

# ANNUAL REPORT

## GASCOYNE WATER CO-OPERATIVE LTD

FOR THE PERIOD ENDING  
30 JUNE 2025

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# 1. CHAIR'S REPORT

**Dear Members,**

It is a pleasure to present my second report as Chair of GWC.

The past year has been a landmark period as we race towards completing the GISAM project with the final stage of the Gascoyne Food Bowl Initiative. Connections are close to being commissioned with only a couple being pushed back to early next year so as to not affect the current growing season for our existing members, this has been a huge effort from board members, staff, stakeholders and service providers.

GWC has continued to evolve and position itself ahead of other water providers through the implementation of our SCADA telemetry system. This innovative technology allows members to easily access detailed, real-time information about their water usage directly at their connection point—without the need to contact the office. This level of accessibility and transparency represents a major step forward in customer service and operational efficiency.

It has been a pleasure to work with the current board members. Their valued input has been critical to our current position. Governance and compliance are at the forefront of our meetings with the vast complexity of regulatory and operational hurdles to navigate. The board recognises that a comprehensive approach to compliance is fundamental to meeting our legal obligations and upholding the trust and support of our members and stakeholders.

Amalgamation of the two entities (GWC and GWAMCO) is still being pursued. This has been a slow process, but we are finally making gains in what the final entity will look like and the benefits it will bring to our members, as more information and a workable model becomes available this will be put forward to our members.

I would like to thank my fellow board members, the amazing GWC staff, with a big mention to Suzi Kent, the stakeholders and the tireless efforts made by our service providers.

Lastly a big thank you to all members, best of luck for the end of '25 and the upcoming 2026 season.

Thank you,

Paul Shain  
**Chair**

**Gascoyne Water Co-operative Ltd.**

## 2. CORPORATE SERVICES REPORT

To the Members,

It has now been just over a year since I joined Gascoyne Water Co-operative as Corporate Services Manager, and I am pleased to share an overview of the progress achieved across the organisation. The past twelve months have been defined by improvement and the continued strengthening of our internal systems, providing a strong foundation for sustainable growth.

We have made significant progress in governance, compliance, and financial management, supported by the findings of the ERA Asset Management System Review conducted in April 2025. The review confirmed that GWC continues to meet its regulatory obligations and identified opportunities for further enhancement, which are now being addressed through structured improvement actions. This work reinforces our commitment to transparency, accountability, and continual improvement.

The refinement of our Quality Management System and rollout of the LogiQC platform have further strengthened compliance, document control, and reporting functions, improving consistency and oversight across all operations with a strong focus on Asset Management to assist to ensure reliability of the Co-operatives assets.

GWC maintains a sound financial position, underpinned by a focus on budget management and improved financial processes that provide transparency and accessibility for members.

The Gascoyne Food Bowl Initiative continues to progress well, with six of the eight new connections expected to be completed by December 2025 — a milestone that highlights GWC's role in fostering sustainable regional development.

I would like to extend my sincere thanks to our wonderful local staff and service providers for their tireless work, dedication, and professionalism throughout the year. I also wish to acknowledge our Board of Directors for their progressive leadership and steadfast commitment to accountability and transparency, which continue to guide the Co-operative's success.

Finally, to our Members — thank you for your support and engagement. You make our work both rewarding and enjoyable, and we look forward to continuing working with you in the year ahead.

Warm Regards,

Suzi Kent

**Corporate Services Manager**

### 3. BOARD OF DIRECTORS AT 30 JUNE 2025

#### **Paul Shain (Member Director)**

Paul Shain was appointed to the Board of Directors at the 2021 & 2024 Annual General Meeting. As a second-generation grower, Paul has 26 years' experience in facing the challenges that confront the horticulture industry and is committed to steering the Gascoyne Water Co-operative towards sustainable growth. His personal involvement in growing an array of crops, including beans, capsicums, eggplant, tomatoes, chillies, and zucchinis, reflects his hands-on experience and diverse expertise.

Paul's multifaceted role in various committees and organisations within the horticulture sector shows his proactive approach and commitment to community collaboration. His roles as Chair of Vegetables WA and **former** Chair of the Carnarvon Growers Association Committee underscore his broader contributions to the industry at a regional level.

#### **Denis Durmanich (Member Director)**

Denis Durmanich, a second-generation grower in the Carnarvon Horticultural area, manages a diverse portfolio of businesses in the region, specialising in the cultivation of melon, capsicum, and zucchini. He is a valuable figure bringing leadership, expertise, and a dedication to fostering growth and sustainability within the region.

Denis has successfully completed a Co-operative Directors Course offered by the Australian Institute of Co-operative Directors, highlighting his dedication to acquiring the necessary skills and knowledge required to contribute to the governance and strategic direction of the Gascoyne Water Co-operative Ltd. As a Director and Chairman of Gascoyne Gold Pty Ltd, Denis oversees a vital entity that addresses the sorting, packing, and freight requirements of growers. Through this position, he plays a crucial role in supporting and enhancing the operational aspects of the local horticultural community.

#### **Saxon Boston (Member Director)**

Saxon Boston was appointed to the position of Member Director in March 2023 AGM. Saxon has 35 years of hands-on experience and extensive knowledge of the Carnarvon Horticulture District. He is currently employed as the Horticulture Manager with Harvest Road and is also the owner of Northwest Solutions Pty Ltd, an earthmoving company specializing in underground power, water, and communications. His company has successfully secured contracts with Water Corporation, Horizon Power, Telstra, and GWC. Saxon played a key role in the installation of the Gascoyne Irrigation Pipeline Project and managed GWC field operations for three years. He has also served two terms as a Councillor for the Shire of Carnarvon. His experience extends beyond Australia, having worked for ICI Pacific Seeds, Velcourt in the UK, and Leo Lithium in Northwest Africa.

### **Andrew Durmanich (Member Director)**

Andrew Durmanich is a long-standing primary producer in Carnarvon with over 30 years of experience in the industry. A former Director of GWAMCO and holder of a Business Diploma, Andrew brings valuable insight and practical knowledge to his role as a Member Director. He offers support and advice on water management and is dedicated to working on new ways to implement efficient on-farm water practices that address the challenges members face. Andrew is also focused on planning for the future through infrastructure improvements to ensure consistent, high-quality water delivery, supporting the long-term sustainability and success of the cooperative and its members.

### **David Linder Patton (Non-Member Director)**

David Linder Patton assumed a contract position on the GWC Board as Non-Member Director in April 2024. David is a seasoned financial and corporate leader with extensive experience in strategic planning, corporate recoveries, and executive leadership. A Chartered Management Accountant (ACMA) since 1992 and a Member of the Australian Institute of Company Directors (MAICD), he holds an HND in Business and Finance from Leicester Polytechnic, UK (1987). His expertise spans stakeholder and change management, implementation of integrated MIS and ERP systems, and achieving ISO accreditations. With a proven track record in acquisitions, disposals, and capital raising, David has successfully served as an interim CEO and CFO, driving business transformation and financial growth.

### **David Swords (Non-Member Director)**

David Swords was endorsed as Non-member Director on the GWC Board at the 2024 AGM held on the 17th of April 2025. With a strong farming background, having spent his early years on the family farm in NSW before attending an agricultural boarding school for six years, David developed a lifelong connection to agriculture and rural business. He went on to complete a Bachelor of Economics (Accounting and Law) at the University of Sydney and began his professional career with seven years at EY, specialising in audit and tax. David then established and ran his own accounting practice in NSW for 20 years, focusing on tax and audit services for clients across a broad range of agricultural sectors—including sheep, cattle, cropping, cotton, dryland, and irrigation farming, as well as audits for more than 20 public hospitals and other government-funded corporations. After moving to Western Australia two decades ago, his accounting work has centred primarily on the audit of public companies. With a strong focus on corporate governance and organisational compliance, David works closely with the Corporate Services Team to ensure best practice and accountability across all operations.

## 4. GOVERNANCE & DIRECTORS REPORT

### Board Structure

The Gascoyne Water Co-operative is required to maintain a minimum of 3 and a maximum of 5 Member Directors according to Rule 47.1. Additionally, Rule 47.2 mandates a minimum of 2 and a maximum of 4 Non-Member Directors. Pursuant to Rule 48.2, the Board of Directors may nominate a Non-Member Director for election, provided they possess skills, experience, or knowledge in engineering, industrial, legal, commercial, or financial sectors.

The GWC Board currently consists of 4 Member Directors and 2 Non-Member Directors.

Director details, including their qualifications and experience, are available on the preceding pages.

### Directors Responsibilities

Directors are accountable to GWC Members for the Co-operative's performance. In fulfilling their responsibilities, Board Members are committed to serving the interests of members, customers, employees, and the broader community with honesty, transparency, fairness, and diligence.

This commitment harmonises with the Articles of Association and Directors Code of Conduct. A Board's main responsibilities are to:

- Set the strategic direction of the organisation.
- Oversee the Co-operative's financial performance.
- Appoint a CEO and conduct performance reviews.

The Board should also:

- Operate within statutory powers and policies.
- Ensure compliance with applicable laws and accounting standards.
- Advocate for and communicate effectively with members.
- Establish and review Board policies.
- Oversee risk management strategy and evaluate risk management performance.
- Play an active role in cultivating and modelling a culture of integrity.
- Oversee occupational health and safety.

In order to satisfy these obligations, Directors:

- Regularly receive comprehensive reports which are compiled and presented by the Co-operatives accountant.
- Receive reports from the auditor as part of the interim audit and end of year audit.
- Have unrestricted access to the Co-operative's records and information.
- Have the authority to engage independent experts collectively or individually if required

## Board of Directors Meetings

The Chairman, Co-operative Secretary, and Chief Executive Officer collaborate in setting meeting agendas to ensure comprehensive coverage of strategic, financial, and risk-related areas. Directors are expected to actively participate in Board Meetings and make independent decisions. During this reporting period, the Board convened a total of 14 ordinary Board Meetings as detailed below.

| Director                | No. of Meetings Attended | Period of Service       |
|-------------------------|--------------------------|-------------------------|
| Mr. Paul Shain          | 12                       | 11.04.2024 – 30.06.2025 |
| Mr Denis Durmanich      | 11                       | 22.11.2022 – 30.06.2025 |
| Mr. Saxon Boston        | 11                       | 14.04.2023 – 30.06.2025 |
| Mr. Anthony Vrankovich  | 11                       | 01.07.2024 - 16.05.2025 |
| Mr. Andrew Durmanich    | 2                        | 17.04.2025 – 30.06.2025 |
| Mr. David Linder Patten | 11                       | 17.04.2024 – 30.06.2025 |
| Mr. David Swords        | 4                        | 17.04.2024 – 30.06.2025 |
| Mr. Nicolas Cuthbert    | 2                        | 01.07.2024 – 03.08.2024 |

## Directors and Officers Insurance and Deeds of Indemnity

In accordance with the Co-operative's Rules, Gascoyne Water Co-operative is required to indemnify its officers against any liabilities, costs, charges, losses, damages, and expenses incurred in the execution of their duties. The Rules also provide for the payment of Directors and Officers Liability Insurance premiums, covering actions undertaken in good faith in the course of performing official responsibilities.

During the reporting period, the Co-operative secured a Directors and Officers Liability Insurance policy to ensure appropriate protection for its Directors and Officers in relation to their governance and management roles.

Additionally, the Co-operative has executed Deeds of Indemnity in favour of certain past and present Directors, Secretaries, and Executive Officers. These deeds provide, to the extent permitted by law, indemnification against liabilities incurred in their capacity as officers of Gascoyne Water Co-operative where such protection is not otherwise provided. The indemnity also extends to the reimbursement of legal costs incurred in responding to regulatory investigations and in defending proceedings arising from the performance of their duties.



## Directors' Benefits

Except for the remuneration disclosed below and in Note 25, no Director of the Co-operative has received, nor is entitled to receive, any other benefits. Furthermore, no contracts have been entered into between the Co-operative and:

- any Director;
- any entity controlled by a Director; or
- any entity in which a Director holds a significant financial interest.

## Directors' Interests

The Directors' interests in the Co-operative's share capital as of 30 June 2024 are detailed below. The GWC Share Register is officially maintained at the GWC office, as mandated by Section 230(1)(a) of the *Co-operatives Act 2009 (WA)*.

| Director Name                             | A-Class Shares | C-Class Shares |
|-------------------------------------------|----------------|----------------|
| Mr. Domenico Condo                        | 500            | 160            |
| Mr. Paul Shain                            | 500            | 72             |
| Mr. Anthony Vrankovich                    | 500            | 54             |
| Mr. Saxon Boston<br>(Forrest and Forrest) | 500            | 770            |
| Mr. Denis Durmanich                       | 500            | 132            |
| Mr Andrew Durmanich                       | 500            | 195            |

## Director Remuneration

A change to Director remuneration was approved by Members at the Annual General Meeting held on 15 November 2022. It is noted that superannuation contributions have historically been paid in addition to base Director fees. The remuneration applicable to each position, both prior to and following the approved changes, is outlined below:

| Position            | Prior to 2022 AGM | Post 2022 AGM |
|---------------------|-------------------|---------------|
| Chair               | \$8,000           | \$20,000      |
| Member Director     | \$6,000           | \$15,000      |
| Non-member Director | \$25,000          | \$25,000      |

The below table shows the Director fees paid to the person who filled each Director position in the 2024-2025 financial year. Note that some Directors occupied different positions and the dates for each position as well as the fees paid are listed:

| <b><u>Director Name</u></b> | <b><u>Position</u></b> | <b><u>Directorship Period</u></b> | <b><u>Fees Paid</u></b> |
|-----------------------------|------------------------|-----------------------------------|-------------------------|
| Mr Domenico Condo           | Chair                  | 01.07.2024 – 17.10.2024           | \$10,349.47             |
| Mr. Paul Shain              | Member Director/Chair  | 01.07.2024 – 30.06.2025           | \$29,086.04             |
| Mr Denis Durmanich          | Member Director        | 01.07.2024 – 30.06.2025           | \$15,000.00             |
| Mr Anthony Vrankovich       | Member Director        | 01.07.2024 – 16.05.2025           | \$13,568.49             |
| Mr Saxon Boston             | Member Director        | 01.07.2024 – 30.06.2025           | \$15,000.00             |
| Mr Andrew Durmanich         | Member Director        | 17.04.2025 - 30.06.2025           | \$ 3,750.00             |
| Mr David Linder-Patten      | Non-Member Director    | 14.04.2023 – 30.06.2024           | \$25,000.00             |
| Mr Nicolas Cuthbert         | Non-Member Director    | 01.07.2024 - 03.08.2024           | \$ 4,166.66             |
| Mr David Swords             | Non-member Director    | 17.04.2025 – 30.06.2025           | \$ 6,429.00             |

## **Disputes Panel**

In adherence to Rule 98.1, the Disputes Panel appointed at the 2024 Annual General Meeting comprised of 7 members. This panel includes 1 Director and 5 members who are not Directors. Being Mr. Anthony Vrankovich (Director) and Members, Stan Kostanich, Kevin Sullivan, Byron Sutcliffe, Domenic Condo and Ketut Basset.

## **Company Secretary**

The position of Company Secretary was filled by two qualified people during the reporting period.

| <b>Company Secretary</b> | <b>Period</b>           |
|--------------------------|-------------------------|
| Mrs Belynda Dixon        | 25.10.2024 – 30.06.2025 |
| Ashleigh Barr            | 01.07.2024 – 03.07.2024 |

## **Proceedings**

As of 30<sup>th</sup> June 2025, GWC has not commenced any legal proceedings. GWC has an ongoing contractual dispute with an infrastructure manufacturer that it is hoped to be resolved without court proceedings.

## 5. OPERATIONS

### GWC Employees - 1 July 2024 and 30 June 2025

|                          |                         |
|--------------------------|-------------------------|
| Alexandra Bell           | 01.07.2024 – 23.10.2024 |
| Suzanne Kent             | 01.10.2024 – 30.06.2025 |
| Belynda Dixon            | 25.10.2024 – 30.06.2025 |
| Ellie Gliddon            | 01.05.2025 – 30.06.2025 |
| Hayu Priyanggono         | 20.10.2024 – 30.06.2025 |
| Lisa Sweetman            | 01.07.2024 – 30.06.2025 |
| Marija Vrankovich        | 01.07.2024 – 30.06.2025 |
| Ashleigh Barr            | 01.07.2024 – 03.07.2024 |
| <b>Total Staff Wages</b> | <b>\$315,227.71</b>     |

### Service Providers

|                            |                          |
|----------------------------|--------------------------|
| <b>Auditor</b>             | Australian Audit Pty Ltd |
| <b>Banking Institution</b> | ANZ Bank - Carnarvon     |
| <b>Insurance Broker</b>    | Oracle Group             |
| <b>Legal Advisors</b>      | Addisons Solicitors      |

### Principal Activities

During the reporting period, Gascoyne Water Co-operative's principal activities included the following:

- Monitoring and managing the delivery of non-potable irrigation water to GWC Growers and Coral Coast Water customers within the Carnarvon Irrigation Area.

Fulfilling operational and regulatory obligations, including:

- Compliance with the Northern Borefield Operating Strategy
- Compliance with the Water Services Act and Economic Regulation Authority (ERA) Regulations.
- Delivery of services in accordance with the Service Agreement with Gascoyne Water Asset Mutual Co-operative Ltd
- Preparation and submission of compliance reports in line with monthly, quarterly, biannual, and annual requirements.
- Management of the Gascoyne Food Bowl Initiative (GFBI).

## Water Charges

Based on projected revenue growth from the Co-operative's expanding operations—and in response to feedback from Members—we are pleased to confirm that water charges remained unchanged for the 2024 water year. This decision reflects our commitment to delivering value and cost stability for Members, while responsibly supporting future growth and ensuring the long-term sustainability of the Co-operative.

| GWC Charge            | Rate                                 |
|-----------------------|--------------------------------------|
| Fixed charge          | 0.2022 cents per kilolitre allocated |
| Variable contribution | 0.1122 cents per kilolitre delivered |

| GWAMCO Charge                  | Rate                                  |
|--------------------------------|---------------------------------------|
| Asset Replacement Contribution | 0.04081 cents per kilolitre allocated |
| Levy                           | \$2,040.80 per annum per meter        |

## 6. FINANCE

The 2025 Financial Statements are significantly impacted by the GISAM project (2024) and impairment losses and reversals. The following table outlines the net profit / (loss) before income tax adjusted for these items over recent years:

|                                                       | 2025              | 2024               | 2023             | 2022             | 2021           |
|-------------------------------------------------------|-------------------|--------------------|------------------|------------------|----------------|
| <b>Net Profit /(Loss) Before Income Tax</b>           | <b>10,027,119</b> | <b>(4,968,255)</b> | <b>(312,828)</b> | <b>(379,653)</b> | <b>232,775</b> |
| Less: GISAM Revenue                                   | -                 | (939,701)          | (981,722)        | (567,706)        | -              |
| Add: Impairment Loss / (Reversal)                     | (9,799,000)       | 6,088,000          | 1,536,921        | 1,410,141        | 10,000         |
| <b>Adjusted Net Profit / (Loss) Before Income Tax</b> | <b>228,119</b>    | <b>180,044</b>     | <b>242,371</b>   | <b>462,782</b>   | <b>242,775</b> |

Prior year impairment losses of \$9,799,000 have been reversed in the 2025 financial year. This reflects improved financial performance of the Consolidated entity, with additional revenue being generated from additional water allocated to GFBI lots and reductions in forecast operating expenditure.

The GISAM project concluded in the 2024 financial year, meaning no further revenue was recognised in 2025 for this.

Significant movements in the Statement of Financial Position from 2024, include:

1. An increase in cash and cash equivalents of \$1,196,952
2. Increased property, plant and equipment of \$9,905,024, largely reflecting the reversal of impairment
3. \$558,856 increase in borrowings from GWAMCO, largely as a result of final payments associated with the GISAM project in the early part of the financial year,
4. \$2,500,080 increase in deferred tax balances, resulting from the reversal of prior year impairment losses.

At 30 June 2024, the Consolidated entity had a negative equity balance of \$2,305,539. This was mainly due to the impairment loss on property, plant and equipment of \$6,088,000 in the 2024 year. This has improved as forecast during the 2025 financial year, with a positive equity balance of \$5,404,951 as a result of underlying profitability and reversal of impairment losses of \$9,799,000 in the 2025 year.

## **Auditor**

The Audited Financial Statements form an essential component of this Annual Report. A presentation of the audit findings will be delivered by Chassey Davids of Australian Audit, and Members are encouraged to actively participate in the session to gain a clearer understanding of GWC's financial performance and position.

Members are also encouraged to review the Annual Financial Report in detail and direct any questions or queries to the auditor. As an independent appointee of the Members, the auditor provides an objective assessment of the Co-operative's financial statements, offering assurance that it is independent of the Board and Management and reinforcing transparency and accountability in financial reporting.

## **Dividends, Distributions, Options and New Shares**

During the year, Gascoyne Water Co-operative (GWC) did not distribute any dividends to its members. As a non-listed company, GWC did not issue any options over unissued shares or interests to any Director or Officer during the year or since the year's conclusion. This report is presented in accordance with a resolution passed by the Directors.

## 7. SUBSEQUENT EVENTS & FUTURE DEVELOPMENTS

### Board Leadership and Governance

In October 2024, Mr Domenico Condo retired from his position as Chair of the Board, following years of dedicated service to Gascoyne Water Co-operative (GWC). The Board expresses its sincere appreciation for Mr Condo's contributions during his tenure. Following his retirement, the Board unanimously elected Mr Paul Shain as the new Chair. Mr Shain brings a deep understanding of the organisation's strategic priorities and is committed to leading the Co-operative through its next phase of development and transformation.

In a move to strengthen governance and enhance strategic decision-making, the Board welcomed the appointment of two non-member Directors. Both individuals bring extensive experience from the finance sector, further diversifying the Board's skill set and improving its ability to oversee financial performance, risk management, and long-term planning. These appointments support GWC's ongoing commitment to strong governance and financial stewardship.

### Organisational Structure and Operational Improvements

The administrative operations of Gascoyne Water Co-operative underwent a strategic realignment to enhance efficiency and adaptability. The organisational structure was streamlined, enabling the Corporate Services team—comprising locally sourced, skilled staff to manage day-to-day functions more effectively. This leaner operational model has improved responsiveness, reduced overheads, and reinforced GWC's commitment to regional employment and capability development.

To ensure ongoing compliance and to embed continuous improvement across the organisation, a comprehensive Quality Management System (QMS) was implemented. The QMS encompasses key areas including Asset Management, Regulatory Reporting, Compliance Obligations, Occupational Health and Safety (OHS), and Document Control. This system provides a structured framework for maintaining quality, meeting legislative requirements, and fostering a culture of accountability. The LogiQC Quality Management System (QMS) was identified during the April 2025 ERA Audit as a valuable enhancement to GWC's operational efficiency and compliance framework.

### Risk, Audit and Strategic Projects

During the reporting period, an independent internal audit was completed to assess organisational controls, compliance practices, and risk management systems. The audit has now been finalised and is undergoing detailed review by independent consultants. The outcomes will inform future improvements and strategic planning.

Directors and Officers Liability Insurance was in place for the 2024/2025 financial year and has been renewed for the 2025/2026 year, providing ongoing protection to Board members and senior management. This coverage underscores GWC's commitment to responsible governance and risk mitigation.

Exploratory work continued on the feasibility of transitioning Gascoyne Water Co-operative and Gascoyne Water Asset Mutual Co-operative into a single legal entity structure. This strategic review is ongoing, with legal, operational, and stakeholder implications under careful consideration.

### **Operational and Financial Highlights**

The Gascoyne Food Bowl Initiative (GFBI) is scheduled for completion by December 2025, with six of the eight new connections expected to be commissioned by that time. The remaining two connections will be completed in 2026 following the required system shutdown. This milestone reflects ongoing growth in the region and GWC's vital role in supporting agricultural development.

Management have implemented strong financial management processes which are supported by dedicated accounts staff who work closely with the organisation's accountants to ensure accuracy and accountability. Overdue accounts and instances of water overuse have been promptly addressed by the majority of members, with excellent communication contributing to effective resolutions. Recent improvements to member invoicing and receipting processes aim to further enhance transparency and provide members with greater clarity and confidence in the management of their accounts.

## 8. ANNUAL FINANCIAL STATEMENTS



# **Gascoyne Water Co-operative Limited and Controlled Entities**

**ABN: 32 590 776 789**

**Financial Report  
30 June 2025**

**Gascoyne Water Co-operative Limited and Controlled Entities**  
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**For the Year Ended 30 June 2025**

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**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2025**

|                                          | Note | Consolidated Group |                    | Parent Entity    |                    |
|------------------------------------------|------|--------------------|--------------------|------------------|--------------------|
|                                          |      | 2025               | 2024               | 2025             | 2024               |
|                                          |      | \$                 | \$                 | \$               | \$                 |
| <b>Revenue</b>                           |      |                    |                    |                  |                    |
| Sales revenue                            | 3    | 3,983,346          | 3,948,106          | 3,800,952        | 4,220,687          |
| Other Revenue                            | 3    | 188,297            | 1,020,197          | 257,561          | 1,084,826          |
| Water Charges                            |      | (2,674,422)        | (2,468,932)        | (2,656,060)      | (2,450,570)        |
| <b>Expenses</b>                          |      |                    |                    |                  |                    |
| Payroll expense                          |      | (348,204)          | (388,480)          | (348,204)        | (388,480)          |
| Depreciation and amortisation expense    | 4    | (31,772)           | (4,744)            | (31,772)         | (4,744)            |
| Consultants                              |      | (219,675)          | (210,463)          | (219,675)        | (210,463)          |
| Writeback / (Loss) on debts written off  | 8    | -                  | (10,557)           | -                | (10,557)           |
| Impairment (loss) / reversal             | 4    | 9,799,000          | (6,088,000)        | 9,799,000        | (6,088,000)        |
| Maintenance, operations and inventory    |      | (33,919)           | (144,828)          | (33,934)         | (144,828)          |
| Administration expenses                  |      | (634,744)          | (620,169)          | (619,757)        | (618,234)          |
| Finance costs                            |      | (788)              | (385)              | (788)            | (280)              |
| <b>Profit / (loss) before income tax</b> |      | <b>10,027,119</b>  | <b>(4,968,255)</b> | <b>9,947,323</b> | <b>(4,610,643)</b> |
| Income tax expenses                      | 5    | (2,317,162)        | 1,278,845          | (2,317,162)      | 1,278,845          |
| <b>Profit / (loss) for the year</b>      |      | <b>7,709,957</b>   | <b>(3,689,410)</b> | <b>7,630,161</b> | <b>(3,331,798)</b> |
| Profit for the year is attributable to:  |      |                    |                    |                  |                    |
| Members of the parent entity             |      | 7,709,957          | (3,689,410)        | 7,630,161        | (3,331,798)        |
|                                          |      | <b>7,709,957</b>   | <b>(3,689,410)</b> | <b>7,630,161</b> | <b>(3,331,798)</b> |

The accompanying notes form part of these financial statements

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Statement of financial position**  
**As at 30 June 2025**

|                                                       |      | Consolidated Group |                    | Parent Entity     |                    |
|-------------------------------------------------------|------|--------------------|--------------------|-------------------|--------------------|
|                                                       |      | 2025               | 2024               | 2025              | 2024               |
|                                                       | Note | \$                 | \$                 | \$                | \$                 |
| <b>ASSETS</b>                                         |      |                    |                    |                   |                    |
| <b>CURRENT ASSETS</b>                                 |      |                    |                    |                   |                    |
| Cash and cash equivalents                             | 7    | 1,706,930          | 509,979            | 1,421,209         | 145,080            |
| Trade and other receivables                           | 8    | 518,796            | 670,797            | 485,463           | 798,035            |
| Inventories                                           | 9    | 424,186            | 191,470            | 424,186           | 191,470            |
| Financial assets at fair value through profit or loss | 11   | -                  | -                  | -                 | -                  |
| Financial assets at amortised cost                    | 12   | 84,576             | 81,055             | 84,576            | 81,055             |
| Other assets                                          | 10   | 266,422            | 777,356            | 392,482           | 918,571            |
| <b>TOTAL CURRENT ASSETS</b>                           |      | <b>3,000,910</b>   | <b>2,230,657</b>   | <b>2,807,916</b>  | <b>2,134,211</b>   |
| <b>NON-CURRENT ASSETS</b>                             |      |                    |                    |                   |                    |
| Financial assets                                      | 12   | -                  | -                  | 1                 | 1                  |
| Property, plant and equipment                         | 14   | 10,620,319         | 715,295            | 10,620,319        | 715,295            |
| Right-of-use assets                                   | 15   | 11,328             | -                  | 11,328            | -                  |
| Intangible assets                                     | 16   | 107                | -                  | 107               | -                  |
| Deferred tax assets                                   | 17   | 1,764,396          | 1,581,479          | 1,764,396         | 1,581,479          |
| <b>TOTAL NON-CURRENT ASSETS</b>                       |      | <b>12,396,150</b>  | <b>2,296,774</b>   | <b>12,396,151</b> | <b>2,296,775</b>   |
| <b>TOTAL ASSETS</b>                                   |      | <b>15,397,060</b>  | <b>4,527,431</b>   | <b>15,204,067</b> | <b>4,430,986</b>   |
| <b>LIABILITIES</b>                                    |      |                    |                    |                   |                    |
| <b>CURRENT LIABILITIES</b>                            |      |                    |                    |                   |                    |
| Trade and other payables                              | 18   | 1,194,878          | 1,078,504          | 1,186,541         | 1,086,919          |
| Provisions                                            | 19   | 11,777             | 16,426             | 11,777            | 16,426             |
| Lease liabilities                                     | 20   | 10,198             | 9,522              | 10,198            | 9,522              |
| GFBI Funds Held in Trust                              | 22   | -                  | -                  | -                 | -                  |
| <b>TOTAL CURRENT LIABILITIES</b>                      |      | <b>1,216,853</b>   | <b>1,104,452</b>   | <b>1,208,516</b>  | <b>1,112,867</b>   |
| <b>NON-CURRENT LIABILITIES</b>                        |      |                    |                    |                   |                    |
| Borrowings                                            | 21   | 6,099,562          | 5,542,706          | 6,099,562         | 5,542,706          |
| Lease liabilities                                     | 20   | 20,614             | 30,812             | 20,614            | 30,812             |
| Deferred tax liabilities                              | 17   | 2,655,080          | 155,000            | 2,655,080         | 155,000            |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                  |      | <b>8,775,256</b>   | <b>5,728,518</b>   | <b>8,775,256</b>  | <b>5,728,518</b>   |
| <b>TOTAL LIABILITIES</b>                              |      | <b>9,992,109</b>   | <b>6,832,970</b>   | <b>9,983,772</b>  | <b>6,841,385</b>   |
| <b>NET ASSETS</b>                                     |      | <b>5,404,951</b>   | <b>(2,305,539)</b> | <b>5,220,295</b>  | <b>(2,410,399)</b> |
| <b>EQUITY</b>                                         |      |                    |                    |                   |                    |
| Issued capital                                        | 23   | 91,163             | 90,630             | 92,013            | 91,480             |
| Retained earnings                                     |      | 5,313,788          | (2,396,169)        | 5,128,282         | (2,501,879)        |
| <b>TOTAL EQUITY</b>                                   |      | <b>5,404,951</b>   | <b>(2,305,539)</b> | <b>5,220,295</b>  | <b>(2,410,399)</b> |

The accompanying notes form part of these financial statements

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Statement of changes in equity**  
**For the year ended 30 June 2025**

|                                     |             | <b>Ordinary Shares</b> | <b>Retained Earnings</b> | <b>Total</b> |
|-------------------------------------|-------------|------------------------|--------------------------|--------------|
|                                     | <b>Note</b> | <b>\$</b>              | <b>\$</b>                | <b>\$</b>    |
| <b>Consolidated Group</b>           |             |                        |                          |              |
| <b>Balance at 1 July 2023</b>       |             | 92,152                 | 1,293,241                | 1,385,393    |
| <b>Comprehensive income</b>         |             |                        |                          |              |
| Profit for the year                 |             | -                      | (3,689,410)              | (3,689,410)  |
| Shares issued during the year       | 23          | 2,500                  | -                        | 2,500        |
| Shares brought-back during the year | 23          | (4,022)                | -                        | (4,022)      |
| <b>Balance at 30 June 2024</b>      |             | 90,630                 | (2,396,169)              | (2,305,539)  |
| <b>Balance at 1 July 2024</b>       |             | 90,630                 | (2,396,169)              | (2,305,539)  |
| <b>Comprehensive income</b>         |             |                        |                          |              |
| Profit for the year                 |             | -                      | 7,709,957                | 7,709,957    |
| Shares issued during the year       | 23          | 10,790                 | -                        | 10,790       |
| Shares brought-back during the year | 23          | (10,257)               | -                        | (10,257)     |
| <b>Balance at 30 June 2025</b>      |             | 91,163                 | 5,313,788                | 5,404,951    |

|                                     |    | <b>Ordinary Shares</b> | <b>Retained Earnings</b> | <b>Total</b> |
|-------------------------------------|----|------------------------|--------------------------|--------------|
|                                     |    | <b>\$</b>              | <b>\$</b>                | <b>\$</b>    |
| <b>Parent Entity</b>                |    |                        |                          |              |
| <b>Balance at 1 July 2023</b>       |    | 93,002                 | 829,919                  | 922,921      |
| <b>Comprehensive income</b>         |    |                        |                          |              |
| Profit for the year                 |    | -                      | (3,331,798)              | (3,331,798)  |
| Shares issued during the year       | 23 | 2,500                  | -                        | 2,500        |
| Shares brought-back during the year | 23 | (4,022)                | -                        | (4,022)      |
| <b>Balance at 30 June 2024</b>      |    | 91,480                 | (2,501,879)              | (2,410,399)  |
| <b>Balance at 1 July 2024</b>       |    | 91,480                 | (2,501,879)              | (2,410,399)  |
| <b>Comprehensive income</b>         |    |                        |                          |              |
| Profit for the year                 |    | -                      | 7,630,161                | 7,630,161    |
| Shares issued during the year       | 23 | 10,790                 | -                        | 10,790       |
| Shares brought-back during the year | 23 | (10,257)               | -                        | (10,257)     |
| <b>Balance at 30 June 2025</b>      |    | 92,013                 | 5,128,282                | 5,220,295    |

The accompanying notes form part of these financial statements

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Statement of cash flows**  
**For the year ended 30 June 2025**

|                                                                     |             | Consolidated Group |             | Parent Entity |             |
|---------------------------------------------------------------------|-------------|--------------------|-------------|---------------|-------------|
|                                                                     |             | 2025               | 2024        | 2025          | 2024        |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         | <b>Note</b> | <b>\$</b>          | <b>\$</b>   | <b>\$</b>     | <b>\$</b>   |
| Receipts from customers                                             |             | 4,822,136          | 3,586,557   | 4,888,171     | 3,248,039   |
| Payments to suppliers and employees                                 |             | (4,038,263)        | (3,521,315) | (4,021,681)   | (3,485,986) |
| Interest received                                                   |             | 21,229             | 71,366      | 17,790        | 55,921      |
| Interest paid                                                       |             | (788)              | (385)       | (788)         | (280)       |
| Net cash provided by/(used in) operating activities                 | 26          | 804,314            | 136,223     | 883,492       | (182,306)   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |             |                    |             |               |             |
| Purchase of property, plant and equipment                           |             | (149,231)          | (6,808,039) | (149,231)     | (6,808,039) |
| Proceeds from financial assets at amortised cost                    |             | -                  | 72,613      | -             | 72,613      |
| Proceeds from financial assets at fair value through profit or loss |             | -                  | 307,336     | -             | 307,336     |
| Payments for financial assets at fair value through profit or loss  |             | (3,521)            | -           | (3,521)       | -           |
| Net cash provided by/(used in) investing activities                 |             | (152,752)          | (6,428,089) | (152,752)     | (6,428,090) |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                         |             |                    |             |               |             |
| Proceeds from issue of shares                                       |             | 10,790             | 2,500       | 10,790        | 2,500       |
| Share buy-back payment                                              |             | (10,257)           | (4,022)     | (10,257)      | (4,022)     |
| Proceeds from borrowings                                            |             | 1,176,856          | 2,500,000   | 1,176,856     | 2,500,000   |
| Repayment of borrowings                                             |             | (620,000)          | -           | (620,000)     | (1,748)     |
| Repayment of lease liabilities                                      |             | (12,000)           | (12,000)    | -             | (12,000)    |
| Dividends paid to parent entity                                     |             | -                  | -           | (12,000)      | 500,000     |
| Net cash provided by/(used in) financing activities                 |             | 545,389            | 2,486,478   | 545,389       | 2,984,730   |
| Net increase/(decrease) in cash held                                |             | 1,196,951          | (3,805,389) | 1,276,129     | (3,625,666) |
| Cash and cash equivalents at beginning of financial year            |             | 509,979            | 4,315,368   | 145,080       | 3,770,746   |
| Cash and cash equivalents at end of financial year                  | 7           | 1,706,930          | 509,979     | 1,421,209     | 145,080     |

The accompanying notes form part of these financial statements

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

This financial report covers Gascoyne Water Co-operative Limited and its controlled entities ('the Group'). Gascoyne Water Co-operative Limited and Controlled Entities is a for-profit Company limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 7 November 2025.

Comparatives are consistent with prior years, unless otherwise stated.

## **1 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Co-operatives Act 2009*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments. The amounts presented in the financial statements have been rounded to the nearest dollar.

## **2 Material Accounting Policy Information**

### **(a) Basis for consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (Gascoyne Water Co-operative Ltd) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 13 to the financial statements.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as 'Non-controlling Interests'. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

### **(b) Income Tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Gascoyne Water Co-Operative Limited (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

**(c) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.



**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**(d) Revenue recognition**

**Revenue from contracts with customers**

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

**Sale of goods**

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

**Interest**

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**Dividend revenue**

Dividends are recognised when the entity's right to receive payment is established.

**Other revenue**

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

**(e) Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset.

All other finance costs are expensed in the period in which they are incurred.

**(f) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**(g) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

**(h) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

**Land and buildings**

Land and buildings are measured using the revaluation model. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**Plant and equipment**

Plant and equipment are measured using the cost model. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

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

Subsequent costs are included in the asset's 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 Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

**Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group, commencing when the asset is ready for use.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Fixed asset class**

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

**(i) Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**(j) Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**(k) Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**(l) Impairment of non-financial assets**

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

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

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

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

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**(m) Intangibles**

**Software**

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and five years.

**Amortisation**

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**(n) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

**(o) Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**(p) Contract assets**

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

**(q) Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**(r) Provisions**

Provisions are recognised when the Group 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.

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Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

**(s) Contract Liabilities**

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

**(t) Trade and other payables**

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

**(u) Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**(v) Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**(w) New or Amended Accounting Standards and Interpretations Adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

**(x) New Accounting Standards and Interpretations not yet Mandatory or Early Adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
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*AASB 18 Presentation and Disclosure in Financial Statements*

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

**(y) Critical Accounting Estimates and Judgments**

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The directors continually evaluate their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. The directors base their judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, the directors believe to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 8, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

*Revenue from contracts with customers involving sale of goods*

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

*Fair value measurement hierarchy*

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

*Estimation of useful lives of assets*

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an

**Gascoyne Water Co-operative Limited and Controlled Entities**  
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impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Income tax*

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

*Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

*Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

*Employee benefits provision*

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.



**Gascoyne Water Co-operative Limited and Controlled Entities**  
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**Note 3 Revenue and Other Income**

|                                           | Consolidated Group |                  | Parent Entity    |                  |
|-------------------------------------------|--------------------|------------------|------------------|------------------|
|                                           | 2025               | 2024             | 2025             | 2024             |
|                                           | \$                 | \$               | \$               | \$               |
| <b>Sales revenue</b>                      |                    |                  |                  |                  |
| - Revenue from water sales                | 3,263,655          | 3,331,332        | 3,036,823        | 3,069,914        |
| - GWAMCO service agreement                | 612,449            | 537,706          | 612,449          | 537,706          |
| - Other trading revenue                   | 91,918             | 6,496            | 139,794          | 54,496           |
|                                           | <b>3,968,022</b>   | <b>3,875,534</b> | <b>3,789,066</b> | <b>3,662,116</b> |
| <b>Finance Income</b>                     |                    |                  |                  |                  |
| - Interest received                       | 15,324             | 64,739           | 11,886           | 50,738           |
| - Interest received - Managed Investments | -                  | 722              | -                | 722              |
| - Distributions - Managed Investments     | -                  | 7,111            | -                | 7,111            |
| - Dividend income                         | -                  | -                | -                | 500,000          |
|                                           | <b>15,324</b>      | <b>72,572</b>    | <b>11,886</b>    | <b>558,571</b>   |
| <b>Total revenue from sales</b>           | <b>3,983,346</b>   | <b>3,948,106</b> | <b>3,800,952</b> | <b>4,220,687</b> |
| <b>Other Income</b>                       |                    |                  |                  |                  |
| - Share sale revenue                      | 77,100             | 77,100           | 347              | 514              |
| - GISAM Funding                           | -                  | 939,701          | -                | 939,701          |
| - Water Corporation on Sale Fee           | -                  | -                | 146,017          | 141,215          |
| - New Connections reimbursements          | 111,197            | -                | 111,197          | -                |
| - Profit on sale of investments           | -                  | 3,396            | -                | 3,396            |
|                                           | <b>188,297</b>     | <b>1,020,197</b> | <b>257,561</b>   | <b>1,084,826</b> |

**Note 4 Expenses**

Profit before income tax from continuing operations included the following specific expenses:

|                                              | Note | Consolidated Group |                  | Parent Entity      |                  |
|----------------------------------------------|------|--------------------|------------------|--------------------|------------------|
|                                              |      | 2025               | 2024             | 2025               | 2024             |
|                                              |      | \$                 | \$               | \$                 | \$               |
| <b>Expenses</b>                              |      |                    |                  |                    |                  |
| Accounting and Legal Fees                    |      |                    |                  |                    |                  |
| - General accounting and tax                 |      | 138,064            | 55,210           | 138,064            | 55,210           |
| - Additional one off services                |      | 60,538             | 60,538           | 60,538             | 60,538           |
| - Legal Fees                                 |      | 115,504            | 115,504          | 89,144             | 89,144           |
|                                              |      | <b>314,106</b>     | <b>231,252</b>   | <b>287,746</b>     | <b>204,892</b>   |
| <b>Finance costs</b>                         |      |                    |                  |                    |                  |
| - Interest paid                              |      | 788                | 385              | 788                | 280              |
|                                              |      | <b>788</b>         | <b>385</b>       | <b>788</b>         | <b>280</b>       |
| <b>Impairment loss / (reversal)</b>          |      |                    |                  |                    |                  |
| - Intangible assets (computer software)      | 16   | (107)              | -                | (107)              | -                |
| - Right of use asset                         | 15   | (11,328)           | -                | (11,328)           | -                |
| - Property, plant and equipment              | 14   | (9,787,565)        | 6,088,000        | (9,787,565)        | 6,088,000        |
|                                              |      | <b>(9,799,000)</b> | <b>6,088,000</b> | <b>(9,799,000)</b> | <b>6,088,000</b> |
| <b>Depreciation and amortisation expense</b> |      |                    |                  |                    |                  |
| - Property, plant and equipment              | 14   | 31,772             | 4,744            | 31,772             | 4,744            |
| - Right-of-use asset                         | 15   | -                  | -                | -                  | -                |
| - Intangible assets (computer software)      | 16   | -                  | -                | -                  | -                |
|                                              |      | <b>31,772</b>      | <b>4,744</b>     | <b>31,772</b>      | <b>4,744</b>     |
| <b>Leases</b>                                |      |                    |                  |                    |                  |
| - Interest expense on lease liabilities      |      | 2,478              | 3,109            | 2,478              | 3,109            |
|                                              |      | <b>2,478</b>       | <b>3,109</b>     | <b>2,478</b>       | <b>3,109</b>     |

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**Note 5 Income Tax Expense**

(a) Reconciliation of income tax to accounting profit:

|                                                | <b>Consolidated Group</b> |             | <b>Parent Entity</b> |             |
|------------------------------------------------|---------------------------|-------------|----------------------|-------------|
|                                                | <b>2025</b>               | <b>2024</b> | <b>2025</b>          | <b>2024</b> |
|                                                | <b>\$</b>                 | <b>\$</b>   | <b>\$</b>            | <b>\$</b>   |
| Profit from ordinary activities                | <b>10,027,119</b>         | (4,968,255) | <b>9,947,323</b>     | (4,610,643) |
| Applicable tax rate                            | <b>25%</b>                | 25%         | <b>25%</b>           | 25%         |
| Prima facie tax payable on ordinary activities | <b>2,506,780</b>          | (1,242,064) | <b>2,486,831</b>     | (1,152,661) |
| Add:                                           |                           |             |                      |             |
| Tax effect of                                  |                           |             |                      |             |
| - Temporary differences                        | <b>(189,618)</b>          | (36,781)    | <b>(169,669)</b>     | (126,184)   |
|                                                | <b>(189,618)</b>          | (36,781)    | <b>(169,669)</b>     | (126,184)   |
| Less:                                          |                           |             |                      |             |
| Tax effect of                                  |                           |             |                      |             |
| - Other allowable items                        | -                         | -           | -                    | -           |
| Income tax expense                             | <b>2,317,162</b>          | (1,278,846) | <b>2,317,162</b>     | (1,278,846) |

|                    | <b>Consolidated Group</b> |             | <b>Parent Entity</b> |             |
|--------------------|---------------------------|-------------|----------------------|-------------|
|                    | <b>2025</b>               | <b>2024</b> | <b>2025</b>          | <b>2024</b> |
|                    | <b>\$</b>                 | <b>\$</b>   | <b>\$</b>            | <b>\$</b>   |
| <b>CURRENT</b>     |                           |             |                      |             |
| Income tax payable | -                         | -           | -                    | -           |
|                    | <b>-</b>                  | <b>-</b>    | <b>-</b>             | <b>-</b>    |

**Note 6 Auditor's Remuneration**

|                                                       | <b>Consolidated Group</b> |             | <b>Parent Entity</b> |             |
|-------------------------------------------------------|---------------------------|-------------|----------------------|-------------|
|                                                       | <b>2025</b>               | <b>2024</b> | <b>2025</b>          | <b>2024</b> |
|                                                       | <b>\$</b>                 | <b>\$</b>   | <b>\$</b>            | <b>\$</b>   |
| Remuneration of the auditor of the parent entity for: |                           |             |                      |             |
| - Auditing or reviewing the financial statements      | <b>16,630</b>             | 18,520      | <b>16,630</b>        | 14,030      |
|                                                       | <b>16,630</b>             | 18,520      | <b>16,630</b>        | 14,030      |

**Note 7 Cash and Cash Equivalents**

|                                         | <b>Consolidated Group</b> |             | <b>Parent Entity</b> |             |
|-----------------------------------------|---------------------------|-------------|----------------------|-------------|
|                                         | <b>2025</b>               | <b>2024</b> | <b>2025</b>          | <b>2024</b> |
|                                         | <b>\$</b>                 | <b>\$</b>   | <b>\$</b>            | <b>\$</b>   |
| <b>CURRENT</b>                          |                           |             |                      |             |
| Cash at bank and on hand - Unrestricted | <b>1,706,930</b>          | 509,979     | <b>1,421,209</b>     | 145,080     |
|                                         | <b>1,706,930</b>          | 509,979     | <b>1,421,209</b>     | 145,080     |

The effective interest rate on short-term bank deposits was 2.99% (2024 4.02%).

**Reconciliation of cash**

Cash at the end of the financial year, as shown in the statement of cash flows, is reconciled to items in the statement of financial position as follows:

|                           |                  |         |                  |         |
|---------------------------|------------------|---------|------------------|---------|
| Cash and cash equivalents | <b>1,706,930</b> | 509,979 | <b>1,421,209</b> | 145,080 |
|                           | <b>1,706,930</b> | 509,979 | <b>1,421,209</b> | 145,080 |

A floating charge over cash and cash equivalents has been provided for certain debt. Refer to Note 21 for further detail.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
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**Note 8 Trade and Other Receivables**

|                                           | Consolidated Group |                | Parent Entity  |                |
|-------------------------------------------|--------------------|----------------|----------------|----------------|
|                                           | 2025               | 2024           | 2025           | 2024           |
| CURRENT                                   | \$                 | \$             | \$             | \$             |
| Trade receivables                         | 476,197            | 605,808        | 441,408        | 720,764        |
| Provision for impairment                  | (30,000)           | (30,000)       | (30,000)       | (30,000)       |
|                                           | <u>446,197</u>     | <u>575,808</u> | <u>411,408</u> | <u>690,764</u> |
| Other receivables                         | 72,599             | 94,989         | 74,055         | 107,271        |
| Total current trade and other receivables | <u>518,796</u>     | <u>670,797</u> | <u>485,463</u> | <u>798,035</u> |

**(a) Allowance for expected credit losses**

There was no movement in expected credit losses for the year ended 30 June 2025 (nil movement prior year).

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

|                       | Expected credit<br>loss rate 2025 | Carrying<br>amount 2025 | Allowance for<br>expected credit<br>losses 2025 |
|-----------------------|-----------------------------------|-------------------------|-------------------------------------------------|
|                       | %                                 | \$                      | \$                                              |
| Not overdue           | 0.0%                              | 196,217                 | -                                               |
| 0 to 3 months overdue | 0.0%                              | 83,479                  | -                                               |
| Over 3 months overdue | 15.3%                             | 196,501                 | 30,000                                          |
|                       |                                   | <u>476,197</u>          | <u>30,000</u>                                   |

|                       | Expected credit<br>loss rate 2024 | Carrying<br>amount 2024 | Allowance for<br>expected credit<br>losses 2024 |
|-----------------------|-----------------------------------|-------------------------|-------------------------------------------------|
|                       | %                                 | \$                      | \$                                              |
| Not overdue           | 0.0%                              | 116,368                 | -                                               |
| 0 to 3 months overdue | 0.0%                              | 148,338                 | -                                               |
| Over 3 months overdue | 8.8%                              | 341,102                 | 30,000                                          |
|                       |                                   | <u>605,808</u>          | <u>30,000</u>                                   |

Movements in the allowance for expected credit losses are as follows:

|                                                          | 2025          | 2024          |
|----------------------------------------------------------|---------------|---------------|
| Consolidated                                             | \$            | \$            |
| Opening balance                                          | 30,000        | 30,000        |
| Additional provisions recognised                         | -             | 10,557        |
| Receivables written off during the year as uncollectable | -             | (10,557)      |
| Closing balance                                          | <u>30,000</u> | <u>30,000</u> |

**Gascoyne Water Co-operative Limited and Controlled Entities**  
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**Note 8 Trade and Other Receivables (Cont)**

|                       | Expected credit<br>loss rate 2025 | Carrying<br>amount 2025 | Allowance for<br>expected credit<br>losses 2025 |
|-----------------------|-----------------------------------|-------------------------|-------------------------------------------------|
|                       | %                                 | \$                      | \$                                              |
| Parent - 2025         |                                   |                         |                                                 |
| Not overdue           | 0.0%                              | 195,498                 | -                                               |
| 0 to 3 months overdue | 0.0%                              | 73,653                  | -                                               |
| Over 3 months overdue | 17.4%                             | 172,257                 | 30,000                                          |
|                       |                                   | <u>441,408</u>          | <u>30,000</u>                                   |

|                       | Expected credit<br>loss rate 2024 | Carrying<br>amount 2024 | Allowance for<br>expected credit<br>losses 2023/4 |
|-----------------------|-----------------------------------|-------------------------|---------------------------------------------------|
|                       | %                                 | \$                      | \$                                                |
| Parent - 2024         |                                   |                         |                                                   |
| Not overdue           | 0.0%                              | 266,627                 | -                                                 |
| 0 to 3 months overdue | 0.0%                              | 130,893                 | -                                                 |
| Over 3 months overdue | 9.3%                              | 323,244                 | 30,000                                            |
|                       |                                   | <u>720,764</u>          | <u>30,000</u>                                     |

Movements in the allowance for expected credit losses are as follows:

|                                                          | 2025          | 2024          |
|----------------------------------------------------------|---------------|---------------|
| Parent                                                   | \$            | \$            |
| Opening balance                                          | 30,000        | 30,000        |
| Additional provisions recognised                         | -             | 10,557        |
| Receivables written off during the year as uncollectable | -             | (10,557)      |
| Closing balance                                          | <u>30,000</u> | <u>30,000</u> |

**Note 9 Inventories**

|                | Consolidated Group |                | Parent Entity  |                |
|----------------|--------------------|----------------|----------------|----------------|
|                | 2025               | 2024           | 2025           | 2024           |
| <b>CURRENT</b> | \$                 | \$             | \$             | \$             |
| At cost:       |                    |                |                |                |
| Consumables    | 424,186            | 191,470        | 424,186        | 191,470        |
|                | <u>424,186</u>     | <u>191,470</u> | <u>424,186</u> | <u>191,470</u> |

**Note 10 Other Assets**

|                 | Consolidated Group |                | Parent Entity  |                |
|-----------------|--------------------|----------------|----------------|----------------|
|                 | 2025               | 2024           | 2025           | 2024           |
| <b>CURRENT</b>  | \$                 | \$             | \$             | \$             |
| Prepayments     | 41,985             | 33,199         | 41,985         | 33,199         |
| Accrued Income  | 224,437            | 124,157        | 350,497        | 265,372        |
| Contract Assets | -                  | 620,000        | -              | 620,000        |
|                 | <u>266,422</u>     | <u>777,356</u> | <u>392,482</u> | <u>918,571</u> |

No contract assets recognised for the 2025 financial year. Prior year relates to funding received under the Financial Assistance Agreement for the *Gascoyne Irrigation Scheme Augmentation and Modernisation* project, up to 30 June 2024 \$1,860,000 funding was received of which \$2,480,000 was spent on the project, balance received during 2025.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 11 Financial Assets at fair value through profit or loss**

|                                                                      | Consolidated Group |      | Parent Entity |      |
|----------------------------------------------------------------------|--------------------|------|---------------|------|
|                                                                      | 2025               | 2024 | 2025          | 2024 |
|                                                                      | \$                 | \$   | \$            | \$   |
| <b>CURRENT</b>                                                       |                    |      |               |      |
| Managed Investment - designated at fair value through profit or loss | -                  | -    | -             | -    |
|                                                                      | -                  | -    | -             | -    |

*Reconciliation*

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

|                                   | Consolidated Group |           | Parent Entity |           |
|-----------------------------------|--------------------|-----------|---------------|-----------|
|                                   | 2025               | 2024      | 2025          | 2024      |
|                                   | \$                 | \$        | \$            | \$        |
| Opening fair value                | -                  | 307,336   | -             | 307,336   |
| Disposals                         | -                  | (317,359) | -             | (317,359) |
| Interest earnings & distributions | -                  | 10,023    | -             | 10,023    |
| Closing fair value                | -                  | -         | -             | -         |

**Note 12 Financial Assets at amortised cost**

|                                                    | Consolidated Group |        | Parent Entity |        |
|----------------------------------------------------|--------------------|--------|---------------|--------|
|                                                    | 2025               | 2024   | 2025          | 2024   |
|                                                    | \$                 | \$     | \$            | \$     |
| <b>CURRENT</b>                                     |                    |        |               |        |
| Financial assets at amortised cost - term deposits | 84,576             | 81,055 | 84,576        | 81,055 |
|                                                    | 84,576             | 81,055 | 84,576        | 81,055 |

The effective interest rate on long-term bank deposits was 3.25% (2024 4.99%).

|                                                                                                | Consolidated Group |      | Parent Entity |      |
|------------------------------------------------------------------------------------------------|--------------------|------|---------------|------|
|                                                                                                | 2025               | 2024 | 2025          | 2024 |
|                                                                                                | \$                 | \$   | \$            | \$   |
| <b>NON-CURRENT</b>                                                                             |                    |      |               |      |
| Financial assets at fair value through other comprehensive income - investment in subsidiaries | -                  | -    | 1             | 1    |
|                                                                                                | -                  | -    | 1             | 1    |

**Note 13 Composition of the Group**

|                                                 | Percentage Owned* |      | Percentage Owned* |      |
|-------------------------------------------------|-------------------|------|-------------------|------|
|                                                 | 2025              | 2024 | 2025              | 2024 |
|                                                 | %                 | %    | %                 | %    |
| <b>Name of subsidiary and place of business</b> |                   |      |                   |      |
| Coral Coast Water Pty Ltd - Australia           | 100%              |      | 100%              |      |

\* - The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 14 Property, Plant and Equipment**

|                                            | <b>Consolidated Group</b> |              | <b>Parent Entity</b> |              |
|--------------------------------------------|---------------------------|--------------|----------------------|--------------|
|                                            | <b>2025</b>               | <b>2024</b>  | <b>2025</b>          | <b>2024</b>  |
|                                            | <b>\$</b>                 | <b>\$</b>    | <b>\$</b>            | <b>\$</b>    |
| <b>Plant and Equipment:</b>                |                           |              |                      |              |
| - At cost                                  | <b>624,842</b>            | 618,356      | <b>624,842</b>       | 618,356      |
| - Accumulated depreciation                 | <b>(357,587)</b>          | (354,908)    | <b>(357,587)</b>     | (354,908)    |
| - Accumulated impairment losses            | <b>(187,466)</b>          | (261,313)    | <b>(187,466)</b>     | (261,313)    |
|                                            | <b>79,789</b>             | 2,135        | <b>79,789</b>        | 2,135        |
| <b>Land and Buildings:</b>                 |                           |              |                      |              |
| - At cost                                  | <b>482,623</b>            | 482,623      | <b>482,623</b>       | 482,623      |
| - Accumulated depreciation                 | <b>(329)</b>              | (181)        | <b>(329)</b>         | (181)        |
| - Accumulated impairment losses            | <b>(252,785)</b>          | (481,704)    | <b>(252,785)</b>     | (481,704)    |
|                                            | <b>229,509</b>            | 738          | <b>229,509</b>       | 738          |
| <b>Leasehold improvements</b>              |                           |              |                      |              |
| - At cost                                  | <b>85,932</b>             | 85,932       | <b>85,932</b>        | 85,932       |
| - Accumulated depreciation                 | <b>(28,915)</b>           | (28,915)     | <b>(28,915)</b>      | (28,915)     |
| - Accumulated impairment losses            | <b>(33,565)</b>           | (57,017)     | <b>(33,565)</b>      | (57,017)     |
|                                            | <b>23,452</b>             | -            | <b>23,452.00</b>     | -            |
| <b>Irrigation Asset</b>                    |                           |              |                      |              |
| - At cost                                  | <b>23,883,746</b>         | 23,741,001   | <b>23,883,746</b>    | 23,741,001   |
| - Accumulated depreciation                 | <b>(2,247,947)</b>        | (2,219,002)  | <b>(2,247,947)</b>   | (2,219,002)  |
| - Accumulated impairment losses            | <b>(11,348,230)</b>       | (20,809,577) | <b>(11,348,230)</b>  | (20,809,577) |
|                                            | <b>10,287,569</b>         | 712,422      | <b>10,287,569</b>    | 712,422      |
| <b>Total property, plant and equipment</b> | <b>10,620,319</b>         | 715,295      | <b>10,620,319</b>    | 715,295      |

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 14 Property, Plant and Equipment (Cont)**

**Movements in carrying amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

|                                        | <b>Land and<br/>Buildings<br/>\$</b> | <b>Plant and<br/>Equipment<br/>\$</b> | <b>Irrigation<br/>Assets<br/>\$</b> | <b>Leashold<br/>Improvements<br/>\$</b> | <b>Total<br/>\$</b> |
|----------------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|-----------------------------------------|---------------------|
| <b>Consolidated Group</b>              |                                      |                                       |                                     |                                         |                     |
| <b>Balance at 1 July 2023</b>          | -                                    | -                                     | -                                   | -                                       | -                   |
| Additions                              | 7,198                                | 24,870                                | 6,775,971                           | -                                       | 6,808,039           |
| Depreciation expense                   | (181)                                | (4,563)                               | -                                   | -                                       | (4,744)             |
| Impairment loss                        | (6,279)                              | (18,172)                              | (6,063,549)                         | -                                       | (6,088,000)         |
| <b>Carrying amount at 30 June 2024</b> | <b>738</b>                           | <b>2,135</b>                          | <b>712,422</b>                      | <b>-</b>                                | <b>715,295</b>      |
| Additions                              | -                                    | <b>6,486</b>                          | <b>142,745</b>                      | -                                       | <b>149,231</b>      |
| Depreciation expense                   | <b>(148)</b>                         | <b>(2,679)</b>                        | <b>(28,945)</b>                     | -                                       | <b>(31,772)</b>     |
| Impairment (loss) / reversal           | <b>228,919</b>                       | <b>73,847</b>                         | <b>9,461,347</b>                    | <b>23,452</b>                           | <b>9,787,565</b>    |
| <b>Carrying amount at 30 June 2025</b> | <b>229,509</b>                       | <b>79,789</b>                         | <b>10,287,569</b>                   | <b>23,452</b>                           | <b>10,620,319</b>   |

**Impairment Testing**

The recoverable amount of the consolidated entity as a cash generating unit has been determined by a value in use calculation using a discounted cash flow model, based on a 7 year projection period approved by management, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating unit is most sensitive.

The following key assumptions were used in the discounted cash flow model for the consolidated entity:

- (a) 6.54% pre-tax discount rate;
- (b) 2.5% per annum projected revenue growth rate.
- (c) 2.0% per annum increase in operating costs and overheads

The discount rate of 6.54% pre-tax reflects managements estimate of the time value of money and the consolidated entity's weighted average cost of capital and the risk free rate.

Management believes the projected 2.5% revenue growth rate is prudent and justified, based on historical growth.

There were no other key assumptions for the consolidated entity.

Based on the above, an impairment reversal of \$9,799,000 has been applied to align the carrying amount of the consolidated entity's assets with their recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of the consolidated entity's assets is based, this could result in a further impairment charge.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 15 Right-of-use assets**

|                                   | Consolidated Group |          | Parent Entity |          |
|-----------------------------------|--------------------|----------|---------------|----------|
|                                   | 2025               | 2024     | 2025          | 2024     |
|                                   | \$                 | \$       | \$            | \$       |
| Land and buildings - right-of-use | 74,212             | 74,212   | 74,212        | 74,212   |
| Accumulated depreciation          | (13,003)           | (13,003) | (13,003)      | (13,003) |
| Accumulated impairment losses     | (49,881)           | (61,209) | (49,881)      | (61,209) |
|                                   | <b>11,328</b>      | <b>-</b> | <b>11,328</b> | <b>-</b> |

**Movements in carrying amounts**

|                                        | \$            |
|----------------------------------------|---------------|
| <b>Consolidated Group</b>              |               |
| <b>Balance at 1 July 2023</b>          | -             |
| Amortisation expense                   | -             |
| Impairment expense                     | -             |
| <b>Carrying amount at 30 June 2024</b> | -             |
| Additions                              | -             |
| Disposals                              | -             |
| Depreciation expense                   | -             |
| Impairment (loss) / reversal           | 11,328        |
| <b>Carrying amount at 30 June 2025</b> | <b>11,328</b> |

Gascoyne Water Co-Operative Limited leases land and buildings for its offices as part of its Service Agreement (Agreement) from Gascoyne Water Asset Mutual Co-Operative Ltd. The Agreement remains in effect while the consolidated entity holds the Water Service Licence (Licence) for the Carnarvon Operating Area. The Licence expires on 22 June 2028.

**Impairment Testing**

Details of impairment testing of the consolidated entity as a cash generating unit are outlined at Note 14.

**Note 16 Intangible Assets**

|                               | Consolidated Group |           | Parent Entity |           |
|-------------------------------|--------------------|-----------|---------------|-----------|
|                               | 2025               | 2024      | 2025          | 2024      |
|                               | \$                 | \$        | \$            | \$        |
| <b>Computer software</b>      |                    |           |               |           |
| Cost                          | 210,439            | 210,439   | 210,439       | 210,439   |
| Accumulated amortisation      | (206,530)          | (206,530) | (206,530)     | (206,530) |
| Accumulated impairment losses | (3,802)            | (3,909)   | (3,802)       | (3,909)   |
| Net carrying amount           | <b>107</b>         | <b>-</b>  | <b>107</b>    | <b>-</b>  |
| <b>Total intangibles</b>      | <b>107</b>         | <b>-</b>  | <b>107</b>    | <b>-</b>  |

**Movements in carrying amounts**

|                                        | \$         |
|----------------------------------------|------------|
| <b>Consolidated Group</b>              |            |
| <b>Balance at 1 July 2023</b>          | -          |
| Amortisation expense                   | -          |
| Impairment expense                     | -          |
| <b>Carrying amount at 30 June 2024</b> | -          |
| Amortisation expense                   | -          |
| Impairment (loss) / reversal           | 107        |
| <b>Carrying amount at 30 June 2025</b> | <b>107</b> |

**Impairment Testing**

Details of impairment testing of the consolidated entity as a cash generating unit are outlined at Note 14.



Gascoyne Water Co-operative Limited and Controlled Entities  
Notes to the financial statements  
For the year ended 30 June 2025

Note 17 Deferred Tax Assets and Liabilities

|                         | Consolidated Group |                                             | Parent Entity                                   |                         |                         |                    |
|-------------------------|--------------------|---------------------------------------------|-------------------------------------------------|-------------------------|-------------------------|--------------------|
|                         | 2025               | 2024                                        | 2025                                            | 2024                    |                         |                    |
|                         | \$                 | \$                                          | \$                                              | \$                      |                         |                    |
| CURRENT                 |                    |                                             |                                                 |                         |                         |                    |
| Income tax payable      | -                  | -                                           | -                                               | -                       |                         |                    |
| Total                   | -                  | -                                           | -                                               | -                       |                         |                    |
|                         |                    |                                             |                                                 |                         |                         |                    |
|                         | Opening Balance    | (Charged)/<br>Credited to<br>Profit & Loss  | (Charged)/<br>Credited<br>Directly to<br>Equity | Changes in<br>Tax Rates | Exchange<br>Differences | Closing<br>Balance |
|                         | \$                 | \$                                          | \$                                              | \$                      | \$                      | \$                 |
| NON-CURRENT             |                    |                                             |                                                 |                         |                         |                    |
| Consolidated Group      |                    |                                             |                                                 |                         |                         |                    |
| Deferred tax liability  |                    |                                             |                                                 |                         |                         |                    |
| Other                   | -                  | (155,000)                                   | -                                               | -                       | -                       | (155,000)          |
| Balance at 30 June 2024 | -                  | (155,000)                                   | -                                               | -                       | -                       | (155,000)          |
| Other                   | (155,000)          | (2,500,080)                                 | -                                               | -                       | -                       | (2,655,080)        |
| Balance at 30 June 2025 | (155,000)          | (2,500,080)                                 | -                                               | -                       | -                       | (2,655,080)        |
|                         |                    |                                             |                                                 |                         |                         |                    |
| Deferred tax assets     |                    |                                             |                                                 |                         |                         |                    |
| Other                   | 147,634            | 1,433,845                                   | -                                               | -                       | -                       | 1,581,479          |
| Balance at 30 June 2024 | 147,634            | 1,433,845                                   | -                                               | -                       | -                       | 1,581,479          |
| Other                   | 1,581,479          | 182,917                                     | -                                               | -                       | -                       | 1,764,396          |
| Balance at 30 June 2025 | 1,581,479          | 182,917                                     | -                                               | -                       | -                       | 1,764,396          |
|                         |                    |                                             |                                                 |                         |                         |                    |
|                         | Opening Balance    | (Charged)/<br>Credited to<br>Profit or Loss | (Charged)/<br>Credited<br>Directly to<br>Equity | Changes in<br>Tax Rates | Exchange<br>Differences | Closing<br>Balance |
|                         | \$                 | \$                                          | \$                                              | \$                      | \$                      | \$                 |
| Parent Entity           |                    |                                             |                                                 |                         |                         |                    |
| Deferred Tax Liability  |                    |                                             |                                                 |                         |                         |                    |
| Other                   | -                  | (155,000)                                   | -                                               | -                       | -                       | (155,000)          |
| Balance at 30 June 2024 | -                  | (155,000)                                   | -                                               | -                       | -                       | (155,000)          |
| Other                   | (155,000)          | (2,500,080)                                 | -                                               | -                       | -                       | (2,655,080)        |
| Balance at 30 June 2025 | (155,000)          | (2,500,080)                                 | -                                               | -                       | -                       | (2,655,080)        |
| Deferred Tax Assets     |                    |                                             |                                                 |                         |                         |                    |
| Other                   | 147,634            | 1,433,845                                   | -                                               | -                       | -                       | 1,581,479          |
| Balance at 30 June 2024 | 147,634            | 1,433,845                                   | -                                               | -                       | -                       | 1,581,479          |
| Other                   | 1,581,479          | 182,917                                     | -                                               | -                       | -                       | 1,764,396          |
| Balance at 30 June 2025 | 1,581,479          | 182,917                                     | -                                               | -                       | -                       | 1,764,396          |

Note 18 Trade and Other Payables

|                | Consolidated Group |                  | Parent Entity    |                  |
|----------------|--------------------|------------------|------------------|------------------|
|                | 2025               | 2024             | 2025             | 2024             |
|                | \$                 | \$               | \$               | \$               |
| <b>CURRENT</b> |                    |                  |                  |                  |
| Trade payables | 1,102,679          | 994,499          | 1,098,690        | 1,003,808        |
| Other payables | 92,199             | 84,005           | 87,851           | 83,111           |
|                | <b>1,194,878</b>   | <b>1,078,504</b> | <b>1,186,541</b> | <b>1,086,919</b> |

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 19 Provisions**

**Analysis of Provisions**

**CURRENT**

Annual Leave

Opening balance at 1 July 2024

Additions

Used

Balance at 30 June 2025

| Consolidated Group |          | Parent Entity |          |
|--------------------|----------|---------------|----------|
| 2025               | 2024     | 2025          | 2024     |
| \$                 | \$       | \$            | \$       |
| 16,426             | 6,043    | 16,426        | 6,043    |
| 27,452             | 35,063   | 27,452        | 35,063   |
| (32,101)           | (24,680) | (32,101)      | (24,680) |
| 11,777             | 16,426   | 11,777        | 16,426   |

**Note 20 Lease liabilities**

Current

Non current

| Consolidated Group |        | Parent Entity |        |
|--------------------|--------|---------------|--------|
| 2025               | 2024   | 2025          | 2024   |
| \$                 | \$     | \$            | \$     |
| 10,198             | 9,522  | 10,198        | 9,522  |
| 20,614             | 30,812 | 20,614        | 30,812 |
| 30,812             | 40,334 | 30,812        | 40,334 |

Refer to note 29 for further information on financial instruments.

**Note 21 Borrowings**

**NON-CURRENT**

Pipeline Loan - GWAMCO

Total non-current borrowings

Total borrowings

| Consolidated Group |           | Parent Entity |           |
|--------------------|-----------|---------------|-----------|
| 2025               | 2024      | 2025          | 2024      |
| \$                 | \$        | \$            | \$        |
| 6,099,562          | 5,542,706 | 6,099,562     | 5,542,706 |
| 6,099,562          | 5,542,706 | 6,099,562     | 5,542,706 |
| 6,099,562          | 5,542,706 | 6,099,562     | 5,542,706 |

The Pipeline Loan is secured by a fixed and floating charge over all the assets of the entity.

Refer to note 29 for further information on financial instruments.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 22 GFBI Funds Held in Trust**

|                                              | Consolidated Group |           | Parent Entity |           |
|----------------------------------------------|--------------------|-----------|---------------|-----------|
|                                              | 2025               | 2024      | 2025          | 2024      |
|                                              | \$                 | \$        | \$            | \$        |
| DPIRD Funding                                | 560,000            | 560,000   | 560,000       | 560,000   |
| Sand Spear Trial                             | (30,519)           | (30,519)  | (30,519)      | (30,519)  |
| GFBI Bore Development Stage 2 (early access) | (520,351)          | (520,351) | (520,351)     | (520,351) |
| DPIRD Funding - GISAM                        | (9,130)            | (9,130)   | (9,130)       | (9,130)   |
|                                              | -                  | -         | -             | -         |

The Gascoyne Water Co-operative Limited and the Gascoyne Water Asset Mutual Co-operative Limited (collectively known as Gascoyne Water) have entered into a collaborative funding agreement (the Agreement) with the State of Western Australia (the State) through its Department of Primary Industries and Regional Development (the Department) for:

1. Operation of Gascoyne Food Bowl Initiative (GFBI) Borefield;
2. Governance and Operational Improvement; and
3. Financial Advice.

For the Period 1 January 2018 to 30 June 2026.

The transferring of ownership or long term leasing of Department GFBI irrigation assets to, or by Gascoyne Water is still subject to future policy decisions by Government and further negotiation between the Department and Gascoyne Water.

The GFBI irrigation infrastructure remains the property of the State during the term of, and at the end of the Agreement.

If at any time during the course of the Agreement (or extensions) and for any reason by either party, the Agreement is terminated, then any unspent or uncommitted funds owed by either party shall be repaid to the other party.

Refer to Note 28 for further details.

**Note 23 Issued Capital**

|                | Consolidated Group |        | Parent Entity |        |
|----------------|--------------------|--------|---------------|--------|
|                | 2025               | 2024   | 2025          | 2024   |
|                | \$                 | \$     | \$            | \$     |
| A class shares | 83,020             | 83,000 | 83,520        | 83,500 |
| C class shares | 8,143              | 7,630  | 8,493         | 7,980  |
|                | 91,163             | 90,630 | 92,013        | 91,480 |

*Movements in 'A class' share capital - consolidated group*

| Details             | Date         | Shares  | Issue Price | \$      |
|---------------------|--------------|---------|-------------|---------|
| Balance             | 1 July 2023  | 83,000  |             | 83,000  |
| Issue of Shares     |              | 2,500   | \$1         | 2,500   |
| Shares brought-back |              | (2,500) | \$1         | (2,500) |
| Balance             | 30 June 2024 | 83,000  |             | 83,000  |
| Issue of Shares     |              | 4,000   | \$1         | 4,000   |
| Shares brought-back |              | (3,980) | \$1         | (3,980) |
| Balance             | 30 June 2025 | 83,020  |             | 83,020  |

*Movements in 'C class' share capital - consolidated group*

| Details             | Date         | Shares  | Issue Price | \$      |
|---------------------|--------------|---------|-------------|---------|
| Balance             | 1 July 2023  | 9,130   |             | 9,152   |
| Issue of Shares     |              | -       | \$1         | -       |
| Shares brought-back |              | (1,522) | \$1         | (1,522) |
| Balance             | 30 June 2024 | 7,608   |             | 7,630   |
| Issue of Shares     |              | 6,790   | \$1         | 6,790   |
| Shares brought-back |              | (6,277) | \$1         | (6,277) |
| Balance             | 30 June 2025 | 8,121   |             | 8,143   |

Gascoyne Water Co-operative Limited and Controlled Entities  
Notes to the financial statements  
For the year ended 30 June 2024

Note 23 Issued Capital (Cont)

Movements in 'A class' share capital - parent entity

| Details             | Date         | Shares  | Issue Price | \$      |
|---------------------|--------------|---------|-------------|---------|
| Balance             | 1 July 2023  | 83,500  |             | 83,500  |
| Issue of Shares     |              | 2,500   | \$1         | 2,500   |
| Shares brought-back |              | (2,500) | \$1         | (2,500) |
| Balance             | 30 June 2024 | 83,500  |             | 83,500  |
| Issue of Shares     |              | 4,000   | \$1         | 4,000   |
| Shares brought-back |              | (3,980) | \$1         | (3,980) |
| Balance             | 30 June 2025 | 83,520  |             | 83,520  |

Movements in 'C class' share capital - parent entity

| Details             | Date         | Shares  | Issue Price | \$      |
|---------------------|--------------|---------|-------------|---------|
| Balance             | 1 July 2023  | 9,480   |             | 9,502   |
| Issue of Shares     |              | -       | \$1         | -       |
| Shares brought-back |              | (1,522) | \$1         | (1,522) |
| Balance             | 30 June 2024 | 7,958   |             | 7,980   |
| Issue of Shares     |              | 6,790   | \$1         | 6,790   |
| Shares brought-back |              | (6,277) | \$1         | (6,277) |
| Balance             | 30 June 2025 | 8,471   |             | 8,493   |

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 24 Key Management Personnel Remuneration**

Key management personnel remuneration included within employee expenses for the year is shown below:

|                              | 2025           | 2024           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Short-term employee benefits | 307,502        | 265,747        |
| Other long-term benefits     | 3,133          | 12,649         |
| Post-employment benefits     | 30,084         | 28,149         |
|                              | <u>340,719</u> | <u>306,545</u> |

**Short-term employee benefits**

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP.

**Other long-term benefits**

These amounts include annual leave and long service leave that is not payable wholly within twelve months after the end of the period.

**Post-employment benefits**

These amounts are the current-year's estimated cost of providing for the Co-operatives superannuation contributions made during the year.

**Other KMP Transactions**

Refer to Note 25 for further detail of other related KMP transactions

**Note 25 Related Party Transactions**

The Group's main related parties are as follows:

**Key Management Personnel:**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. For details of disclosures relating to key management personnel, refer to Note 24: Key Management Personnel Remuneration.

**Entities Subject to significant influence by the Co-operative**

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 25 Related Party Transactions (Cont)**

|                                                                                                        | <b>Coral Coast Water</b> |                  | <b>Gascoyne Water</b> |                  |
|--------------------------------------------------------------------------------------------------------|--------------------------|------------------|-----------------------|------------------|
|                                                                                                        | <b>2025</b>              | <b>2024</b>      | <b>2025</b>           | <b>2024</b>      |
|                                                                                                        | <b>\$</b>                | <b>\$</b>        | <b>\$</b>             | <b>\$</b>        |
| <b>Associated companies/individuals:</b>                                                               |                          |                  |                       |                  |
| Sale of goods and services                                                                             | 77,147                   | 82,188           | 382,401               | 292,295          |
| Sale of goods and services- Coral Coast Water                                                          | -                        | -                | 282,667               | 293,005          |
| Sale of goods and services - Gascoyne Water Asset Mutual                                               | 1,786                    | 1,820            | 612,449               | 537,706          |
| Purchase of goods and services                                                                         | -                        | -                | 2,750                 | 933              |
| Purchase of goods and services - Gascoyne Water Asset Mutual                                           | (18,362)                 | (18,362)         | (12,000)              | (12,000)         |
| Purchase of goods and services - Gascoyne Water                                                        | (282,554)                | (293,005)        | -                     | -                |
| Dividend Paid - Coral Coast Water                                                                      | -                        | (500,000)        | -                     | -                |
| Dividend received - Gascoyne Water                                                                     | -                        | -                | -                     | 500,000          |
| Loan Proceeds - Gascoyne Water Asset Mutual                                                            | -                        | -                | 1,176,856             | 2,500,000        |
|                                                                                                        | <b>(221,982)</b>         | <b>(727,359)</b> | <b>2,445,124</b>      | <b>4,111,939</b> |
| <b>Amounts outstanding from related parties:</b>                                                       |                          |                  |                       |                  |
| Trade and other receivables                                                                            | -                        | 2,669            | 7,138                 | 122,064          |
| Trade and other receivables - Gascoyne Water Asset Mutual                                              | -                        | -                | 80,312                | 126,599          |
|                                                                                                        | <b>-</b>                 | <b>2,669</b>     | <b>87,450</b>         | <b>248,663</b>   |
| <b>Amounts payable to related parties:</b>                                                             |                          |                  |                       |                  |
| Trade and other payables                                                                               | -                        | -                | 561                   | 2,320            |
| Trade and other payables- Gascoyne Water Asset Mutual                                                  | -                        | -                | -                     | 1,100            |
| Loans from associated entities - Gascoyne Water Asset Mutual                                           | -                        | -                | 6,099,562             | 5,542,706        |
|                                                                                                        | <b>-</b>                 | <b>-</b>         | <b>6,100,123</b>      | <b>5,546,126</b> |
| <b>Shares held</b>                                                                                     |                          |                  |                       |                  |
| Gascoyne Water Co-operative Limited shares held by Coral Coast Water Pty Ltd - A Class                 | -                        | -                | 500                   | 500              |
| Gascoyne Water Co-operative Limited shares held by Coral Coast Water Pty Ltd - C Class                 | -                        | -                | 350                   | 350              |
| Coral Coast Water Pty Ltd held by Gascoyne Water Co-operative Limited                                  | 1                        | 1                | -                     | -                |
| Gascoyne Water Asset Mutual Co-operative Limited held by Coral Coast Water Pty Ltd                     | 110                      | 110              | -                     | -                |
| Gascoyne Water Asset Mutual Co-operative Limited held by Gascoyne Water Co-operative Limited - A Class | -                        | -                | 240                   | 240              |

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 26 Cash Flow Information**

|                                                                                                | <b>Consolidated Group</b> |             | <b>Parent Entity</b> |             |
|------------------------------------------------------------------------------------------------|---------------------------|-------------|----------------------|-------------|
|                                                                                                | <b>2025</b>               | <b>2024</b> | <b>2025</b>          | <b>2024</b> |
|                                                                                                | <b>\$</b>                 | <b>\$</b>   | <b>\$</b>            | <b>\$</b>   |
| <b>(a) Reconciliation of cash flows from operating activities with</b>                         |                           |             |                      |             |
| Profit / (loss) after income tax                                                               | <b>7,709,957</b>          | (3,689,410) | <b>7,630,161</b>     | (3,331,798) |
| Non-cash flows in profit                                                                       |                           |             |                      |             |
| - depreciation and amortisation                                                                | <b>31,772</b>             | 4,744       | <b>31,772</b>        | 4,744       |
| - bad and doubtful debts                                                                       | -                         | 10,557      | -                    | 10,557      |
| - interest on lease liabilities                                                                | <b>2,478</b>              | 3,109       | <b>2,478</b>         | 3,109       |
| - impairment loss / (reversal)                                                                 | <b>(9,799,000)</b>        | 6,088,000   | <b>(9,799,000)</b>   | 6,088,000   |
| - dividends received                                                                           | -                         | -           | -                    | (500,000)   |
| Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries |                           |             |                      |             |
| - (increase)/decrease in trade and other debtors                                               | <b>152,001</b>            | (417,590)   | <b>312,573</b>       | (534,401)   |
| - (increase)/decrease in other assets                                                          | <b>510,934</b>            | (595,023)   | <b>526,089</b>       | (669,385)   |
| - (increase)/decrease in inventories                                                           | <b>(232,716)</b>          | -           | <b>(232,716)</b>     | -           |
| - (increase)/decrease in deferred tax asset                                                    | <b>(182,917)</b>          | (1,433,845) | <b>(182,917)</b>     | (1,433,845) |
| - increase/(decrease) in trade and other payables                                              | <b>116,374</b>            | 319,999     | <b>99,621</b>        | 335,031     |
| - increase/(decrease) in contract liabilities                                                  | -                         | (319,701)   | -                    | (319,701)   |
| - increase/(decrease) in deferred taxes payable                                                | <b>2,500,080</b>          | 155,000     | <b>2,500,080</b>     | 155,000     |
| - increase/(decrease) in provisions                                                            | <b>(4,649)</b>            | 10,383      | <b>(4,649)</b>       | 10,383      |
| Net cash provided by operating activities                                                      | <b>804,314</b>            | 136,223     | <b>883,492</b>       | (182,306)   |

**Note 27 Contingent Liabilities**

Under GWC's Rules, it must, to the extent permitted by law, indemnify its officers, including directors, secretaries and executives, and agents against liabilities which they may incur in the execution of their offices or by reason of any contract, act, deed, matter, or thing involving them on behalf of, or bona fide in the interests of, or with a view to benefiting GWC.

GWC has also executed deeds of indemnity in favour of past and present directors, secretaries and executives under which GWC must, to the extent permitted by law, indemnify those persons against liabilities incurred as a officers of GWC to the extent that those persons are not otherwise indemnified. The indemnity extends to legal costs incurred by those persons in responding to any investigations conducted by bodies with statutory powers to investigate and in defending actions for a loss or liability incurred as an officer of GWC.

There were no known contingent liabilities at 30 June 2025 in relation to the above indemnities.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 28 Events After the Reporting Period**

**Gascoyne Foodbowl Initiative (GFBI)**

The Gascoyne Water Co-Operative Limited (GWC) signed a Heads of Agreement on 22 January 2021 with the Department of Primary Industries and Regional Development (DPRID). The agreement relates to the operation, maintenance and future transfer of Gascoyne Foodbowl Initiative (GFBI) assets to GWC ownership.

This Heads of Agreement requires the 2017 Collaboration Grant Funding Agreement between GWC and DPRID to continue. The provision of an instrument is required to grant legal access to the GFBI lands as required for the Department of Water and Environmental Regulation (DWER) groundwater licensing requirements to maintain Gascoyne Water Asset Mutual Co-Operative Ltd's Water Licences. Installation of the new connections for the GFBI development commenced in April 2025 with 2,100 C Class Shares scheduled to be issued to the GFBI proponents in the 2026 financial year.

**Gascoyne Irrigation System Augmentation and Modernisation Project (GISAM)**

In June 2021 GWC successfully applied to the National Water Gateway Authority (NWGA) for co-funding grants for a number of projects under the headline project of the Gascoyne Irrigation System Augmentation and Modernisation Project (GISAM). On 22 January 2022 a Funding Assistance Agreement (FAA) was executed between GWC and DPIRD. DPIRD are the responsible state government agency for handling grant monies and reporting to the NWGA on the project outcomes. In total, \$2.4m of funding was granted, all funds have been received by the end of 30 June 2025.

Output 1 of the GISAM project is the equipping and commissioning of the GFBI borefield. Construction of the GISAM project began in September 2023. The deadline of 31 December 2023 was delayed due to issues with materials. GWC has commenced legal proceedings in order to recover payments for defective work. The amount potentially recoverable is substantial with reasonable prospects of success based on the current information available. This matter is still ongoing as at the date of this report.

**Single Entity**

A feasibility study is being undertaken to explore the possibility of GWC and GWAMCO becoming a single entity. This matter is still ongoing as at the date of this report.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the group's operations the results of those operations, or the group's state of affairs in future financial years.



**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 29 Financial Instruments**

**Financial risk management objectives**

The group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior management ('management') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the group and appropriate procedures, controls and risk limits. Management identifies, evaluates and hedges financial risks within the group's operating units. Management reports to the Board on a monthly basis.

**Market risk**

*Foreign currency risk*

The group is not exposed to any foreign currency risk.

*Price risk*

The group is not exposed to any significant price risk.

*Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the group based on recent sales experience, historical collection rates and forward-looking information that is available.

The group has a credit risk exposure with two receivables which as at 30 June 2025 owed the group \$30,579 (7% of trade receivables) (2024 owed the group \$4,190 (3% of trade receivables)). These receivables are outside their terms of trade and an impairment was made as at 30 June 2025 (2024: these receivables were outside of their terms of trade and an impairment was made as at 30 June 2024). There are no guarantees against these receivables but management closely monitors the receivables balance on a monthly basis and is in regular contact with these receivables to mitigate risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

**Gascoyne Water Co-operative Limited and Controlled Entities**  
**Notes to the financial statements**  
**For the year ended 30 June 2025**

**Note 29 Financial Instrument (Cont)**

*Liquidity risk*

Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

**Financing arrangements**

Unused borrowing facilities at the reporting date:

|                | <b>Consolidated</b> |             |
|----------------|---------------------|-------------|
|                | <b>2025</b>         | <b>2024</b> |
|                | <b>\$</b>           | <b>\$</b>   |
| Bank overdraft | -                   | -           |
| Bank loans     | -                   | -           |
|                | <u>-</u>            | <u>-</u>    |

**Remaining contractual maturities**

The following tables detail the group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| <b>Consolidated - 2024</b>           | <b>Weighted<br/>average<br/>interest<br/>rate<br/>%</b> | <b>1 year or less<br/>\$</b> | <b>Between 1 and<br/>2 years<br/>\$</b> | <b>Between 2 and<br/>5 years<br/>\$</b> | <b>Over 5 years<br/>\$</b> | <b>Remaining<br/>contractual<br/>maturities<br/>\$</b> |
|--------------------------------------|---------------------------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|----------------------------|--------------------------------------------------------|
| <b>Non-derivatives</b>               |                                                         |                              |                                         |                                         |                            |                                                        |
| <i>Non-interest bearing</i>          |                                                         |                              |                                         |                                         |                            |                                                        |
| Trade payables                       | -                                                       | 1,078,504                    | -                                       | -                                       | -                          | 1,078,504                                              |
| Loan - GWAMCO (Pipeline)             | -                                                       | -                            | -                                       | -                                       | 5,542,706                  | 5,542,706                                              |
| <i>Interest bearing - fixed rate</i> |                                                         |                              |                                         |                                         |                            |                                                        |
| Lease liability                      | 7.1%                                                    | 12,000                       | 12,000                                  | 21,960                                  | -                          | 45,960                                                 |
| Total non-derivatives                |                                                         | <u>1,090,504</u>             | <u>12,000</u>                           | <u>21,960</u>                           | <u>5,542,706</u>           | <u>6,667,170</u>                                       |

| <b>Consolidated - 2025</b>           | <b>Weighted<br/>average<br/>interest<br/>rate<br/>%</b> | <b>1 year or less<br/>\$</b> | <b>Between 1 and<br/>2 years<br/>\$</b> | <b>Between 2 and<br/>5 years<br/>\$</b> | <b>Over 5 years<br/>\$</b> | <b>Remaining<br/>contractual<br/>maturities<br/>\$</b> |
|--------------------------------------|---------------------------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|----------------------------|--------------------------------------------------------|
| <b>Non-derivatives</b>               |                                                         |                              |                                         |                                         |                            |                                                        |
| <i>Non-interest bearing</i>          |                                                         |                              |                                         |                                         |                            |                                                        |
| Trade payables                       | -                                                       | 1,194,878                    | -                                       | -                                       | -                          | 1,194,878                                              |
| Loan - GWAMCO (Pipeline)             | -                                                       | -                            | -                                       | -                                       | 6,099,562                  | 6,099,562                                              |
| <i>Interest bearing - fixed rate</i> |                                                         |                              |                                         |                                         |                            |                                                        |
| Lease liability                      | 7.1%                                                    | 12,000                       | 9,960                                   | -                                       | -                          | 21,960                                                 |
| Total non-derivatives                |                                                         | <u>1,206,878</u>             | <u>9,960</u>                            | <u>-</u>                                | <u>6,099,562</u>           | <u>7,316,400</u>                                       |

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

**Fair value of financial instruments**

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Gascoyne Water Co-operative Limited and Controlled Entities  
Notes to the financial statements  
For the year ended 30 June 2025

Note 30 Capital Commitments

|                                | Consolidated |      |
|--------------------------------|--------------|------|
|                                | 2025         | 2024 |
|                                | \$           | \$   |
| Contracted for:                |              |      |
| - capital expenditure projects | 317,706      | -    |
|                                | 317,706      | -    |
| Payable:                       |              |      |
| - not later than one year      | 317,706      | -    |

**Gascoyne Water Co-operative Limited and Controlled Entities**

**Directors' Declaration**

**For the year ended 30 June 2025**

In accordance with a resolution of the directors of GASCOYNE WATER CO-OPERATIVE LIMITED AND CONTROLLED ENTITIES, the directors of the company declare that:

1. The financial statements and notes for the year ended 30 June 2025 are in accordance with the *Co-operatives Act 2009* and:
  - (a) comply with Australian Accounting Standards;
  - (b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



Paul Shain

Dated this     Day of November 2025



Saxon Boston

Dated this 7 Day of November 2025

**DIRECTORS:**

**VIRAL PATEL** RCA, CA  
**ALASTAIR ABBOTT** RCA, CA  
**CHASSEY DAVIDS** RCA, CA  
**FAZ BASHI** RCA, CPA

**AUSTRALIAN  
AUDIT** 

**ASSOCIATE DIRECTORS:**

**ROBERT CAMPBELL** RCA, CA  
**SANTO CASILLI** FCPA PFIIA

## AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Directors of Gascoyne Water Co-operative Limited and controlled entities

In accordance with the requirements of the Co-operatives Act 2009 (WA), in relation to our audit of the financial report of Gascoyne Water Co-operative Limited and controlled entities for the year ended 30 June 2025, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the Co-Operatives Act 2009 (WA) in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit

### Australian Audit



**Chassey Davids**, CA, RCA, AMIIA, BCom  
Registered Company Auditor number 490152  
**Director**  
**Australian Audit**  
Perth, Western Australia  
Date: 7 November 2025

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## DIRECTORS:

**VIRAL PATEL** RCA, CA  
**ALASTAIR ABBOTT** RCA, CA  
**CHASSEY DAVIDS** RCA, CA  
**FAZ BASHI** RCA, CPA

AUSTRALIAN  
AUDIT 

## ASSOCIATE DIRECTORS:

**ROBERT CAMPBELL** RCA, CA  
**SANTO CASILLI** FCPA PFIIA

# INDEPENDENT AUDITOR'S REPORT

To the members of Gascoyne Water Co-operative Limited and controlled entities

## Opinion

We have audited the financial report of Gascoyne Water Co-operative Limited and controlled entities (the entity), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report has been prepared in accordance with requirements of the Co-operatives Act 2009 (WA), including:

- giving a true and fair view of the entity's financial position as at 30 June 2025, and of its financial performance and its cash flows for the year then ended; and
- complying with the Co-operatives Regulations 2010 (WA); and
- the accounting records and other records, and the registers required by the Co-operatives Act 2009 (WA) to be kept by the Co-operative have been properly kept in accordance with the provisions of the Act; and
- we have been given all information, explanations and assistance necessary for the conduct of the audit; and
- complying with Australian Accounting Standards.

## Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with Co-operatives Act 2009 (WA) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Co-Operatives Act 2009 (WA), which has been given to the Board of Directors of the entity, would be in the same terms if given to the Board of Directors as at the time of this auditor's report.

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

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## **Responsibilities of Management and The Board of Directors for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Co-operatives Act 2009 (WA). The responsibility of Management also includes such internal control as management determines is necessary to enable the preparation and fair presentation of a 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 entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the entity's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

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

## Australian Audit

**Chassey Davids**, CA, RCA, AMIIA, BCom  
Registered Company Auditor number 490152

**Director**

**Australian Audit**

Perth, Western Australia

Date: 7 November 2025