## ANNUAL REPORT // 2019

ACN 143 616 764 ABN 74 143 616 764





Cover Photo: Lotuses in Bali by Adobe Stock/BlueOrange Studio

The Alliance for Water Stewardship (AWS) Asia-Pacific is a regional not-for-profit organisation. Our members unite under our mission to protect and enhance the sustainability of water resources through water stewardship.

The AWS approach to water stewardship is embodied in the International Water Stewardship Standard (AWS Standard). A globally applicable framework for responsible water use, the AWS Standard drives, recognises and rewards good water management practices.

AWS Asia-Pacific is the Asia-Pacific regional partner of AWS International. We support businesses, civil society, the public sector and diverse organisations in adopting water stewardship through training, consulting and advisory services. Our staff are based in Australia, China and Indonesia.

AWS Asia-Pacific is the business name of Water Stewardship Australia Ltd (ABN 74 143 616 764) and is a not-for-profit entity registered with the Australian Charities and Not-for-Profits Commission.

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## CHAIR'S MESSAGE

The Alliance for Water Stewardship (AWS) Asia-Pacific has made substantial progress and is on the threshold of an exciting new era.



Professor John Langford AM CHAIR, AWS ASIA-PACIFIC **BOARD OF DIRECTORS** 

Now in its ninth year of operations, AWS Asia-Pacific has made significant progress from its beginnings as a volunteer organisation.

These achievements are possible because of the dedication of our staff and board members. The commitment and hard work of Michael Spencer, inaugural Chief Executive Officer (CEO) of AWS Asia-Pacific, were crucial in establishing the global and regional Alliance. We wish Michael all the best in his new role in academia and as Special Advisor to AWS Asia-Pacific.

Board members and former board chairs Jamie Pittock and Julia Seddon retired during the year after making substantial contributions in advancing water stewardship in the region. Michelle Akeroyd, member of the AWS Asia-Pacific Board and the AWS Technical Committee, generously contributed her time and expertise to represent Asia-Pacific stakeholders in the first major revision of the AWS Standard. This year, we welcomed Carole Hammond from Strathbogie Shire Council and Sonya Rand from Cotton On as board members. I thank all our board members for their contributions and efforts. For the first time in the history of AWS Asia-Pacific, there will be an election to select new board members at the 2019 Annual General Meeting – a very healthy sign for the future.

I would like to thank the staff for their initiative and professionalism. I thank Kate Vinot, who agreed to join AWS Asia-Pacific as interim CEO before a new CEO could be appointed in June 2019, and Chief Operating Officer Megan McLeod, who took on CEO responsibilities tirelessly at the end of Kate's term. We are excited by the appointment of Chris Wootton as AWS Asia-Pacific's new CEO, as Chris brings considerable water industry and philanthropy experience to the role. We also welcomed Basja Jantowski as Director Indonesia to lead the development of a water stewardship network in Indone-

AWS Asia-Pacific ends the 2018/19 financial year with exciting new prospects. We look forward to further developing water stewardship capabilities and practice in the Asia-Pacific region in 2019/20 and beyond.

> Professor John Langford AM FTSE Chair, AWS Asia-Pacific



## **AUSTRALIA**

A year of significant growth and evolution into a fully functional regional secretariat and advancing our flagship initiative, the Indo-Pacific Water Stewardship Program.



Aerial view of the Murray River in Riverland, South Australia Image by Adobe Stock / Greg **Brave** 

In early 2019, AWS Asia-Pacific successfully secured AUD 1 million investment from the Commonwealth of Australia via the Australian Water Partnership (AWP). This 3.5 year investment will enable us to scale up engagement in priority sectors and geographies while building a sustainable business model.

Efforts this year have concentrated on developing a new regional growth strategy and business plan that aligns with the global AWS Strategy 2019-2022: Influence, Inclusion and Impact. Central to our regional strategy is forging mutually beneficial relationships with the global AWS network through a refresh of our Regional Partnership Agreement. This year we have also supported the Indonesia team to establish an independent entity in Indonesia.

Our new business plan seeks to expand and diversify our services, outreach and revenue streams. In this refresh, we will focus on nurturing strategic partnerships with key water players and users, in Australia and the region, to implement innovative approaches in mainstreaming water stewardship. This plan will become operational in financial year 2019/20.

AWS Asia-Pacific continues to strengthen its capabilities, transitioning into a fully functional regional secretariat this year. In Australia, the following appointments were made: Chris Wootton as CEO (June 2019), Megan McLeod as Company Secretary (November 2018) and Chief Operating Officer (October 2018), Chris Dixon as Finance Officer (September 2018) and Lisa Idris as Outreach and Engagement Coordinator (February 2019).

### INDO-PACIFIC WATER STEWARDSHIP PROGRAM

Now in its second phase, the Indo-Pacific Water Stewardship Program 2019-2022 supported by AWP pivots towards engaging the private sector in sustainable water resource management and, more widely, in the advancement of Sustainable Development Goal 6: Ensure availability and sustainable management of water and sanitation for all.

This program focuses on China and Indonesia, where there is growing interest in water stewardship and opportunities for further multi-stakeholder collaboration with the electronics, agriculture, food and beverage, and fashion supply chain sectors. Additionally, this program intends to nurture thought leadership in responsible water use.

AWP CEO Prof. Nick Schofield underlined that AWP was pleased to see the program evolve into its second phase.

"The [Indo-Pacific] Program aligns clearly with many of Australia's and the world's water and development priorities, with the recent High-Level Panel on Water Report calling specifically for all water-use sectors to be motivated to value water and embrace water stewardship."

Professor Nick Schofield
CEO, AUSTRALIAN WATER PARTNERSHIP

We thank AWP and our program partners for their continued support and trust as we endeavour to deliver this program's objectives.

### A GLOBAL FIRST: INGHAM'S PLATINUM CERTIFICATION

Ingham's, Australia and New Zealand's leading integrated poultry producer, was awarded the world's first AWS platinum certification in 2018 for their Somerville, Victoria facility. This achievement is a recognition of Ingham's deep commitment to water stewardship and continual improvement since first attaining AWS certification in 2015.

Ingham's has also achieved AWS certification at their Te Aroha (New Zealand) and Murarrie (Queensland) sites and aims to have all its large water-using facilities certified by 2021. We congratulate Ingham's on their exemplary achievements in water performance improvement.

## RENMARK IRRIGATION TRUST RECEIVES INDUSTRY ACCOLADES

AWS gold certifed Renmark Irrigation Trust (the Trust) has earned industry recognition as a leading water manager in the Murray-Darling Basin. At the Water Industry Alliance's 2019 Smart Water Awards, the Trust received a high commendation in the Innovation in Small-to-Medium Enterprises (SMEs) category for their work on the restoration of Renmark's floodplains, notably in delivering positive environmental and economic benefits for the community.

The Trust is leading a pioneering group certification scheme for irrigators and farmers. This program aims to lower certification barriers for SMEs through collective action, while maintaining a robust and transparent process for performance verification. An important demonstration project, this scheme has the potential for worldwide application and upscaling.

#### **HIGHLIGHTS**

#### // AUGUST 2018

Launch of the AWP publication Evolution of Water
Stewardship at the Stockholm
World Water Week.



Image by AWP

#### // OCTOBER 2018

Water Stewardship and Fashion Supply Chains Workshops in Sydney, Canberra and Melbourne. Supported by the Department of Foreign Affairs and Trade, over 80 participants attended the workshops.

#### **// NOVEMBER 2018**

AGM and Special Event: The Evolution of Water Stewardship in Melbourne.

#### // MARCH 2019

AWS Standard V2.0 Launch Webinar hosted by the International Centre for Excellence in Water Resources Management (ICE WaRM). Over 100 participants attended the webinar.

#### // JUNE 2019

Delivery of AWS Standard v2 Refresher and Foundation online training in partnership with ICE WaRM.

## CHINA

Strengthening partnerships through the Water Stewardship China Network and deepening engagement with priority sectors.



Participants of the AWS Water Stewardship Forum and Training in Tainan City, September 2018 Image by AWS Asia-Pacific The AWS Asia-Pacific team based in China and led by Regional Director Zhenzhen Xu continues to grow with the appointment of Project Officer Sally Ge (September 2018) and Project Manager Jason Lv (May 2019). The China team, supported by Administration Officer Jie Liang, maintains a presence in Shanghai and Hong Kong through a partnership with China Water Risk.

Our collaboration with Apple enters its second year following a successful proofof-concept phase. Through this collaboration, we are supporting participating Apple suppliers to expand their efforts beyond conservation to water stewardship. This collaboration has also led to Apple providing funding support to AWS Asia-Pacific to promote water stewardship awareness and best practice.

This year, we endeavoured to create stronger linkages between practitioners and advocates by revitalising the Water Stewardship China Network (WSCN). WSCN brings together water stewards in the private sector, non-government organisations and local government in a community of practice that encourages knowledge sharing and mutual support.

To support the activities of WSCN and strengthen intra-network communications, we launched a new Customer Relationship Management and event management platform at water.eventbank.cn. Our communications achievements this year include the production of four newsletters in Chinese, growth of our WeChat channel to over 500 followers and delivery of quarterly WSCN meetings that are attended by over 40 participants.

## WATER STEWARDSHIP IN MICRO-ELECTRONICS AND HOSPITALITY SECTORS

This year, we are advancing our engagement with the micro-electronics sector. We are supporting Apple suppliers to adopt water management planning and risk assessments through knowledge sharing. Following several years of awareness raising and capacity development, Dell is now actively supporting its suppliers to attain certification. Through the leadership of Apple and Dell, we are seeing increasing interest in water stewardship from other micro-electronic brands and manufacturers.

In June 2018, we began our first engagement with the hospitality industry in China through a collaboration with the Intercontinental Hotels Group (IHG). This project is IHG's second pilot in China and was facilitated through a global partnership with IHG.

Responding to growing training demand in China, we organised three AWS training programs in Tainan City, Tianjin and Shanghai, respectively, and hosted several bespoke training sessions for our major corporate clients.

"In addition to conserving water, we are helping suppliers play an active role in improving water quality in their communities."

APPLE SUPPLIER RESPONSIBILITY
PROGRESS REPORT 2019

## AWS CERTIFICATION IN THE ASIA-PACIFIC REGION

A total of nine sites in China attained AWS certification this year. Eight of these sites are based in Kunshan, Jiangsu province. These sites have achieved certification through the combined support of Worldwide Fund for Nature (WWF) China, the Kunshan local government, and AWS Asia-Pacific.

Landmark certifications in China include:

- the first AWS gold certification in China achieved by Nestlé Waters' Dashan plant;
- the first AWS gold certification in the electronics industry awarded to Flexium Technology Kunshan Co. Ltd, an Apple supplier.

This year, we saw strong uptake of certification in the region supported by AWS Asia-Pacific, with:

- the first AWS certification in Japan awarded to Suntory Products Ltd's Okudaisen Bunanomori Water Plant;
- Nestlé Waters attained the first certification in Thailand for its Ayutthaya plant and in Vietnam for its La Vie Long An factory.

# Supplier Responsibility

#### **HIGHLIGHTS**

#### **// SEPTEMBER 2018**

AWS Water Stewardship Forum and Training in Tainan City.

Release of Measuring and Communicating Impacts from AWS Water Stewardship: Applying the SEEA Framework to Two Industrial Parks in China, a report prepared by the IDEEA Group.



#### // OCTOBER 2018

Water Stewardship Seminar in Beijing.

#### // MARCH 2019

The Hidden Life of Water:
A Special World Water Day
Event in Shanghai. Co-hosted
by AWS Asia-Pacific and
Green Initiatives.

#### // APRIL 2019

AWS Standard v2.0 Interpretation Seminar hosted in collaboration with SGS in Shanghai.

#### // JUNE 2019

Industrial Water Leaders Forum in Shanghai, co-hosted by AWS Asia-Pacific, Global Water Intelligence and Ecolab.

## INDONESIA

Developing new water stewardship opportunities and partnerships to build a robust Indonesia program.



An effluent aeration system at the Halcyon Agri rubber processing plant in Jambi. Image by AWS Asia-Pacific

Following the success of the 2018 AWS Forum and Training held in Bogor, the AWS Asia-Pacific team in Indonesia is developing a new portfolio of projects in collaboration with businesses, local government and development partners. The Indonesia team is also leading the formation of an independent not-for-profit entity to deliver an in-country program and services.

During this reporting period, we have initiated two projects: (1) private sector mapping to improve boost water stewardship in the Brantas basin, and (2) a pilot assessment of water risks and opportunities in rubber processing aiming to drive wider uptake in the agribusiness sector. We have also begun to engage the hospitality industry in water stewardship through a pilot project at an IHG property in Bali and are developing several new projects. In addition to the above, we are supporting Hanjaya Mandala Sampoerna (Philip Morris International) to adopt the AWS Standard framework and prepare for AWS certification in the second half of 2019.

This year, the Indonesia team led by Country Director Basja Jantowski grew its capabilities with the appointments of Project Officer Gracia Plenita Agnindhira and Junior Project Officer Uli Fitri Handayani in May 2019. To extend its range of services, the team has been working towards the establishment of a new notfor-profit organisation registered under Indonesian law. The new entity, a Foundation governed by an independent Board of Directors, is expected to become fully operational in November 2019.

## MAPPING WATER RISKS AND OPPORTUNITIES IN THE BRANTAS BASIN

Supported by the Australian Water Partnership and the Partners for Water Program of the Netherlands Enterprise Agency (*Rijksdienst voor Ondernemend, RVO*), AWS Asia-Pacific has commenced a basin-level assessment of water performance drivers and challenges in the Brantas basin

The Brantas basin is the locale of major cities Surabaya and Malang, hosting over 2,000 industries and forming an important trade and industrial hub. Our initiative will deliver a basin-level database of major companies in the basin and their environmental performance, compliance, sustainability commitments and water-related risks. This project will also deliver a benchmarking analysis of Indonesia's national-level public environmental reporting initiative, Program for Pollution Control, Evaluation, and Rating (PROPER), against the AWS Standard.

Through this initiative, we will identify opportunities for strategic collaboration with leading government, private sector and bilateral programs active in the basin.

## ACTION LEARNING PROJECT: WATER STEWARDSHIP IN RUBBER PROCESSING

This joint initiative with Global Agribusiness Alliance (GAA) and its members HeveaConnect and Halcyon Agri aims to assess water stewardship opportunities in natural rubber processing. This project is one of GAA's first Action Learning Projects aimed to promote wider strategic uptake of water stewardship in agribusiness.

The project will deliver an assessment of Halcyon Agri's current water performance, risks and opportunities through a site-level assessment of its Jambi facility and surveys of its 18 other sites across Indonesia. The outputs of this assessment will assist HeveaConnect, a digital marketplace for sustainably processed natural rubber, in setting new water performance standards for the industry.

"This initiative is one of the first GAA Action Learning Projects developed in partnership with, and as a result of our membership of AWS. The projects use a consistent and high-level application of the AWS principles and are designed to be applicable to a range of geographies and commodities," says Ruth Thomas, GAA Director.

## GAA Direct

Surabaya, located in the Brantas basin, is Indonesia's second largest city Image by Adobe Stock /

#### **HIGHLIGHTS**

#### // FEBRUARY 2019

Country Director Basja
Jantowski represented AWS
Asia-Pacific in the Joint
Declaration of the Brantas
Consortium at the Inception
Ceremony of the Brantas
project.



Image by Ecological Observation and Wetlands Conservation Group

#### // MARCH 2019

Country Director Basja Jantowski delivered a presentation at the Indonesia World Water Day Celebration 2019.

Country Director Basja invited to deliver keynote at the seminar How to Report Gender Equality, Water, Occupational Health and Safety in Sustainability Reports organised by the Global Reporting Initiative Indonesia and the Indonesian Stock Exchange.

## THE AWS STANDARD v2.0

Following a two-year review and revision process involving multiple public consultations, Version 2.0 of the AWS Standard was launched on World Water Day, 22 March 2019.

The AWS International Water Stewardship Standard (AWS Standard) is the globally applicable framework for water stewardship. It guides major water users to understand their water use and impacts, and to work collaboratively and transparently for sustainable water management within a catchment context. The Standard is intended to be used by sites to drive social, environmental and economic benefits at catchment scale.

AWS Standard v2.0 was launched globally on World Water Day, 22 March 2019. To mark the launch, AWS held webinars across four time zones to introduce AWS Members, Partners and Stakeholders to the updated AWS Standard. The Asia-Pacific webinar, hosted by the International Centre for Excellence in Water Resources Management (ICE WaRM), was attended by over 100 participants from across the region.

This launch follows a two-year review and revision process involving multiple public consultations, in line with best practice set out by the International Social and Environmental Labeling (ISEAL) Code of Good Practice for Setting Social and Environmental Standards, designed to ensure that ISEAL compliant standard systems remain relevant, accessible and effective.

A survey of Standard implementers at the start of the process indicated that, overall, the Standard was working well, but required updating and some refinement to take into account experience from implementations. Changes made to Version 2.0 have made the Standard much easier to implement and the process of implementation now better reflects reality on the ground.

#### **KEY CHANGES**

The AWS Standard has undergone numerous iterations through the consultation process.

Key changes in the AWS Standard v2.0:

- Adding safe drinking water, effective sanitation and protective hygiene (WASH) as a fifth outcome;
- Reducing the number of steps from six to five;

- Refining expectations for site catchments vs catchments of origin of indirect water use;
- Clarification on meaning and expectations for Best Practices;
- Separation of the normative content (Steps, Criteria and Indicators) and the Glossary from the guidance and scoring components.

#### **TRANSITION PERIOD**

To facilitate the transition process, in the 12-month period following the release of the AWS Standard v2.0, sites intending to attain AWS certification for the first time, or becoming re-certified, may choose to use either version of the AWS Standard. All sites are expected to use the AWS Standard v2.0 from 22 March 2020.

AWS Asia-Pacific is supporting implementers and service providers in the region transition from v1.0 to v2.0 by offering a refresher training course and delivering information sessions on AWS Standard v2.0.



## Safe water, sanitation and hygiene (WASH) as a fifth outcome to drive SDG6 action

The Sustainable Development Goals (SDGs), a collection of 17 goals to achieve a better and sustainable future for all, came into force on 1 January 2016. While WASH criteria were present in the 2014 AWS Standard v1.0, WASH was elevated into a distinct fifth Outcome in the AWS Standard v2.0 to strengthen impacts and better support actions on SDGs, especially SDG6: *Clean Water and Sanitation*.

The AWS Standard Framework is built around five steps: 1) Gather & Understand; 2) Commit & Plan; 3) Implement; 4) Evaluate; and 5) Communicate & Disclose.

Each step consists of criteria to be addressed, with each criterion having one or more indicators for compliance.

The steps are not required to be followed in strict order and although generally the steps are order-dependent, actions associated with specific criteria and indicators may occur in parallel.



Implementation of the Standard is intended to achieve five main outcomes for the site and its defined physical scope:



GOOD WATER
GOVERNANCE



SUSTAINABLE WATER BALANCE



GOOD WATER QUALITY STATUS



IMPORTANT WATER-RELATED AREAS



SAFE WATER, SANITATION AND HYGIENE FOR ALL (WASH)

The AWS Standard v2.0 is available for download at a4ws.org/the-aws-standard-2-0

## FINANCIAL REPORT

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 DIRECTORS' REPORT

The Board of Directors presents their report on the Company for the financial year ended 30 June 2019.

#### **Directors**

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

Name	Board Position	1
John Langford	Chairperson	
Juliet Le Feuvre	Deputy Chair (G	Governance)
Pat Feehan	Deputy Chair (C	Operations)
Peter Caswell	Director	
Gary Jones	Director	
Carole Hammond	Director	(Co-opted Nov 2018)
Sonya Rand	Director	(Co-opted Feb 2019)
Michele Akeroyd	Director	(Retired Jun 2019)
Jason Alexandra	Director	(Retired Nov 2018)
James Pittock	Director	(Retired Nov 2018)
Julia Seddon	Director	(Retired Nov 2018)

The Board of Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### **Company Secretary**

Megan McLeod held the position of the Company Secretary at the end of the financial year.

#### **Principal Activities**

AWS Asia-Pacific's purpose is to promote and support implementation of the AWS International Water Stewardship Standard (AWS Standard) in Asia-Pacific.

The AWS Standard offers a credible, globally applicable framework for water users to understand their own water use and impacts, and to work collaboratively and transparently with others for sustainable water management within the wider water catchment context. Implementers follow the steps and guidance in the AWS Standard to achieve good water stewardship practices that improve site water performance and contribute to wider sustainability goals.

Developed through a four-year global multi-stakeholder process, the AWS Standard supports implementing sites in understanding the local context and its shared water challenges, and to begin transparent and constructive engagement with other stakeholders. The outcomes of water stewardship are: sustainable water balance, good water quality, healthy important water-related areas (ecosystems and cultural sites), good water governance, and safe water, sanitation and hygiene for all.

The AWS Standard is the only framework for water users that is fully compliant with the stringent requirements for standards systems laid down by ISEAL, the global umbrella organisation for credible standard systems.

There were no significant changes in the principal activities of the Company during the year.

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 DIRECTORS' REPORT

#### Information on Directors (As at 30 June 2019)

The particulars of the qualifications, experience and special responsibilities of each Director are as follows:

#### John Langford Appointed 21 March 2013

Qualifications: Bachelor of Engineering (Agriculture) (University of Melbourne), PhD (Overland flow hydraulics)

(University of Melbourne).

Experience: 2003 - Present: Professional Fellow, University of Melbourne, including:

Director, Uniwater, and Director, Australia China Centre of Water Resource Research. 18 years Melbourne Board of Works; forest hydrology research, water supply planning and operations, corporate development, and water pricing reform. 1.5 years State water planning initiating demand management and water markets. 7.5 years Director of Operations and Managing Director, Rural Water Corporation of

Victoria. 4 years Commissioner of the Murray Darling Basin Commission.

1990 - 2014: Board Chairman of the Murray Darling Freshwater Research Centre. Board Chairman, Cooperative Research Centres of Catchment Hydrology (12 years) and Freshwater Ecology (13 years). Former Board member, Peter Cullen Water and Environment Trust. Honorary Professorial Fellow

Department of Infrastructure Engineering, University of Melbourne.

Responsibilities: Chair, and Member Technical, Projects & Programs Subcommittee.

#### Juliet Le Feuvre Appointed 25 May 2010

Qualifications: Bachelor of Arts (Hons) (Cambridge University).

Experience: 2006 - Present: Environment Victoria Healthy Rivers Campaigner.

2005 - 2006: Australian Conservation Foundation Direct Marketing Officer.

2002 - 2005: Australian Conservation Foundation Land and Water Program Assistant.

Responsibilities: Deputy Chair (Governance) and Chair Governance, Risk & Compliance Subcommittee.

Pat Feehan

**Appointed 31 January 2013** 

Qualifications: Bachelor of Science (University of Melbourne), Graduate Diploma of Computing (Deakin University),

Company Director Course Diploma (Australian Institute of Company Directors, AICD).

Experience: 2007 - Present: Director of Feehan Consulting.

2006 - 2007: Manager, Catchment Programs, Goulburn-Murray Water.

2002 - 2006: Manager, Environment and Natural Resources, Goulburn-Murray Water.

1994 - 2002: Manager, Natural Resources and Water Quality Coordinator, Goulburn-Murray Water. 1975 - 1994: Department of Sustainability and Environment (and predecessors), various roles including

soil conservation, public land management, Landcare, tree growing, salinity.

Responsibilities: Deputy Chair (Operations), Chair Technical, Projects & Programs Subcommittee, and Member

Governance, Risk & Compliance Subcommittee.

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764

**DIRECTORS' REPORT** 

#### Information on Directors (continued)

#### **Peter Caswell**

#### Appointed 23 November 2016

Qualifications: BBus, Fellow Governance Institute of Australia, FCIS, Member of AICD

Experience: 2012 - Present: Director Chairman Bio Organics Group (Hong Kong) Limited.

2010 - Present: Director and Founder of Reparator Pty. Ltd. Previous involvements as Company Secretary, Chief Financial Officer and Business Development Officer for large agricultural businesses, both private and listed, in Australia and mineral exploration businesses exploring in Papua New Guinea, Malaysia, Thailand, Philippines and Central America, and Business Consultant with nem Australasia Pty.

Ltd.

Responsibilities: Chair Business & Revenue Subcommittee, and Member Technical, Projects & Programs Subcommittee.

#### **Gary Jones**

#### Appointed 22 November 2017

Qualifications: Bachelor of Science (Botany & Chemistry) (Honours) (Monash University), PhD (Marine Chemistry &

Ecology) (University of Melbourne), Fulbright Fellow (Post-Doctoral) (Massachusetts Institute of

Technology), AICD Diploma.

Experience: 1 October 2019 - Present: Board Member, Coliban Water.

2018 - Present: Chair, International Scientific Committee, XVII World Water Congress 2020, International

Water Resources Association (IWRA).

2016 - Present: Board Member, International Water Resources Association (IWRA).

2012 - Present: Adjunct Professor, University of Canberra.

2015 - 2017: CEO, Australian Water Partnership. 2015 - 2016: Executive Director, eWater Limited. 2010 - 2013: Chair, International RiverFoundation.

2005 - 2012: Chief Executive, eWater Cooperative Centre (CRC). 2001 - 2012: Professor of Water Science, University of Canberra.

2001 - 2005: Chief Executive and Director of Knowledge Exchange, CRC for Freshwater Ecology.

1989 - 2001: Senior Principal Research Scientist, CSIRO Land & Water. 1987 - 1989: Senior Research Fellow, University of Newcastle Upon Tyne.

Responsibilities: Member Governance, Risk & Compliance Subcommittee, and Member Business & Revenue

Subcommittee.

#### **Carole Hammond**

#### Appointed 21 November 2018

Qualifications: Master of Environment (University of Melbourne), Master of Urban Planning and Environment (RMIT

University), Master of Museum Studies: Environmental Sustainability (Macquarie University)

Experience: 2018 - Present: Team Leader - Climate Change and Environment, Strathbogie Shire Council.

2016 - Present: Managing Director, Coolth Sustainability.

2017 - 2018: Team Leader - Environment and Economic Development, Strathbogie Shire Council.

2013 - 2017: Senior Sustainability Officer, Moonee Valley City Council.

Responsibilities: Member Technical, Project & Programs Subcommittee.

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 **DIRECTORS' REPORT**

#### Information on Directors (continued)

#### Sonya Rand Appointed 7 February 2019

Bachelor of Chemical Engineering, (University of Adelaide), Post Grad Diploma of Business Management Qualifications:

(Monash University), Master of Engineering Science (Monash University)

Experience: 2018 - Present: Group Sustainability & Ethical Sourcing Manager, Cotton On Group

2012 - 2017: Ethical Sourcing Manager, Coles.

2015 - 2016: Community and Sustainability Manager, Coles. 2004 - 2011: Group Sustainability Manager, Britvic Soft Drinks. 1996 - 2003: Product Development Manager, Australian Paper

Responsibilities: Member Governance, Risk & Compliance Subcommittee.

#### **Meetings of Directors**

During the financial year, 6 meetings of Directors (including committees of Directors) were held.

Attendances by each director during the year were as follows:

John Langford	
Juliet Le Feuvre	
Pat Feehan	
Peter Caswell	
Gary Jones	
Carole Hammond	
Sonya Rand	
Michele Akeroyd	(Retired Jun 2019)
Jason Alexandra	(Retired Nov 2018)
James Pittock	(Retired Nov 2018)
Julia Seddon	(Retired Nov 2018)

Board		
Number	Number	
eligible to	attended	
attend		
6	6	
6	4	
6	6	
6	5	
6	6	
3	2	
3	3	
5	4	
1	0	
3	2	
3	1	

The Directors act in an honorary capacity and are not paid for services to the Company.

#### After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

#### **Contribution in Winding Up**

Water Stewardship Australia Limited is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10.00 towards meeting any outstanding obligations of the Company.

At 30 June 2019 the collective liability of members was \$30 (2018: \$30).

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 **DIRECTORS' REPORT**

#### **Auditor's Independence Declaration**

The auditor's independence declaration for the ye	r ended 30 June 2019 has beei	n received and is included	in this report on
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Signed in accordance with a resolution of the Board of Directors.

Dated: 14 November 2019



**TOWARDS A VISION SHARED** 

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#### **AUDITOR'S INDEPENDENCE DECLARATION** TO THE DIRECTORS OF WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764

I declare that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2019 there have been:

- no contraventions of the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and
- No contravention of any applicable code of professional conduct in relation to the audit.

Frederik Ryk Ludolf Eksteen CA **ASIC Auditor Registration Number 421448** 

Collins & Co **127 Paisley Street FOOTSCRAY VIC 3011** 

Dated this 20th day of November 2019

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
REVENUES	2	473,101	741,559
EXPENSES			
Administration expenses		(86,656)	(118,227)
Employee benefits expenses		(135,449)	(135,354)
Project delivery expenses		(368,266)	(397,098)
	_		
Surplus/(deficit) attributable to entity		(117,270)	90,880
Other comprehensive income after income tax		-	-
Net gain or loss on revaluation of non-current assets	7	-	-
Other comprehensive income for the year, net of tax	-	<u> </u>	-
Total comprehensive income for the year, net of tax	-	(117,270)	90,880
Total comprehensive income/(loss) attributable to entity	_	(117,270)	90,880

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	330,747	50,309
Trade and other receivables	5	28,137	198,995
Other current assets	6	1,922	60,000
TOTAL CURRENT ASSETS	<u>-</u>	360,806	309,304
NON CURRENT ASSETS			
Property, plant and equipment		-	-
TOTAL NON-CURRENT ASSETS	<del>-</del>	-	-
TOTAL ASSETS	<u>-</u>	360,806	309,304
CURRENT LIABILITIES			
Trade and other payables	7	333,951	161,828
Provisions	8	5,438	8,789
TOTAL CURRENT LIABILITIES	<u>-</u>	339,389	170,617
TOTAL LIABILITIES	<u>-</u>	339,389	170,617
NET ASSETS	- -	21,417	138,687
EQUITY			
Accumulated funds		21,417	138,687
TOTAL EQUITY	-	21,417	138,687

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated funds	Total \$
Balance as at 1 July 2017	47,807	47,807
Surplus/(deficit) attributable to entity	90,880	90,880
Balance as at 30 June 2018	138,687	138,687
Surplus/(deficit) attributable to entity	(117,270)	(117,270)
Balance as at 30 June 2019	21,417	21,417

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and grants		882,376	490,639
Payments to employees and suppliers		(603,399)	(599,733)
Interest received		1,461	1,352
Net cash generated from/(used in) operating activities	13	280,438	(107,742)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment Payment for purchase of property, plant and equipment		-	-
Net cash generated from/(used in) investing activities	-		-
Net increase/(decrease) in cash held		280,438	(107,742)
Cash and cash equivalents at beginning of financial year		50,309	158,051
Cash and cash equivalents at end of financial year	4	330,747	50,309

#### Note 1. Statement of Significant Accounting Policies

The financial statements and notes represent those of Water Stewardship Australia Limited (the Company).

#### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not for Profits Commission Act* 2012. The Company is a not-for-profit Company for financial reporting purposes under Australian Accounting Standards.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### **Accounting Policies**

#### a. Property, Plant and Equipment

Freehold land and buildings, plant & equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Company includes the cost of materials, labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the asset can be measured reliably. All other repairs & maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on the revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

#### Note 1. Statement of Significant Accounting Policies (continued)

#### Property, Plant and Equipment (continued) a.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

#### Impairment of Assets b.

At each reporting date, the company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

#### C. Leases

All leases are classified as operating leases. Minimum lease payments made under operating leases are charged as an expense in equal instalments over the accounting periods covered by the lease term.

#### d. **Financial Instruments**

#### **Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

#### Note 1. Statement of Significant Accounting Policies (continued)

#### Financial Instruments (continued)

#### **Classification and Subsequent Measurement**

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

#### Financial assets at fair value through the profit & loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Company of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

#### **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are Included in non-current assets, except for those which are expected to mature within 12 months after the end of reporting period. If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments would be tainted and reclassified as available-for-sale.

#### Note 1. Statement of Significant Accounting Policies (continued)

#### Financial Instruments (continued)

#### Available-for-sale Financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in equity of other entities where there is neither fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

#### **Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

#### Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

#### Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

#### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### **Employee Benefits**

#### Short term benefits

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on-costs, which the Company expects to pay at the end of each reporting period.

#### Long term benefits

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

Superannuation contributions are made by the Company to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Company has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

#### Note 1. Statement of Significant Accounting Policies (continued)

#### **Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

#### h. Revenue

Revenue comprises income from the provision of government grants, client contributions and donations. Revenue from major products and services is shown in Note 2.

#### **Government Grants**

A number of the organisation's programs are supported by grants received from the Federal, State and Local Governments.

Were conditions are attached to a grant which must be satisfied before the organisations is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the organisation obtains control of the funds, economic benefits are probable and the amount can be measured reliably.

If the organisation receives a non-reciprocal contribution of an asset from a government or other party for no nominal considerations, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

#### **Client Contributions**

Fees charged services provided to clients are recognised when the service is rendered.

#### **Donations**

Donations collected, are recognised as revenue when the organisation gains control, economic benefits are probable and the amount of the donation can be measured reliably.

#### Interest Received

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

All receipts are stated net of Good and Services Tax.

#### Note 1. Statement of Significant Accounting Policies (continued)

#### **Trade and Other Payables**

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

#### Goods and Services Tax (GST) i.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

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

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows excluded from the receipts from customers or the payments to suppliers.

#### **Income Tax**

By virtue of its aims as set out in the constitution, the Company qualifies as an organisation specifically exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997.

#### I. **Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

#### **Critical Accounting Estimates and Judgements** m.

The direction evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

#### **Key Estimates - Impairment (General)**

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets.

Where an impairment trigger exists, the recoverable amount of the asset is determined.

#### Key Judgements - Provision for Impairment of Receivables

The management believe that \$Nil of the debt may be unrecoverable, and therefore no provision for impairment has been made.

#### Note 1. Statement of Significant Accounting Policies (continued)

#### New, Revised or Amending Accounting Standards and Interpretations Adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Board of Committee Members has elected not to early adopt any of the new and amended pronouncements.

#### i) AASB 15: Revenue from Contracts with Customers

AASB 15 is applicable to annual reporting periods of not-for-profit entities beginning on or after 1 January 2019, as deferred by AASB 2016-7: Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-For-Profit Entities.

When effective, AASB 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Based on a preliminary assessment performed over each service and customer contract, the effects of AASB 15 are not expected to have a material effect on the Company.

#### ii) AASB 1058: Income of Not-For-Profit Entities

AASB 1058 is applicable to annual reporting periods beginning on or after 1 January 2019.

When effective, AASB 1058 requires that where a Not-for-Profit entity acquires an asset for a payment that is significantly less than its fair value (for example grants, bequests, donations, or other similar voluntary contributions), the timing of income recognition will depend on whether the transaction gives rise to a performance obligation. Where a performance obligation exists, the amount is recognised as revenue in accordance with the principles of AASB 15, which would mean recognising the proportion relating to the performance obligations as income only when they are satisfied. Where a performance obligation does not exist, the amount is immediately recognised as income.

Based on a preliminary assessment performed by the Company, the effects of AASB 1058 are not expected to have a material effect on the Company.

#### Note 1. Statement of Significant Accounting Policies (continued)

New, Revised or Amending Accounting Standards and Interpretations Adopted (continued) ο.

#### iii) AASB 16: Leases

AASB 16 is applicable to annual reporting periods beginning on or after 1 January 2019.

When effective, AASB 16 will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

Based on a preliminary assessment performed over each line of business and product type, the effect of AASB 16 is expected to be:

- (a) An increase in Lease Liabilities, with a commensurate increase in Right-to-Use Assets. These changes are not expected to materially impact Net Assets.
- (b) An increase in Amortisation Expense (of the Right-to-Use Asset) and an increase in Interest Expense (on the Lease Liability), with a commensurate decrease in Lease Expense and/or increase in revenue recognition where lease arrangements are below market value. These changes are not expected to materially impact Total Comprehensive Income.

		2019 \$	2018 \$
Note 2.	Operating Activities: Revenues		
	Grants revenue & consulting fees Subscriptions & Training Donations	470,755 841 44	678,860 60,297 1,050
	Interest received  Total revenues	1,461 473,101	1,352 741,559
Note 3.	Operating Activities: Expenses		
	Salaries and wages Superannuation	126,267 11,882	115,585 10,980
	Key Management Personnel Remuneration		
	Key management of the Company are the members of the Board of Management, the Chief Executive Officer and Senior Executive Managers. Included in salaries and wages above is the following key management personnel remuneration:		
	Note that the Board of Directors are not financially remunerated.		
Note 4.	Cash and Cash Equivalents		
	Cash at Bank	330,747 330,747	50,309 50,309
	Reconciliation of Cash		
	Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
	Cash and cash equivalents	330,747 330,747	50,309 50,309
Note 5.	Trade and Other Receivables		
	Trade debtors Less: provision for doubtful debts	28,137	198,995
		28,137	198,995
Note 6.	Other Current Assets		
	Prepayments	1,922	60,000

		2019 \$	2018 \$
Note 7.	Trade and Other Payables		
	Current - Unsecured		
	Trade creditors	40,320	105,452
	Sundry creditors	-	418
	Accrued expenses	21,085	3,449
	General and project funding received in advance	261,182	21,304
	Superannuation payable	133	60
	GST payable	711	19,309
	PAYG withholding tax payable	10,520	11,836
		333,951	161,828
	Non-current - Unsecured		
	Other payables	-	-
	<u> </u>	333,951	161,828
	Financial liabilities at amortised cost classified as trade and other payables		
	Trade and other payables		
	- Total current	333,951	161,828
	- Total non-current	-	-
		333,951	161,828
Note 8.	Provisions		
	Current		
	Annual leave	5,438	8,789
	<del>-</del>	5,438	8,789

#### Note 9. **Leasing Commitments**

#### **Operating Lease Commitments**

The property lease commitment is a non-cancellable operating lease with a lease term less than one year.

		2019 \$	2018 \$
Note 10.	Capital Commitments	•	*
	The Company has no future capital commitments at the date of this financial report.		
Note 11.	Cash Flow Information		
(a)	Reconciliation of Cash Flow from Operations with Profit after		
	Operating surplus/(deficit)	(117,270)	90,880
	Changes in assets and liabilities		
	(Increase)/decrease in trade and other receivables	170,858	(170,789)
	(Increase)/decrease in prepayments	58,078	(57,966)
	Increase/(decrease) in trade and other payables	(67,755)	108,913
	Increase/(decrease) in general & project funding received in advance	239,878	(78,779)
	Increase/(decrease) in provisions	(3,351)	-
	Cash flow from operations	280,438	(107,741)

#### Note 12. Financial Risk Management

#### **Financial Risk Management**

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and bank loans.

The Company does not have any derivative instruments at 30 June 2019.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Note	2019 \$	2018 \$
	•	•
4	330,747	50,309
les <b>5</b>	28,137	198,995
	358,884	249,304
8	333,951	161,828
	333,951	161,828
	4 5	\$ 4 330,747 5 28,137 358,884  8 333,951

#### (i) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

#### (ii) Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained.

#### (iii) Interest Rate Risk

The finance committee meets on a regular basis to analyse the interest rate exposure in the context of the most recent economic conditions and forecasts.

#### Note 13. Economic Dependency

A significant portion of untied income is received from member subscriptions.

#### Note 14. Related Party Transactions

There was no remuneration paid or payable to the directors of the company.

#### Note 15. Company's Details

The registered office of the company is:

The principal place of business of the company is:

C2.33, Abbotsford Convent 1 St Heliers St ABBOTSFORD VIC 3067

C2.33, Abbotsford Convent 1 St Heliers St ABBOTSFORD VIC 3067

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 **DIRECTORS' DECLARATION**

The responsible persons declare that in the responsible persons' opinion:

- 1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- 2. the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Chairperson **Treasurer** 

Dated this 14th day of November 2019



**TOWARDS A VISION SHARED** 

ABN 15 893 818 045

127 Paislev Street Footscray VIC 3011 Australia

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#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### Opinion

I have audited the accompanying financial report of Water Stewardship Australia Limited (the company), which comprises the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

In my opinion, the accompanying financial report of Water Stewardship Australia Limited is in accordance with Division 60 of the ACNC Act 2012, including:

- giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance and cash flows for the year ended on 30 June 2019; and
- ii complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

#### **Basis of Opinion**

I conducted my audit in accordance with 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 Company in accordance with the auditor independence requirements of the ACNC Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the ACNC Act 2012, which has been given to the directors of the Company would be on the same terms if given to the directors as at the time of this auditor's report.

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

#### Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.



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#### 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with 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, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities 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 registered entity'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. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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.

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

Frederik Ryk Ludolf Eksteen CA ASIC Auditor Registration Number 421448

Collins & Co 127 Paisley Street FOOTSCRAY VIC 3011

Dated this 20th day of November 2019

#### WATER STEWARDSHIP AUSTRALIA LIMITED ACN 143 616 764 DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
REVENUE			
Grants revenue & consulting fees		470,755	678,860
Subscriptions & Training		841	60,297
Donations		44	1,050
Interest received		1,461	1,352
TOTAL REVENUE	- -	473,101	741,559
EXPENDITURE			
Administration expenses		86,656	118,227
Advertising		400	713
Audit, Bookkeeping & Accounting		7,770	3,970
Bad debts Bank Fees		837	11,263
Conference & Meeting Expenses		-	1,650 2,829
Consultancy Fees		-	13,500
Events		3,886	5,450
Insurance		5,236	4,203
Office expenses		11,204	91
Rent		5,546	7,673
Subscriptions and memberships		2,442	1,495
Sundry expenses		4,739	3,492
Telephone & Internet		1,458	1,745
Training Travel and accommodation		9,245	- 60 153
Travel and accommodation	L	33,893	60,153
Employee Benefit Expenses		135,449	135,354
Salaries and wages		126,267	115,585
Superannuation contributions		11,882	10,980
Annual leave and long service leave		(2,700)	8,789
Program Resources	_	368,266	397,098
AWS fees		62,339	17,736
Consulting fees		80,385	131,880
Contractor Fees		218,867	223,298
Events Projects		11	13,429
Legal expenses		1,500	-
Materials		3,228	10,444
Sundry expenses	L	1,936	311
TOTAL EXPENDITURE	_	590,371	650,679
SURPLUS/(DEFICIT) FOR THE YEAR	_	(117,270)	90,880

AWS Asia-Pacific would like to express our appreciation for our Key Supporters and Members. We would also like to acknowledge all our volunteers and interns. Thank you for your continued support.

#### **KEY SUPPORTERS**







#### **ORGANISATIONAL MEMBERS 2018/2019**













NN Service & Repair











#### **INDIVIDUAL MEMBERS 2018/2019**

Michele Akeroyd

Pat Feehan

Barry Hart

**Carole Hammond** 

Gary Jones

John Langford

Jamie Pittock



