	8,555	17,297	11,726
Feb	3,785	4,390	1,209	9,384	7,219	5,225	1,654	13,666	17,488	16,835	16,042
Mar	5,630	8,225	2,016	15,871	5,675	4,996	3,500	5,440	5,106	5,920	17,628
Apr	4,360	6,475	1,412	12,247	2,197	10,410	4,787	8,678	10,249	14,513	17,942
May	0	0	0	0	4,372	6,591	7,159	11,180	8,819	16,706	13,934
Jun	619	518	0	1,137	5,360	711	5,803	5,901	2199	6,805	8,215
Totals	42,446	57,896	14,719	115,061	108,346	141,352	117,106	135,971	132,650	149,442	167,562

Table 2: Pumping Summary - Southern Division Individual Pump Stations and Totals

Month	Warrens Gully	McDowells	Down River	2021 2022	2020 2021	2019 2020	2018 2019	2017 2018	2016 2017	2015 2016	2014 2015
Jul	2,325	2,074	116	4,515	4,064	5,045	7,585	5,974	0	4,836	7,451
Aug	2,548	1,935	724	5,207	4,689	4,173	5,399	5,170	4,873	4,618	4,332

Sept	1,158	2,170	295	3,623	8,845	6,659	7,721	6,892	7,172	6,020	7,329
Oct	4,262	4,810	1,340	10,412	9,884	8,510	8,240	4,087	7,891	7,955	8,814
Nov	3,332	3,952	766	8,050	11,719	11,708	10,917	9,924	9,330	10,035	10,187
Dec	3,188	4,609	1,276	9,073	11,479	11,143	7,087	12,930	10,799	10,239	11,741
Jan	3,664	4,123	1,248	9,035	1,994	10,316	7,036	10,888	6,757	7,808	4,771
Feb	2,178	4,427	997	7,602	5,510	3,054	1,534	7,991	9,097	9,421	9,810
Mar	3,442	5,740	1,601	10,783	3,935	4,582	2,037	1,203	7,000	4,740	12,454
Apr	2,381	3,975	793	7,149	1,322	6,870	2,704	3,436	6,980	10,198	9,692
May	210	223	10	443	3,670	5,204	2,450	6,261	2,318	9,453	10,555
Jun	904	650	0	1,554	1,922	667	4,334	4,287	1490	5,145	2457
Totals	29,592	38,688	9,166	77,446	69,033	77,931	67,044	79,043	73,707	90,468	99,593

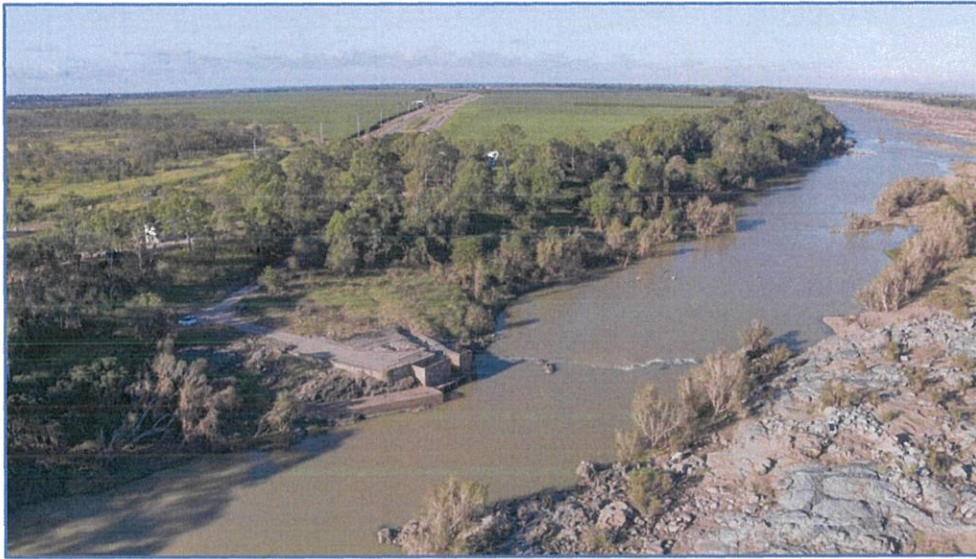


Figure 5: The Rocks Pumpstation on the Burdekin River

Opportunities and Challenges

LBW faced several challenges throughout the 2021-22 financial year. These challenges were:

- The removal of the Code for Self-assessable Development Temporary Waterway Barrier Works from the state planning regulation with no consultation from relevant authorities. The removal of this code created a major problem for LBW and the ongoing construction of the temporary sand diversion structures. LBW made two separate development applications for constructing a waterway barrier works and continues to work with the State Assessment and Referral Agency and Department of Agriculture and Fisheries to resolve the issue. The first application was approved during the reporting period. Assessment of the second application will continue into the 2022-23 financial year.
- COVID19 – Managing the numerous restrictions and health risks associated with the Coronavirus (COVID19) pandemic while continuing to supply services and complete major capital projects was ongoing during the financial year.
- Capital Works. LBW received significant funding to design and construct new water infrastructure. The window for construction was relatively tight due to the new infrastructure being located within the Burdekin River and Warrens Gully channel system. Significant resources were deployed to progress the major project through to construction during the 2021-22 financial year. Further details are provided in section 1.3.4.
- LBW have partnered with the Australian Research Council, Flinders University, Monash University, Charles Darwin University and the Queensland University of Technology in a three-year agreement to undertake groundwater research within the Burdekin Delta. The research project will cover four main research areas:

1. Influence of seawater intrusion on the Delta groundwater resource and the risk to this resource from sea-level rise and changing rainfall patterns;
2. Predicting groundwater response (particularly for that part of the Authority Area influenced by seawater intrusion) to different irrigation allocation scenarios (i.e., exclusive surface water allowance/use vs. exclusive groundwater allowance/use vs. conjunctive use);
3. Influence of the Burdekin River on groundwater recharge and potential impacts to recharge as a result of the modification of existing (Burdekin Falls) / construction of new dams (Urannah and Hell's Gate) in upstream areas;
4. Efficacy on LBW infrastructure (e.g. recharge pits, delivery channels, sand dams) on groundwater recharge including estimates of the benefitted area of recharge.

Matters of Interest

Native Title Claim

LBW is a party to an application for Native Title filed by the Bindal People #2 in the Federal Court. LBW owns and operates water distribution infrastructure on Queensland Government State lands within the relevant claim. Granting of Native Title (the connection to the land remains at issue at this stage) will require LBW to obtain access to continue its operations either by Court or preferably by an indigenous land use agreements. LBW will remain involved in the proceedings until either the application is dismissed or granted as the Court sees fit.

PFAS

On 25 May 2018, Queensland Health received results from water samples taken from groundwater bores located in Ayr which supplied part of the town's drinking water. Those results showed levels of polyfluoroalkyl substances ("PFAS") contamination above Australian drinking water quality guidelines. The Burdekin Shire Council undertook further testing with the results of that testing being received on 30 May 2018. The Queensland Government website (www.qld.gov.au/environment/pollution/management/disasters/investigation-pfas/sites/ayr) states that as at 10 September 2020 further water sampling was being conducted to "better understand the situation".

LBW made an application under the Right To Information Act for information regarding the water sampling and any other investigations undertaken into the location, cause and possible movement of the PFAS contamination identified in or about May 2018 and any other testing and investigations undertaken since that time so that it could consider the contamination and any potential effect it may have on its stakeholders. The application was successful and received relevant information from the Department of Environment and Science ("DES") as well as the Queensland Fire and Emergency Services ("QFES") in relation to this matter. Further correspondence was made between QFES and LBW during the 2021-22 financial year in relation to progress of the off-site investigation in Ayr. LBW considers this a watching brief with the responsibility for further investigation work and communications currently resting with DES and QFES.

Burdekin Water Plan

The current Water Plan (Burdekin Basin) 2007 is due to expire on 1 September 2023. It is anticipated that the current plan will undergo a review and consultation process prior to its expiry. LBW will actively engage and participate in the review process during the coming years.

These matters remain ongoing at 30 June 2022.

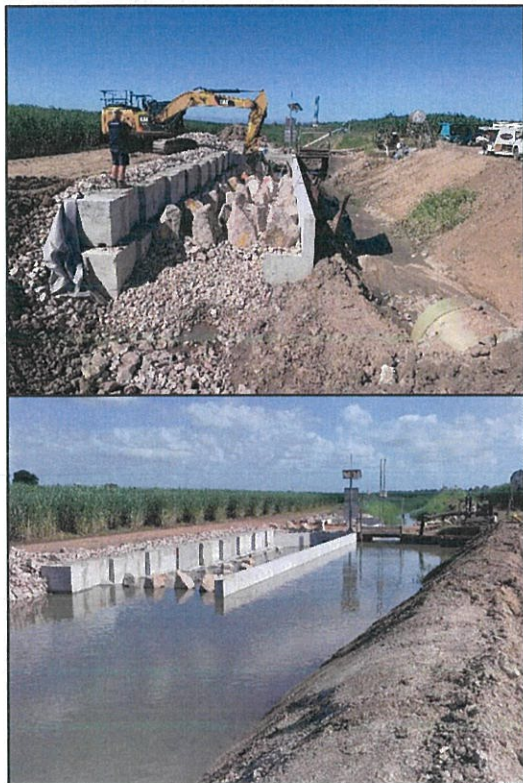
1.3.4 Capital Works

The capital projects undertaken by LBW during the 2021-22 financial year are set out below.

Infrastructure

A number of large capital infrastructure projects were undertaken by LBW during the reporting period to address a range of issues within its water distribution system which includes reducing workplace health and safety risks,

increasing system capacity, improving water control and ecological function and reducing energy consumption and water usage. The infrastructure projects were:



Castelanelli Fishway in Sheepstation Creek.

A new fishway was constructed adjacent to an existing water control gate. The new fishway will enable fish to swim around the water control gate over a range of flows in Sheepstation Creek.

Figure 6 Capital works infrastructure project: during and after Construction of the Castelanelli Fishway.

Warrens Gully System Capacity Upgrade Project.

This is a significant water infrastructure upgrade project, which is being completed with the assistance of a \$4.76M capital grant from the National Water Grid Fund. The project involves the design and construction of a new river pump station and capacity upgrades to existing road crossings and an inverted siphon. The total investment is approximately \$11.5M and is due for completion in June 2023.

The project will remove existing capacity constraints during peak demand periods, improve aquifer recharge capabilities and enable an expansion in irrigated agriculture within and around LBW's authority area.

The design works and tendering and award were completed in the first half of the financial year. Construction works for the project commenced in May 2021 and will continue into 2023. Despite, delays associated with unseasonal rain in May, construction activity is on track to be completed as planned.



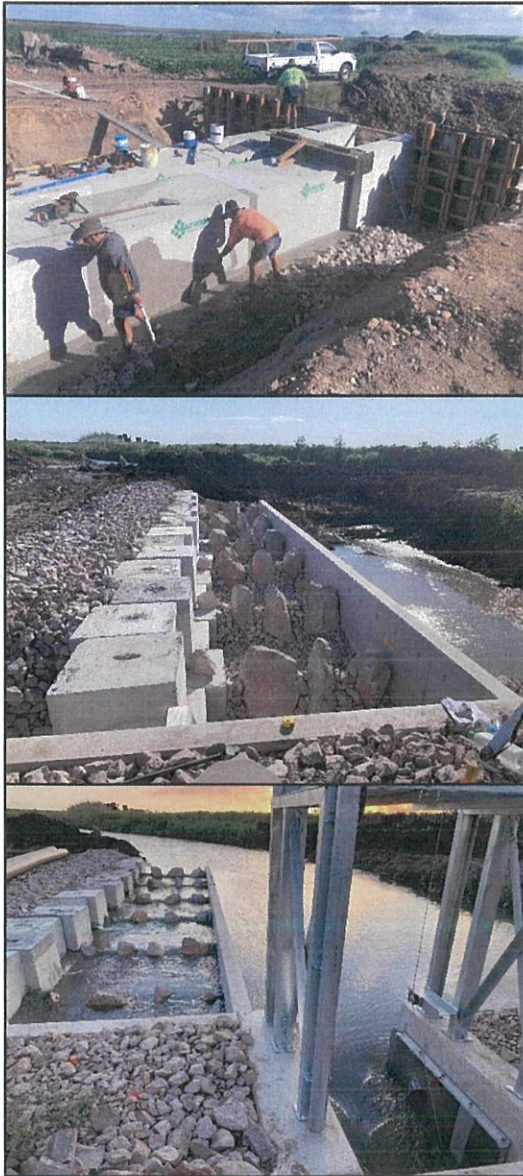
Figure 7: Capital works infrastructure project: Construction of the Warrens Gully Pump Station outlet structure, new inverted siphon and Barry Road culvert crossing.



Pump Station Variable Speed Drive Upgrades.

New variable speed drives were retrofitted to four existing pumps stations within LBW's distribution system. The new drives will enable LBW adjust the flow rate of the pump stations and optimise power consumption at each station.

Figure 8: Capital works infrastructure project: Osborne Pump Station variable speed drive.



McAllister Road Automated Gate and Fishway

This project involves replacing the existing timber water flow control structure and culverts with a new, automated aluminum gate from AWMA Water Control Solutions and constructing a new fishway to provide better control of water flow, fish connectivity and reduce occupational health and safety hazards.

Figure 9: Capital works infrastructure project: During and after construction of new McAllister Road Automated Water Control Gate and Fishway

Plant and Equipment

A new chemical spray unit, two new ridged Tyne excavator rakes and multiple new open water meters were purchased and commissioned by LBW during the reporting period as part of its asset renewals.

1.3.5 Review of Proposed Forward Operations

LBW has developed and approved the 2022 - 2026 strategic plan for the organisation. The objectives for the organisation are:

1. Safety and wellbeing of people;
2. Engaged and productive workforce;
3. Aquifer health management;
4. Engaged and informed stakeholders;
5. Proactive and transparent governance;
6. Financial sustainability;
7. Asset reliability; and
8. Ecological function.

The objectives are supported by a number of strategies set out in LBW's 2022 to 2026 strategic plan which is published on LBW's website at <https://lowerburdekinwater.com.au/documents/>

Operationally, the business will continue to deliver routine water delivery and aquifer recharge services and perform administration and maintenance activities. Service delivery activities will remain similar to previous years with the erection of temporary sand diversion structures within the Burdekin River, ongoing channel maintenance, aquifer recharge activities, reporting, administration, pumping and distribution of river water throughout the authority area will remain the focus of the operational staff at LBW.

There are no further borrowings proposed for the 2022-23 financial year from the Queensland Treasury Corporation ("QTC"). LBW's budgeting process has considered all expenses to maintain the services and complete the capital works. LBW has reviewed and approved its rates and charges for the next twelve months. The current revenue regime is sufficient to cover all anticipated expenses and the entity has adequate reserve funds to cover unforeseen/urgent expenditure.

2. Non-Financial Performance

2.1 Government Objectives for the Community

During the 2021-22 financial year, LBW continued to provide essential aquifer recharge and water distribution services for its ratepayers, customers and the wider community. These services are critical to local industry and underpin the long-term sustainability and prosperity of the community and region.

LBW provides services that meet the government objective of protecting the environment, such as ensuring sustainable management of natural resources.

The Government's full objectives for the community can be found at:

<https://www.qld.gov.au/about/how-government-works/objectives-for-the-community>

2.2 Other Whole-of-Government Plans/Specific Initiatives

Where applicable, LBW provides services that are consistent with whole-of-government plans and specific initiatives addressing particular issues for Queensland.

2.3 Objectives and Performance Indicators

LBW's objectives, for the 2021-22 financial year as listed in its 2020-21 to 2024-25 strategic plan, are:

1. Safety and wellbeing of people;
2. Engaged and productive workforce;
3. Manage aquifer recharge and efficient water delivery services to stakeholders.;
4. Engage and inform stakeholders;
5. Proactive and transparent governance;
6. To be financially sustainable with a focus on controlling costs;
7. Provide reliable services; and
8. Maintain and improve wetland ecosystem function.

LBW measures its achievement of these objectives by reviewing and monitoring its strategies and key performance indicators, consistent with method outlined in the strategic plan.

LBW met the majority of its performance targets for the 2021-22 financial year for the following objectives:

- Safety and wellbeing of people.
- Engaged and productive workforce.
- Manage aquifer recharge and efficient water delivery services to stakeholders.
- Engage and inform stakeholders.
- Proactive and transparent governance.
- Financial sustainability while delivering services at the lowest possible cost.

- Provide reliable services.

LBW did not meet its performance targets set for the 2021-22 financial year for the following objectives:

- Maintain and improve wetland ecosystem function.

While the performance targets for this objective were not met, progress towards achieving the metrics were made during the financial year. The performance targets which were not achieved related specifically to:

- Compliance with SCADA system design, procurement and installation schedule and water quality and fish passage sampling.
- Water way barrier Plan.
- Adherence to maintenance strategy development program.

These projects have been carried over to the 2022-23 financial year for completion.

With regard to the entity's longer-term objectives, where performance targets were not achieved this reporting period, LBW has reviewed its business requirements and strategies which are documented in its strategic plan for the 2022-23 financial year.

LBW pursues its objectives with a value for money approach. It is self-funded and operates on a cost recovery basis.

2.4 Service Areas and Service Standards

This entity is self-funded and therefore funding 'service areas' and 'service standards' are not applicable.

3. Financial Performance

3.1 Summary of Financial Performance

The primary source of LBW's funding during the reporting period was from its ratepayers, customers, Wilmar Sugar (local sugarcane milling company) and the Burdekin Shire Council. Further financial information is contained in LBW's audited 2021-22 financial statements and Appendix 4.

During the 2021-22 financial year, LBW increased its borrowings from QTC with a third loan as part of the State Borrowing Program to complete the construction of Warrens Gully System Capacity Upgrade project. The term of the three QTC loans are 20 years. No further borrowings will be required during the 2022-23 financial year.

As at 30 June 2022, LBW's loan indebtedness was \$5,685,691. During the reporting period, LBW was financially viable and had sufficient funds to service its debts.

The external funding details received by LBW during the reporting period are set out in Table 3.

Table 3: External Funding Details

Organisation Providing Funds	Amount	Purpose - Grant
NQ Dry Tropics	\$65,000	RWQ18-022 Lower Burdekin Water – Upgrade of culvert structures (McAllister Road final milestone payment.)
NQ Dry Tropics	\$82,500	BGB19-003 Lower Burdekin Water – Upgrade of culvert structures. (Castelanelli's crossing final milestone payment.)
NQ Dry Tropics	\$75,000	BGB19-010 Lower Burdekin Water - Upgrade of culvert structures (Kelly's crossing first milestone payment.)
State of Queensland acting through the Department of	\$1,190,000	National Water Grid Fund - Grant Deed (Warrens Gully System Capacity Upgrade Project – first milestone payment.)

Further details are provided in Appendix 4 - Budget for the Financial Year Commencing 1 July 2022, 6 - Prudential Assessment Questionnaire, 7 - Certified Entity Indebtedness Statement and audited financial statements.

4. Governance-Management and Structure

4.1 Organisational Structure

Composition of LBW:

- As per LBW's constitution, a total of seven directors may be appointed to the board.
- Of the above directors, LBW's Governance Policy stipulates that the board be comprised of four persons nominated from and by ratepayers of the authority, two persons nominated by the owners of the sugar milling operations which contribute financially to the operations of the authority (Wilmar Sugar) and one person nominated by the Burdekin Shire Council.
- If approved, directors are then appointed by the Minister for Regional Development, Manufacturing and Water for a term of three years.

Directors appointed at 30 June 2022 are listed in Table 4.

Table 4: Directors appointed at 30 June 2022

Name	Position	Current Term	First Appointed
Mr Russel Searle	Chair	06 Oct 2021 – 05 Oct 2024	06 Oct 2021
Mrs Lisa Parker	Deputy Chair	15 Oct 2019 – 14 Oct 2022	15 Oct 2019
Mrs Neomi Butler		15 Jul 2019 – 14 Jul 2022	15 Jul 2019
Mr Peter Larsen		15 Oct 2019 – 14 Oct 2022	18 Feb 2015
Mrs Glenis Jones		15 Oct 2019 – 14 Oct 2022	15 Oct 2019
Cr Kaylee Boccalatte		5 Aug 2020 – 4 Aug 2023	05 Aug 2020
Mr Michael Caspanello		15 Oct 2019 – 14 Oct 2022	18 Feb 2015

During the 2021–22 reporting period, the no directors left their position on the board.



Figure 8: Lower Burdekin Water Board of Directors

4.2 Executive Management

LBW employs a management team to run the operations, maintenance, capital projects and administration of the water authority.

The details associated with the management team are set out in Table 5.

Table 5: LBW Current Management Team

Name	Position
Mr David Sartori	Executive Officer
Mr Charles Papale	Operations Manager
Mr Peter Piotto	Technical Services Manager

4.3 Government bodies (statutory bodies and other entities)

Appendix 2 outlines meeting and remuneration information for the water authority for the 2021–22 reporting period. DRDMW will make this information available on its website alongside the 2021–22 summary annual report of Queensland’s category 2 water authorities.

4.4 Public Sector Ethics Act 1994

LBW has in place a Code of Conduct which was reviewed and updated in May 2022 and has complied with the Public Sector Ethics Act 1994.

When appointed, directors to the board are advised of their obligations to the water authority and are provided a copy of LBW’s Code of Conduct and the publication, *Welcome Aboard: A Guide for Members of Queensland Government Boards, Committees and Statutory Authorities*. Upon commencement, employees of LBW complete an induction which amongst other topics includes LBW’s Code of Conduct.

4.5 Human Rights

In accordance with its obligations under s97 of the Human Rights Act 2019 Lower Burdekin Water advises that in respect of the 2021-2022 financial year it has received no human rights complaints.

LBW developed and adopted its Human Rights Policy which accords with the requirements of the Act in December 2020.

5. Governance – Risk Management and Accountability

5.1 Risk Management

LBW uses a Risk Management Framework which is compliant with the requirements set out in ISO31000:2018 and Financial and Performance Management Standard 2009.

The Board utilises a Risk and Governance Committee to assist it with its role in managing risks. The Risk and Governance Committee operates under its own charter and its role is to assist the Board in fulfilling its corporate governance responsibilities by:

- Monitoring LBW’s compliance with its obligation to establish and maintain an internal control structure and systems of risk for non-financial matters.
- Oversight of the establishment and implementation of Risk Management Framework.
- Advising the Board on matters of non-financial risk management.
- Ensuring that information about non-financial risks and their management is effectively communicated.
- Reviewing the effectiveness of the Risk Management Framework in identifying and managing non-financial risks and controlling internal processes.
- Reviewing LBW’s Annual Report prior to certification by Board Chair.

The Risk and Audit Committee met on four occasions during the 2021-22 financial year.

Financial Risk management is reviewed and monitored by LBW’s Finance and Audit Committee. Further details regarding the Finance and Audit Committee are set out in section 5.2 of this report.

The Prudential Assessment Questionnaire is provided at Appendix 6.

5.2 Audit Committee

The Board established a Finance and Audit Committee to assist it with its role. The Finance and Audit Committee operates under its own charter.

The purpose of the Finance and Audit Committee is to provide assistance to the Board in fulfilling the Board's responsibilities relating to LBW's budgeting, accounting and financial management and reporting processes including the review of LBW's financial statements. To that end, the Committee will oversee management's processes and activities relating to:

- maintaining the reliability and integrity of LBW's accounting policies, other relevant policies, financial reporting practices and financial statements.
- the independent auditor's qualifications and independence.
- compliance with applicable laws and regulations.
- preparation of annual and other budgets and forecasts for Board review.
- financial risk management and the internal control environment.
- analysing financings and capital transactions being considered by LBW and the adequacy of its capital structure

There were seven Finance and Audit Committee meetings held during the 2021-22 financial year. Members of LBW's Finance and Audit Committee are set out in Table 6:

Table 6: Finance and Audit Committee Members during 2021-22 financial year

Name	Position
Mrs Neomi Butler	Chair
Cr Kaylee Boccalatte	Member
Mrs Glenis Jones	Member

The Finance and Audit Committee has observed the terms of its charter and had due regard to Queensland Treasury's *Audit Committee Guidelines*.

5.3 Internal Audit

When required, LBW undertakes internal audit functions. LBW does not have an internal audit unit, however, internal audits are completed by staff as well as consultants from time to time as part of self-initiated audits.

During 2021-22 financial year LBW engaged external entities to examine and report on the following activities: workplace health and safety policies and HR policies. Internal audits completed by staff included: reportable gifts policy, depreciation standard, rating policy, hazardous chemical control and working safely under powerlines. The Risk and Governance Committee conducted a field inspection in August 2021.

5.4 External Scrutiny

LBW has not been reviewed by any external entities (apart from the Auditor-General's report on the financial statements) during the reporting period.

5.5 Information systems and recordkeeping

LBW has complied with all of its obligations under the Public Records Act 2002, including making, managing, keeping and preserving public records.

LBW did not lose any records due to natural disaster or other reasons, during 2021–22 financial year. Nor were any damaged records identified, as a result of insect infestation, pests or mould.



Figure 9: Irrigating Sugar Cane

6. Governance – Human Resources

6.1 Workforce Planning and Performance

LBW has a range of human resource policies in place to guide the behavior and performance within the workplace. LBW uses its Fitness for Work policy to assist in managing and supporting employee mental and physical well-being.

LBW operates under the Federal Water Industry Award 2020 and utilises external service providers from time to time to assist in human resource activities including policy review and development, recruitment and benchmarking of salaries. LBW commenced developing a new employee performance management framework during the 2021-22 financial year. The new framework is expected to be completed and incrementally implemented over the coming years.

LBW employed nineteen (19) staff during the 2021-22 financial year. Sixteen (16) were employed on a full-time permanent basis each working 38 hours per week and (1) one staff member was employed on a part time permanent basis with an FTE of (0.79). There were also two (2) staff members employed on a casual basis with an FTE of (0.47) and FTE of (0.1) during the 2021-22 financial year.

There were three (3) resignations and one (1) termination during the 2021-22 financial year.

Staff received training in crisis management, directors duties, difficult board decisions, the CEO – Chair Relationship, Load restraint, forklift - high risk training, meter installation and validation, board reporting, Verification of Competencies verification of competencies for operating plant, introduction to electrical network infrastructure for authorised person, first aid, IT security, MYOB advance, LBW safe work procedures, proxy-volt system and CORES community response to eliminating suicide.

Staff and directors also participated in various workshops with NQ Dry Tropics (the local natural resources management organisation) and Burdekin Shire Council.

6.2 Early Retirement, Redundancy and Retrenchment

No redundancy / early retirement / retrenchment packages were paid during the period.

7. Open Data

In accordance with the Annual Report Requirements 2021–22, several annual reporting requirements will be published by DRDMW on behalf of the water authority through Queensland Government Open Data including:

- consultancies
- overseas travel
- Queensland language services policy

More information: <https://data.qld.gov.au>

7.1 Consultancies

Monies paid to consultants by LBW during the 2021-22 financial year are set out in Table 7. Legal consultancies are not included in these figures, however, are disclosed in Appendix 3.

Table 7: Monies Paid to Consultants by LBW

Consultancy category	Expenditure
Consultants - Management	\$0.00
Consultants - Human resources management	\$3,500.00
Consultants - Communications	\$0.00
Consultants - Finance/accounting	\$52,300.10
Consultants - Professional/technical	\$75,190.93
Total cost of consultancies	\$130,991.03

7.2 Overseas Travel

No overseas travel on water authority business was undertaken by directors of the water authority.

7.3 Queensland Language Services Policy (QLSP)

No interpreter services were undertaken by directors of the water authority.

8. Financial Statements

In accordance with the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2019, general purpose financial statements have been prepared by the water authority, certified by the chairperson and secretary and submitted to the Queensland Audit Office for audit. A copy of the auditor's report will be submitted to the Department of Regional Development, Manufacturing and Water as soon as it is available.

8.1 Remuneration Disclosures

Remuneration paid to chairpersons	\$ 14,820.00
Remuneration paid to directors	\$ 24,400.00
Total Paid	\$ 39,220.00

Further information on remuneration and meetings is provided at Appendix 2.



Russel Searle
Board Chairman
Lower Burdekin Water

Dated 26-8-22.

Annual Reporting 2021–22

**CATEGORY 2 WATER AUTHORITIES STATISTICAL INFORMATION
AS AT 30 JUNE 2022**

Name of entity: **Lower Burdekin Water**

<p>1. Number of rural and urban properties serviced by the water authority.</p>	<p><u>Urban:</u></p> <ul style="list-style-type: none"> • Commercial: Sugar Mills, Burdekin Shire Council groundwater sourced urban supply (underground bores) • Residential: N/A <p><u>Rural:</u></p> <ul style="list-style-type: none"> • 627 farms
<p>2. Total hectares within the water authority's authority area.</p>	<ul style="list-style-type: none"> • 76,028 hectares
<p>3. Length in kilometres of all drains/pipelines/ channels (whichever is applicable) under the water authority's control.</p>	<p><u>Drains:</u></p> <ul style="list-style-type: none"> • 0 km <p><u>Pipelines & Channels:</u></p> <ul style="list-style-type: none"> • 334km
<p>4. Description of other infrastructure owned by the water authority, e.g. weirs, pumps</p>	<p><u>River Pump Stations:</u></p> <ul style="list-style-type: none"> • 6 <p><u>Relift Stations:</u></p> <ul style="list-style-type: none"> • 12 <p><u>Automated Water Flow Control Gates</u></p> <ul style="list-style-type: none"> • 23
<p>5. Total volume (megalitres) of water supplied (if applicable).</p>	<p><u>Total water pumped from river:</u></p> <ul style="list-style-type: none"> • 192,507 ML
<p>6. The rate or charge structure levied by the water authority in 2021–22.</p>	<p><u>Northern Division:</u></p> <ul style="list-style-type: none"> • \$ 19.75 per ML (Volumetric) • \$ 146.14 per hectare (Rates) • Other, Other, Excess \$15.88 per ML <p><u>Southern Division:</u></p> <ul style="list-style-type: none"> • \$ 17.51 per ML (Volumetric) • \$ 142.30 per hectare (Rates) • Other, Other, Excess \$15.88 per ML

Annual Reporting 2021–22

GOVERNMENT BODIES (STATUTORY BODIES AND OTHER ENTITIES)

Lower Burdekin Water						
Act or instrument	Water Act 2000					
Function	To replenish subterranean water supplies within its authority area on the coastal fringe of the lower Burdekin Delta.					
Achievements	<p>Lower Burdekin Water was able to successfully meet the irrigation requirements of ratepayers. A total 192,507 megalitres (“ML”) of water diverted from the Burdekin River through Lower Burdekin Water’s pumping infrastructure during the financial year. Open water pumped by ratepayers with access to channel water totals 149,901 ML for the full financial year. Aquifer heights were maintained during the financial year.</p> <p>Additional to the ongoing water distribution, Lower Burdekin Water successfully delivered over \$3.83 million of major capital works during the reporting period. A sizable portion of the capital works was to construct new water infrastructure to increase system capacity and improve the ecological function and system health.</p>					
Financial reporting	<p>Not exempted from audit by the Auditor-General.</p> <p>Transactions of the entity are accounted for in the financial statements, which are audited by distance audit procedures.</p>					
Remuneration						
Position	Name	Meetings attended (insert number)		Approved annual or daily fee (half daily fee paid if under 4 hrs)	Approved sub-committee fees if applicable	Actual fees received
Chair (July 21 – June 22)	Michael Caspanello	over 4 hrs	10	\$520.00	\$520.00	\$14,040.00
		under 4 hrs	34	\$260.00	\$260.00	
Chair (June 22)	Russell Searle	over 4 hrs	1	\$520.00	\$520.00	\$780.00
		under 4 hrs	1	\$260.00	\$260.00	
Director (Deputy Chair) (July 21 – Sept 21) (June 22)	Lisa Parker	over 4 hrs	6	\$400.00	\$400.00	\$4,400.00
		under 4 hrs	10	\$200.00	\$200.00	
Director	Glenis Jones	over 4 hrs	6	\$400.00	\$400.00	\$5,600.00
		under 4 hrs	16	\$200.00	\$200.00	
Director (Deputy Chair) (Oct 21 – May 22)	Russel Searle	over 4 hrs	5	\$400.00	\$400.00	\$4,800.00
		under 4 hrs	14	\$200.00	\$200.00	

Director	Neomi Butler (Wilmar Representative)	over 4 hrs	5	\$400.00	\$400.00	\$4,800.00 ¹
		under 4 hrs	14	\$200.00	\$200.00	
Director	Peter Larsen (Wilmar Representative)	Over 4 hrs	7	\$400.00	\$400.00	\$4,800.00 ²
		Under 4 hrs	10	\$200.00	\$200.00	
Director	Kaylee Boccalatte (Burdekin Shire Council Representative)	over 4 hrs	4	\$400.00	\$400.00	\$0.00
		under 4 hrs	18	\$200.00	\$200.00	
No. scheduled meetings	Board Meetings – 11 Board Committee Meetings – 15 Special Meetings / Inspections - 27 Total - 53					
Total out of pocket expenses	\$ NIL					

¹ Director Meeting Fees (remuneration) paid to Wilmar Sugar Australia Limited not individual director.

² Director Meeting Fees (remuneration) paid to Wilmar Sugar Australia Limited not individual director.

Annual Reporting 2021-2022

FEES PAID TO BARRISTERS AND SOLICITORS

Name of entity: Lower Burdekin Water

Name of portfolio: Regional Development, Manufacturing and Water

Name of legal firm(s) and Full name(s) & title(s) of each practitioner consulted – please also note if practitioner is a barrister or solicitor (details required for departmental reporting)	No. of briefs paid for and Date(s) briefs were provided	Legal category of service* (please select from list below)	Location of legal service	Amount paid (inc. GST) \$
Cohen Legal Samantha Cohen (Principal Solicitor) Melanie Richards (Solicitor)	65		Townsville	
Melanie Richards	07/07/2021	Employment Law		\$639.00
Sam Cohen	07/07/2021	Commercial Law		\$4,546.00
Melanie Richards	07/07/2021	Commercial Law		\$888.00
Melanie Richards	04/08/2021	Employment Law		\$275.00
Sam Cohen	04/08/2021	Property Law		\$663.00
Sam Cohen	04/08/2021	Commercial Law		\$8,841.00
Melanie Richards	04/08/2021	Employment Law		\$1,813.00
Sam Cohen	04/08/2021	Property Law		\$1,240.00
Sam Cohen	04/08/2022	Property Law		\$500.00
Sam Cohen	04/08/2021	Property Law		\$1,240.00
Sam Cohen	04/08/2021	Litigation		\$254.00
Melanie Richards	04/08/2021	Commercial Law		\$1,443.00
Sam Cohen	04/08/2021	Property Law		\$392.00
Sam Cohen	02/09/2021	Property Law		\$456.00
Sam Cohen	02/09/2021	Building and Construction		\$484.00
Melanie Richards	02/09/2021	Employment Law		\$778.00
Sam Cohen	02/09/2021	Property Law		\$440.00
Melanie Richards	02/09/2021	Property Law		\$384.00
Melanie Richards	02/09/2021	Property Law		\$606.00
Sam Cohen	02/09/2021	Employment Law		\$456.00
Sam Cohen	02/09/2021	Property Law		\$910.00
Sam Cohen	18/10/2021	Building and Construction		\$924.00
Sam Cohen	18/10/2021	Litigation		\$396.00
Sam Cohen	18/10/2021	Property Law		\$1,672.00
Sam Cohen	01/11/2021	Property Law		\$2,464.00
Sam Cohen	01/11/2021	Employment Law		\$704.00
Melanie Richards	01/11/2021	Property Law		\$2,500.00

Melanie Richards	01/11/2021	Property Law		(\$2,272.73)
Melanie Richards	01/11/2021	Commercial Law		\$1,200.00
Melanie Richards	01/11/2021	Property Law		(\$2,272.73)
Melanie Richards	01/11/2021	Property Law		\$2,500.00
Sam Cohen	02/11/2021	Building and Construction		\$1,452.00
Sam Cohen	02/11/2021	Property Law		\$587.60
Sam Cohen	02/11/2021	Litigation		\$388.00
Sam Cohen	02/11/2021	Property Law		\$95.80
Melanie Richards	06/12/2021	Employment Law		\$222.00
Melanie Richards	06/12/2021	Employment Law		\$1,510.00
Melanie Richards	16/02/2022	Employment Law		\$1,850.00
Melanie Richards	16/02/2022	Employment Law		\$444.00
Sam Cohen	16/02/2022	Building and Construction		\$396.00
Sam Cohen	16/02/2022	Workplace Health and Safety		\$220.00
Melanie Richards	12/04/2022	Employment Law		\$888.00
Sam Cohen	12/04/2022	Building and Construction		\$1,100.00
Melanie Richards	12/04/2022	Commercial Law		\$3,330.00
Sam Cohen	12/04/2022	Building and Construction		\$264.00
Sam Cohen	12/04/2022	Building and Construction		\$1,935.00
Sam Cohen	12/04/2022	Commercial Law		\$2,596.00
Sam Cohen	12/04/2022	Commercial Law		\$440.00
Sam Cohen	12/04/2022	Native Title		\$1,132.00
Sam Cohen	12/04/2022	Litigation		\$250.00
Sam Cohen	12/04/2022	Litigation		\$250.00
Sam Cohen	12/04/2022	Litigation		\$250.00
Melanie Richards	12/04/2022	Employment Law		\$259.00
Sam Cohen	11/05/2022	Property Law		\$484.00
Sam Cohen	11/05/2022	Commercial Law		\$1,708.00
Melanie Richards	11/05/2022	Commercial Law		\$666.00
Sam Cohen	11/05/2022	Native Title		\$1,254.00
Sam Cohen	10/06/2022	Building and Construction		\$4,004.00
Sam Cohen	10/06/2022	Property Law		\$308.00
Sam Cohen	10/06/2022	Native Title		\$412.00
Sam Cohen	10/06/2022	Building and Construction		\$132.00
Sam Cohen	10/06/2022	Commercial Law		\$352.00
Melanie Richards	24/06/2022	Commercial Law		\$111.00
Sam Cohen	28/06/2022	Litigation		\$350.00
Sam Cohen	28/06/2022	Litigation		\$375.00
Total				\$65,077.94

*Legal categories: Litigation, Prosecutions and Advocacy, Commercial Law, Project and Construction, Property, Intellectual Property, Public Law, Administrative Law, Workplace Law, Native Title, Child Welfare, Legal Advice on agency, Management/Corporate, Other legal services (please specify).

Annual Reporting 2021-22

BUDGET FOR THE FINANCIAL YEAR COMMENCING 1 JULY 2022

Name of Entity: Lower Burdekin Water

		Opening Balance	Estimated 2022-23 \$	Actual 2021-22 \$
	Notes		3,760,918 *	
Revenue				
Rates and Charges			9,140,681	9,266,375
Interest Earned			43,519	49,010
Other Income	1		2,543,917	2,131,944
Transfers from Other Funds	2			
GST collected on sales				
GST Input Tax Credits Received				
		Sub Total	11,728,117	11,447,329
Expenditure				
Administration Expenses	3		1,799,992	1,609,076
Operation and Maintenance			5,674,616	4,514,110
Interest on Loans			127,217	99,296
Loan Redemptions				
Transfer to Other Funds	4			
Purchase of Land and Buildings	5			
Purchase of Plant, Equipment and Motor Vehicles				
GST paid on purchases				
GST remitted to ATO				
Other Costs	6		2,330,407	1,463,929
		Sub Total	9,932,232	7,686,411
		Closing Balance	1,795,885	3,760,918

Notes:

1 Other Income

- **Details source and amount from each source:** Figures relate to sale of surplus equipment, council water usage levies, licence fees, administration charges, grants, fuel tax credits, sundry income and gain on sale of plant and equipment, infrastructure and land.

2 Include details of where Funds have been transferred from

- Refer information in financial statements

3 Administration Expenses -

	Estimated 2022-23	Actual 2021-22
Authority members' fees and allowances -		
• Remuneration fees	54,560	48,520
• Travel allowances		
Secretary's allowance		
Salaries and wages for employees	1,316,110	1,164,686
Authority contributions –		
Employees' Superannuation Scheme		
Insurances	203,929	183,903
Rates and charges	63,027	61,750
Bank charges	500	242
Interest charges		
Audit fees	39,866	40,000
Legal fees	120,000	71,449
Miscellaneous	2,000	38,527
Total	1,799,992	1,609,076

4 Include details of where Funds have been transferred to

5 Has the Authority given the Minister a Section 580 Notice (Notice of Proposed Significant Action)? - Yes.

6 Specify as Note if material - Figures relate to depreciation expense and loss on sale of plant and equipment

Annual Reporting 2021–22

NOTICE OF PROPOSED SIGNIFICANT ACTION

Section 580 *Water Act 2000*Name of entity: **Lower Burdekin Water**

Please tick ✓ statements applicable to the water authority:

	The water authority has nil proposed significant actions to report to the Minister.
--	--

or

The water authority gives notice¹ to the Minister of the proposed significant action below, proposed to be undertaken by the board in the 2022-23 financial year:

✓	Activities that the water authority believes may prevent or have a significant adverse effect on the Authority performing its main function— (a) <i>Unexpected weather activities like cyclones, floods, excessive and minimal rainfall</i>
✓	The water authority proposes to purchase the following property for more than \$100 000— (a) <i>Lower Burdekin Water does not intend to purchase a property for more than \$100,000 for the 2022-23 financial year.</i>
✓	The water authority proposes to sell the following water authority property for more than \$100 000— (a) <i>Lower Burdekin Water does not intend to sell any property for more than \$100,000 for the 2022-23 financial year.</i>

Signed:

R. Seade

Chairperson

_____ **Lower Burdekin Water**

Date: 26-8-22.

¹ To be given before undertaking the proposed significant action.

Water Act 2000 — reporting requirements

580 Notice of Proposed significant action

- (1) This section applies if—
 - (a) a water authority proposes to do anything that may prevent, or have a significant adverse effect on, the authority performing its main function; or
 - (b) a category 2 water authority proposed to sell or buy property for more than \$100 000.
- (2) Before doing anything (the *proposed significant action*) mentioned in subsection (1), and as soon as practicable after proposing to do it, the water authority must give the Minister notice of the proposed significant action.

Note: the Treasurer's prior approval and Departmental authorisation may be required before borrowing funds or purchasing land.

Annual Reporting 2021–22

PRUDENTIAL ASSESSMENT QUESTIONNAIRE

Name of entity: Lower Burdekin Water

In order to assess the entity's financial position, the entity is required to complete **ALL SECTIONS** in the following statement which is to be signed and dated by the Chairperson of the entity at the relevant time.

The statement must accompany the annual financial statements of the entity, prepared and submitted to the QAO, as soon as possible after 30 June in each financial year.

If the entity is required to state reasons or provide written commentary, the entity is asked to please attach all written responses and return with completed statement.

No.	Question	Yes/No/Other
1	<p>Has the entity developed <i>and attached</i> its budget for the next financial year¹?</p> <ul style="list-style-type: none"> If not, please provide reasons and forward a copy of the budget documentation as soon as possible. If yes, was there a material variation of actual results recorded in the financial statements compared with the budget forecasts made at the beginning of the financial year? 	<ul style="list-style-type: none"> Yes No
2	<p>Did the entity prepare monthly bank reconciliation statements during the financial year?</p> <ul style="list-style-type: none"> If not monthly, how frequently were they prepared and why? If not at all, why not? 	<ul style="list-style-type: none"> Yes Not Applicable (N/A) – Bank reconciliations are prepared monthly
3	<p>At any stage during the financial year was the entity overdrawn at the bank²?</p> <ul style="list-style-type: none"> If yes, state reasons why. Is the entity aware that it requires the Treasurer's approval to operate an account with an overdraft facility³? Does the entity need to seek the Treasurer's approval⁴? 	<ul style="list-style-type: none"> No Yes No

¹ A copy of the entity's budget should be returned to the department with the completed Prudential Statement.

² Note a director's duty concerning insolvent trading at section 615 of the *Water Act 2000*.

³ Also, note section 31 of the *Statutory Bodies Financial Arrangements Act 1982*.
<http://www.legislation.qld.gov.au/LEGISLTN/CURRENT/S/StatutoryBodA82.pdf> and "Overdraft Facilities—Operational Guidelines for the Public Sector": <https://www.treasury.qld.gov.au/publications-resources/overdraft/index.php>

A statutory body may operate a deposit and withdrawal account to the extent necessary or convenient for its day to day operations. However, the account may only be operated with an overdraft facility with the prior approval of the Treasurer.

⁴ The entity should contact the Manager, Natural Resources Programs, for advice on procedure.

No.	Question	Yes/No/Other
4	<p>Did the entity draw down any loan borrowings during the financial year?</p> <ul style="list-style-type: none"> • If DRDMW authorised loan borrowings and the entity has subsequently drawn down funds from the QTC, did the entity meet all its loan repayments on time? • Did the entity draw down any further debt during the year? • Was the further draw down approved by DRDMW? • If so, how much (\$) and note the terms) and when approved. 	<ul style="list-style-type: none"> • Yes – correspondence was received on the 19th of August 2021 from the DRDMW advising that the requested loan amount of \$3,100,000 had been approved. As Lower Burdekin Water signed a direct debit request service agreement all repayments were paid on time • There were no further loan borrowings drawn down • N/A – there was no further loan borrowings drawn down • N/A – No further loans borrowings were obtained from QTC
5	<p>Considering the nature and scope of its operations and its size, has the entity undertaken a risk management assessment to ensure the entity is protected from unacceptable costs or losses?</p> <ul style="list-style-type: none"> • If the entity has discovered it is exposed to risk, has the entity taken action or put plans in place to avoid, minimise, control and manage the risk? • If yes, please outline the actions taken and/or the key elements of these plans in an attachment to this questionnaire. 	<ul style="list-style-type: none"> • Yes – Major financial risks are investigated during the annual budgeting process • Any major variances to budget are reported to the board monthly. For capital expenditure, as per the authority's policy Capital Expenditure Approvals need to be passed by the board before any project or development is approved. As per section 580 the authority always gives notice to the minister before carrying out any significant action
6	<p>Does the entity have current cover for public liability and professional indemnity insurance?</p> <ul style="list-style-type: none"> • Are the entity's insurance premiums paid up to date? • Is the current level of insurance cover appropriate? • Has the entity recently reviewed the adequacy of its insurance cover? (A copy of current policy may be requested) 	<ul style="list-style-type: none"> • Yes - public liability insurance and no for professional indemnity insurance • Yes • Yes – the insurance cover amounts are reviewed annually to cover against a potential loss event • Yes

Note

If the entity is to respond with a written statement to any of the matters mentioned above, the entity must also include in the written statement the action taken by it to remedy the situation.

If the entity has not taken any action to remedy the situation, the entity must state the reasons for its inaction.

Accrual Accounting


If your entity has a total gross revenue of \$1 000 000 or more—

No	Question	Yes/No/Other
7	For how many years in succession has your entity's gross revenue exceeded \$1 000 000?	Seven – The entity was established on the 19/02/15
8	Are there any specific and exceptional factors that account for gross revenue exceeding \$1 000 000 that are unlikely to occur on an ongoing basis in future years (e.g. a special two-year subsidy program that is not expected to be ongoing)? <ul style="list-style-type: none"> If so, please outline the nature of these exceptional revenue factors and state when these factors will no longer have an observable effect on gross revenue in your balance sheets. 	No
9	Has the entity, as part of its annual financial planning, assessed the growth in its operations and evaluated the impacts of cash accounting versus the accrual accounting framework?	No – The authority already uses accrual accounting
10	If not already transitioned from cash accounting, is the entity preparing for the introduction of accrual accounting into its operations? <ul style="list-style-type: none"> If yes, by which date does the entity anticipate to have fully implemented accrual accounting methods? If not, why not? (noting that this is a requirement under the <i>Financial reporting requirements for Queensland Government agencies</i> published by the Treasury department) 	N/A – The authority already uses accrual accounting

Note:

If the entity is required to provide reasons in response to questions 8 and 10 above, please **attach a written statement**.

When responding to question 10 above, the entity must **state reasons for its inaction**, if any.

Signed: 
 Chairperson
 Lower Burdekin Water

Date: 26-8-22.

Annual Reporting 2021–22

ENTITY INDEBTEDNESS STATEMENT

Name of entity: Lower Burdekin Water

An entity that has outstanding loans is required to prepare an entity indebtedness statement to accompany its end of year financial statements presented for audit.

Does the entity have outstanding loans?

(Indicate with a tick - ✓)

Yes

No

This statement must be dated and signed by the entity's Chairperson.

If YES above is ticked, please address the following:

1	The term of the loan when it was taken out and when final payment is due: Lower Burdekin Water currently has three outstanding loans with the Queensland Treasury Corporation's (QTC). Loan one commenced on the 16th of April 2020, as per the QTC loan pricing schedule the final payment is due on the 21st of January 2040. Loan two commenced on the 24th of May 2021, as per QTC loan pricing schedule the final payment is due on the 15th of March 2041. Loan three commenced on the 9th of December 2021 and as per Queensland Treasury Corporation's (QTC) loan pricing schedule the final payment is due on the 16th of September 2041.
2	The level of debt at the beginning of the current financial year (1 July): The balance of all outstanding QTC loans as of the 1st of July 2021 was \$2,758,539.
3	The level of debt at the close of the current financial year (30 June): The balance of all outstanding QTC loans as of the 30st of June 2022 was \$5,685,691.
4	State how the debt will be serviced in the coming financial year: The repayments will be paid from Lower Burdekin Water's cash reserves in line with the fixed rate loan pricing schedules as provided by QTC.
5	How will payments be split between interest and principal: As per the Australian Accounting Standards, all associated fees and interest charges are expensed to the relevant section in the Statement of Comprehensive Income. Principal payments will be deducted from the relevant liability section in the Statement of Financial Position.
6	Other commitments the entity may have for the current and coming financial years (e.g. financial commitments the entity might have under existing or proposed contractual arrangements): There are currently two projects that have current contractual arrangements that will be finalised early in the 2022/23 financial year. As of the 30th of June 2022, there was \$3,570,000 remaining of the total grant amount of \$4,760,000 for project one and \$75,000 remaining of the total grant amount of \$150,000 for project two.
7	Additional information if required:

Signed: R. Seanku
Chairperson

Lower Burdekin Water

Date: 26-8-22.

Letter of Compliance

The Honourable Mr Glenn Butcher MP
Minister for Regional Development and Manufacturing
Minister for Water
GPO Box 2247
BRISBANE QLD 4001

26 August 2022

Dear Minister

I am pleased to submit for presentation to the Parliament, the Annual Report 2021–22 and financial statements for the [insert name of water authority].

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 xx of this annual report] (<http://www.forgov.qld.gov.au/manage-government-performance#prepare-annual-reports>)

Yours sincerely



Russel Searle
Chairperson
Lower Burdekin Water

