

Office of Northern Water Delivery

Financial Statements

For the period ended 7 May 2025

Office of Northern Water Delivery
Certification of the Financial Statements
for the period ended 7 May 2025

We certify that the:

- financial statements of the Office of Northern Water Delivery (the office):
 - are in accordance with the accounts and records of the office;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the office at the end of the reporting period and the result of its operation and cash flows for the reporting period.
- internal controls employed by the office for the financial year over its financial reporting and its preparation of financial statements have been effective.

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Chief Executive
Department for Energy and Mining
12. September 2025



William Pasten
Director, Commercial
Department for Energy and Mining
12., September 2025

Office of Northern Water Delivery
Statement of Comprehensive Income
for the period ended 7 May 2025

	Note	2025 \$'000
Income		
Resources received free of charge	3.1	30
Other income	3.2	96
Total income		126
Expenses		
Employee related expenses	4.1	633
Other expenses	4.2	30
Total expenses		663
Net result		(537)
Total comprehensive result		(537)

The accompanying notes form part of these financial statements.

The net result and total comprehensive result are attributable to the SA Government as owner.

Office of Northern Water Delivery
Statement of Financial Position
as at 7 May 2025

	Note	2025 \$'000
Current assets		
Cash and cash equivalents		-
Receivables		-
Total current assets		-
Non-current assets		
Property, plant and equipment	5.1	-
Total non-current assets		-
Total assets		-
Current liabilities		
Payables		-
Employee related liabilities		-
Provisions		-
Total current liabilities		-
Non-current liabilities		
Employee related liabilities		-
Provisions		-
Total non-current liabilities		-
Total liabilities		-
Net assets		-
Equity		
Retained Earnings		-
Total equity		-

The accompanying notes form part of these financial statements.
The total equity is attributable to the SA Government as owner.

Assets and liabilities for the Office of Northern Water Delivery were transferred to the Department for Energy and Mining immediately preceding the abolition of the Office of Northern Water Delivery on 7 May 2025.

Office of Northern Water Delivery
Statement of Changes to Equity
for the period ended 7 May 2025

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2024	-	-
Net assets received from administrative restructure	59 046	59 046
Restated balance at 1 July 2024	59 046	59 046
<u>Net result for 2024-25</u>	<u>C53D</u>	<u>(537)</u>
Total comprehensive result for 2024-25	(537)	(537)
Net assets transferred out as a result of an administrative restructure	(58 509)	(58 509)
Balance at 7 May 2025	-	-

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Office of Northern Water Delivery
Statement of Cash Flows
for the period ended 7 May 2025

	2025 \$'000
<u>Cash flows from operating activities</u>	
<u>Cash outflows</u>	
Employee related expenses	<u>(633)</u>
Net cash (used in) operating activities	<u>(633)</u>
<u>Cash flows from investing activities</u>	
<u>Cash outflows</u>	
Purchase of property, plant and equipment	<u>(532)</u>
Net cash (used in) Investing activities	<u>(532)</u>
<u>Cash flows from financing activities</u>	
<u>Cash inflows</u>	
Cash received from restructuring activities	<u>18427</u>
<u>Cash outflows</u>	
Cash transferred as a result of restructuring activities	<u>(17 262)</u>
Net cash from financing activities	<u>1165</u>
Net increase in cash and cash equivalents	-
Cash at the beginning of the period	-
Cash at the end of the reporting period	<u>-</u>

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

1. About the Office of Northern Water Delivery

The Office of Northern Water Delivery (the office) was established as an attached office of the Department for Infrastructure and Transport on 1 July 2024 by the *Public Sector (Establishment of Attached Office) Proclamation 2024*. The office was transferred as an attached office to the Department for Energy and Mining on 21 November 2024 by the *Public Sector (Attached Office) Proclamation 2024*. The office was abolished effective from 7 May 2025 by the *Public Sector (Abolition of Attached Offices) Proclamation 2025*.

The Office of Northern Water Delivery supports the early development of the Northern Water project- a major desalination and pipeline system capable of providing a sustainable water source to mining and industrial users in the North and Far North of the state.

The office does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the office.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards, applying simplified disclosures.

As the office was established on 1 July 2024, there are no prior period comparative figures presented in the financial statements.

No Australian Accounting Standards have been early adopted.

For the purposes of preparing the financial statements, the office is a not-for-profit entity. The financial statements are prepared for the reporting period from 1 July 2024 to 7 May 2025, and presented in Australian currency. The historical cost convention is used unless a different measurement basis is identified in the notes to the financial statements.

All amounts in the financial statements and accompanying notes are rounded to the nearest thousand dollars (\$'000).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Assets that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets. Liabilities that are due to be settled within 12 months after the end of the reporting period or for which the office has no right to defer the settlement for at least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

Cash flows are included in the Statement of Cash Flows on a gross basis.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

1.2. Changes to the Office

Transferred in 2024-25

The **Public Sector (Reorganisation of Public Sector Operations) Notice 2024** (dated **27 June 2024**) proclaimed that effective from **1 July 2024**, all employees of the division known as the Northern Water Supply Project within Infrastructure SA have been transferred to the Office of Northern Water Delivery as an attached office to the Department for Infrastructure and Transport.

The following assets and liabilities for the Northern Water Supply Project were transferred to the office:

	\$'000
Cash	18427
Receivables	14450
Property, plant and equipment	<u>30 070</u>
Total assets	<u>62947</u>
Payables	3394
Employee related liabilities	436
Provisions	<u>71</u>
Total liabilities	<u>3 901</u>
Total net assets transferred	<u>59 046</u>

Net assets assumed by the office as a result of the administrative restructure are the carrying amount of those assets in the transferor's Statement of Financial Position immediately prior to transfer. The net assets transferred were treated as a contribution by the government as owner.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

1.2. Changes to the office (continued)

Transferred out 2024-25

The *Public Sector (Attached Offices) Proclamation 2024* (dated 21 November 2024) proclaimed that effective from 21 November 2024, the Office of Northern Water Delivery is no longer attached to the Department for Infrastructure and Transport and is now attached to the Department for Energy and Mining. The *Public Sector (Reorganisation of Public Sector Operations) (Office of Northern Water Delivery) Notice 2024* and subsequent agreement between the Chief Executives of the Department for Infrastructure and Transport and the Department for Energy and Mining stated that five employees would transfer to the Department for Infrastructure and Transport effective from 21 November 2024.

The following liabilities for the Office of Northern Water Delivery were transferred to the Department for Infrastructure and Transport:

	\$'000
Employee related liabilities	<u>185</u>
Total liabilities	<u>185</u>
Total net assets transferred	<u>(185).</u>

Net assets transferred by the office as a result of the administrative restructure were recognised at the carrying amount. The net assets transferred were treated as a contribution by the government as owner.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

1.2. Changes to the office (continued)

Transferred out 2024•25

The *Public Sector (Abolition of Attached Offices) Proclamation 2025* (dated 1 May 2025) proclaimed that effective from 7 May 2025, the Office of Northern Water Delivery is abolished. The *Public Sector (Transfer of Employees of Attached Offices to the Department for Energy and Mining) Notice 2025* (dated 1 May 2025) proclaimed that effective from 7 May 2025, resources of the Office of Northern Water Delivery would be transferred to the Department for Energy and Mining.

The following **assets** and liabilities for the Office of Northern **Water Delivery** were transferred to the Department for Energy and Mining immediately preceding the abolition of the Office of Northern Water Delivery:

	\$'000
Cash	17262
Receivables	.30
Property, plant and equipment	64989
Total assets	<u>82 281</u>
Payables	23429
Employee related liabilities	88
Provisions	70
Total liabilities	<u>23587</u>
Total net assets transferred	<u>58 694</u>

Net assets transferred by the office as a result of the administrative restructure were recognised at the carrying amount. The net assets transferred were treated as a contribution by the government as owner.

The office had no contractual commitments as at 7 May 2025. Any commitments associated with the pre-delivery and procurement phase of the Northern Water Delivery project will be disclosed by the Department for Infrastructure and Transport in its 2024-25 financial statements.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

2. Committees and employees

2.1. Key management personnel

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*. Total compensation for the office's key management personnel in 2025 was \$0.2 million.

Transactions with key management personnel and other related parties

Apart from the remuneration for key management personnel, the office did not have material transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities.

2.2. Committee members

Members during the 2025 financial year were:

Audit and Risk Committee

K Presser (Chair)
T Brumfield*
J Chapman
J Cirson*
S Moules*

• In accordance with Premier and Cabinet Circular 016, government employees did not receive any remuneration for board / committee duties during the financial year, except for one committee member who was provided an exemption by the Treasurer to receive remuneration.

The Audit and Risk Committee is shared with the Department for Energy and Mining and the Office of Hydrogen Power South Australia. The committee is remunerated by the Department for Energy and Mining.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

3. Income

3.1. Resources received free of charge

	2025
	\$'000
Services received free of charge - other entities	30
Total resources received free of charge	30

The office receives audit services free of charge from the Audit Office of South Australia in relation to work performed under the Public Finance and Audit Act 1987. No other services were provided by the Audit Office of South Australia.

3.2. Other income

	2025
	\$'000
Other miscellaneous income	96
Total other income	96

In September 2024, the Minister for Infrastructure and Transport approved the pre-delivery and procurement functions for the Office of Northern Water Delivery to be fully integrated into the Department for Infrastructure and Transport. As per MSB 1004 Contributions, the associated leave balances for transferring employees at the time of the Ministerial Direction have been recognised as a reduction in employee liabilities and other income.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

4. Expenses

4.1. Employee related expenses

	2025 \$'000
Termination payments	633
Total employee related expenses	633

Employee remuneration

	2025 Number
\$171,001 to \$191,000	2
\$231,001 to \$251,000	1
\$271,001 to \$291,000	2
\$291,001 to \$311,000*	1
Total	6

* These bands include employees that have received termination payments in 2024-25.

The total remuneration received by those employees for the year was \$0.3 million.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

Employee remuneration costs (other than termination payments) are capitalised and included as part of the capital works in progress (refer to note 5.1).

4.2. Other expenses

	2025 \$'000
Audit fees	30
Total other expenses	30

Audit fees received free of charge. Refer to Note 3.1 for details.

Office of Northern Water Delivery
Notes to and forming part of the financial statements
for the period ended 7 May 2025

5. Assets

5.1. Property, plant and equipment owned by the office

	Capital works in progress	Total
	\$'000	\$'000
Carrying amount as at 1 July 2024	-	-
Acquisitions through administrative restructure	30070	30070
Capitalisation	34919	34919
Disposal through administrative restructure	(64 989)	(64 989)
Carrying amount as at 7 May 2025	-	-
Gross carrying amount	-	-
Gross carrying amount	-	-
Carrying amount as at 7 May 2025	-	-

6. Outlook

6.1. Events after the reporting period

The office is not aware of any event occurring after balance date that would materially affect the financial statements.