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**Government
of South Australia**

OFFICE OF NORTHERN WATER DELIVERY

2024-25 Annual Report

OFFICE OF NORTHERN WATER DELIVERY

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To:

Honourable Tom Koutsantonis MP
Minister for Energy and Mining

This annual report will be presented to Parliament to meet the statutory reporting requirements of the (*Public Sector Act 2009* (Part 3, s 12) and the *Public Sector Regulations 2010* (Part 2, reg 7)), the *Public Finance and Audit Act 1987* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of DEPARTMENT FOR ENERGY AND MINING by:

Paul Martyn PSM
Chief Executive
Department for Energy and Mining

Date 23/09/2025

Signature



From the Chief Executive

The Northern Water Project (NWP) has made substantial progress and undergone key transitions over the past year, marking a pivotal phase in our journey through the pre-delivery project phase. Our efforts have focused on building a strong foundation to support the long-term delivery of this vital initiative.

NWP is nationally significant, and a critical enabler to position the Upper Spencer Gulf as a globally significant region in the clean energy transition, through unlocking strategic and critical minerals, ensuring sovereign capability, and improving environmental outcomes.

A major milestone was the development of a preferred Design, Build, Operate, and Maintain (DBOM) delivery model, selected for its proven success in similar large-scale infrastructure projects and its focus on whole-of-life cost efficiency. This was supported by a comprehensive market sounding process and a successful Expression of Interest (EOI) phase, which attracted strong interest from industry and helped shape the next stage of procurement.

During the year, procurement responsibilities for the project were formally transitioned to the Department for Infrastructure and Transport (DIT), which has since progressed the procurement process. This change ensures a clear and coordinated approach to project delivery, while maintaining momentum and market confidence.

The Office of Northern Water Delivery (ONWD) continued to work closely with key government stakeholders to identify and progress a range of key decisions and ensure alignment with broader infrastructure, economic, and climate objectives. Engagement with the Net Zero Economy Authority, Infrastructure Australia, Infrastructure SA, and the Department of Treasury and Finance has been instrumental in progressing the project through assurance and investment planning processes.

On 7 May 2025, the Office for Northern Water Delivery was integrated into the Department for Energy and Mining (DEM), with responsibility for delivery of the project shared between DIT and DEM. DIT now leads procurement and delivery, while DEM is responsible for the commercial aspects of the project, including the updated business case, commercial model development, offtake negotiations and ensuring overall project viability.

Together, these efforts reflect a strong foundation for delivering a transformative project that will secure South Australia's water future and support sustainable economic growth.

A handwritten signature in blue ink, appearing to read 'Paul Martyn', with a long horizontal stroke extending to the right.

Paul Martyn

Chief Executive

Department for Energy and Mining

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Overview: about the agency

Our strategic focus

Our Purpose	To support development of the Northern Water Project (NWP) and provide pre-FID project management functions.
Our Vision	Delivering a new climate-resilient water supply to unlock economic growth, support the net zero transition and deliver lasting benefits to the South Australian community and environment.
Our Values	The Office of Northern Water Delivery (ONWD) seeks to unlock economic growth in industries and regions that are crucial to achieving net-zero targets and provide a sustainable alternative to reliance on precious water resources like the Great Artesian Basin and the River Murray. Delivery of the NWP will produce lasting economic, environmental and social values to South Australia and its regional communities, ensuring a future of prosperity and sustainability.
Our objectives	<p>Commercial Viability:</p> <ul style="list-style-type: none"> • Affordable Water Supply • Secure multiple offtake agreements • Divestible structure • Minimise project risk to State <p>Delivery Performance:</p> <ul style="list-style-type: none"> • On time and on budget • Optimised life cycle costing • Asset meets offtaker requirements • Agile and future ready (staging options). <p>Environmental Stewardship:</p> <ul style="list-style-type: none"> • Environmental Footprint minimised. • Positive ecological initiatives delivered. <p>Community endorsement:</p> <ul style="list-style-type: none"> • Trusted • Deliver aligned benefits • Culturally sensitive and respectful <p>Well governed:</p> <ul style="list-style-type: none"> • High standards of compliance

	<ul style="list-style-type: none"> • Reputable • Robust systems and processes.
<p>Deliverables</p>	<ol style="list-style-type: none"> 1. Deliver a 'Design Build Operate and Maintain' Request for Proposal process that is competitive, robust and secures value for money outcomes including a credible reference design. 2. Undertake commercial negotiations and execute offtaker agreements. 3. Develop technical specifications and performance requirements that deliver required outcomes across engineering, safety, environment, sustainability, cultural and stakeholder areas. 4. Deliver the environmental investigations and processes to support the development approval, EPBC approval, secure environmental offsets and identify opportunities for positive ecological initiatives. 5. Finalise the Project Financial Model. 6. Complete investment due diligence and assurance processes necessary to submit the investment proposal and achieve Final Investment Decision (FID). 7. Develop an ESG strategy and framework to support due diligence requirements as part of the investment proposal. 8. Deliver community and stakeholder communication and engagement programs that build strong connections, inform and invite input and address feedback and issues. 9. Work with local industry and suppliers to deliver workforce and skills programs that unlock the regional workforce and industry potential to maximise readiness and enable local participation in the project. 10. Develop an integrated management system that provides the system and tools to support performance expectations across safety, environment and quality. 11. Deliver Native Title Agreements and cultural heritage surveys with Kokatha and Barngarla traditional owners. 12. Develop mature governance frameworks and systems that support robust risk management, project controls and reporting. 13. Implement processes to ensure we have the resources, capability and culture to efficiently and effectively deliver the project. 14. Secure land access and deliver a land management strategy to ensure long term management of the asset.

	15. Collaborate across government to ensure alignment with broader strategic outcomes and directions.
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Organisational structure and function

The functions of ONWD were integrated into Department of Energy and Mining (DEM) on May 8th 2025. ONWD ceased activities on May 7th 2025 and the organisational structure was absorbed into DEM.

Changes to the agency

During 2024-25 there were the following changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes:

- Effective 1 July 2024, the ONWD was formed and was proclaimed as an attached office to DIT, with the transfer of all assets and liabilities from Infrastructure SA (ISA).
- In September 2024, the Minister for Infrastructure and Transport determined that the procurement and pre-delivery functions of the project would be delivered through DIT, with the commercial negotiations, and funding and finance remaining with ONWD.
- In November 2024, ONWD was declared an attached office to DEM.
- ONWD was formally dissolved on 7 May 2025 with residual functions absorbed into DEM.

Our Minister



Hon Tom Koutsantonis MP has been the Member of Parliament for the seat of West Torrens since 1997 and is currently Minister for Infrastructure and Transport, Minister for Energy and Mining and the Leader of Government Business in the House of Assembly.

Tom previously held ministerial appointments for Transport and Infrastructure between 2013 and 2014 and Mineral Resources and Energy between 2011 and 2018. He was also responsible for these portfolios in the Shadow Ministry between 2018 and 2022.

Our Executive Team

The Executive Leadership team comprised:

- Paul Martyn PSM – Chief Executive, Department for Energy and Mining
- Mike Morgan – Project Director

Legislation administered by the agency

ONWD does not administer any legislation.

Other related agencies (within the Minister's area/s of responsibility)

ONWD works with DEM and DIT in the development and procurement of the NWP.

The agency's performance

Performance at a glance

The Office of Northern Water Delivery achieved significant progress towards its objectives and strategic goals during the 2024-25 financial year until its integration into DEM on 7 May 2025. Highlights included the following:

- Continued to progress towards an FID, following completion of the Northern Water Business Case and addendum in 2023/24.
- Developed the preferred procurement approach through extensive market sounding process. A Design, Build, Operate, and Maintain (DBOM) model was proposed, reflecting its success in other major Australian desalination projects by prioritising whole-of-life cost efficiency.
- Undertook an Expression of Interest (EOI) process to engage with and procure contractors who may design, build, operate and maintain the plant and pipeline. The EOI process is a key component in developing a future Request for Proposal to further understand project design and costings. Following changes to the responsibilities for procurement of the NWP, DIT progressed the procurement process for the Project on 12 November 2024 through an Updated Request for EOI. Submissions for the Updated Request for EOI closed on 23 January 2025. DIT evaluated the EOI submissions and shortlisted the two most qualified proponents.
- Continued engagement with key arms of government on funding opportunities to support Project delivery. This included engagement with the Commonwealth government, through Infrastructure Australia and the Net Zero Economy Agency on potential funding streams and support of the project, aligned with the asks of government identified in the Business Case.
- Continued to engage with relevant assurance bodies, including ISA and Infrastructure Australia, to enable informed and integrated decisions on infrastructure planning, investment, delivery and optimisation. Engaging with other government agencies is also a key component of project and commercial due diligence, to ensure the NWP meets the relevant agencies criteria for potential involvement and funding.
- Continued work on developing the ideal commercial operating model of the project to deliver an equitable and affordable price of water and to deliver best value to South Australian taxpayers, industry and the environment.
- Continued to engage with key project stakeholders, including negotiating land access for the plant and pipeline, progressing cultural heritage surveys and native title negotiations, and ongoing engagement with the community to ensure risks and opportunities are properly understood and addressed.
- Continued extensive environmental and technical studies to support relevant project approvals under state and federal legislation, alongside other critical activities required to provide the government with the clearest understanding of the risks and opportunities associated with the project.

Agency specific objectives and performance

The NWP is a key element of the South Australian State Prosperity Project. The NWP is a proposal to build a large-scale desalination plant and pipeline network to provide a new, sustainable water source for industrial use across the Spencer Gulf, Eyre Peninsula and the far-north.

The Project is currently in the pre-FID phase and performance is measured against the Project schedule and key milestones.

Agency objectives	Indicators	Performance
Progress the NWP pre-FID delivery, including: procurement activities, environmental approvals and continued engagement with land holders, traditional owners, potential off takers and stakeholders ahead of FID.	Progress against the Project schedule and defined milestones	EOI for procurement is complete. Ongoing engagement with key agencies and other stakeholders.

Corporate performance summary

Corporate services for NWP were provided by DEM through a service level agreement.

Project Governance

In 2024-25, the NWP Governance Committee transitioned to the SA Copper Taskforce. The SA Copper Taskforce acted as the executive level assurance, governance and oversight body, to review project progress for delivery of the NWP.

The SA Copper Taskforce is responsible for:

- Acting as executive-level assurance, governance and oversight body for the development, delivery and ownership of the NWP, including by endorsing key project decisions, to ensure project delivery in line with whole-of-government State interests
- Leading engagement with the Commonwealth and other third parties to secure funding and financing for the NWP
- Serving as the primary advisory body for the delivery of the NWP, with responsibilities for review, governance, assurance and project leadership
- Advising on whole-of-government initiatives and outcomes arising from or related to major copper mining proposals including any necessary supporting regulatory reform
- Providing reports to the Hydrogen and Upper Spencer Gulf Cabinet Taskforce (HUSGCT) and Cabinet

- Reporting to the Minister for Energy and Mining and acting in accordance with Cabinet directions
- In accordance with Cabinet directions, providing leadership and governance of the commercialisation of the NWP, including future operating models

The SA Copper Taskforce met monthly, or as determined by the Chairperson, and comprised of Chief Executives and senior executives from the Department of the Premier and Cabinet, DTF, Department of State Development, Department for Environment and Water and DEM.

Employment opportunity programs

ONWD had no employment opportunity programs for the 2024-25 financial year.

Agency performance management and development systems

ONWD was an attached office to DIT and then DEM, within the 2024-25 financial year and utilised the performance management and professional development programs of the respective agencies.

Work health, safety and return to work programs

ONWD was an attached office to DIT and then DEM, within the 2024-25 financial year and utilised the work health, safety and return to work programs of the respective agencies.

Workplace injury claims	Current year 2024-25	Past year 2023-24	% Change (+ / -)
Total new workplace injury claims	0	N/A	N/A
Fatalities	0	N/A	N/A
Seriously injured workers*	0	N/A	N/A
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	N/A	N/A

**number of claimants assessed during the reporting period as having a whole person impairment meeting the relevant threshold under the Return to Work Act 2014 (Part 2 Division 5)*

Work health and safety regulations	Current year 2024-25	Past year 2023-24	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	N/A	N/A
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	N/A	N/A

Return to work costs**	Current year 2024-25	Past year 2023-24	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	N/A	N/A
Income support payments – gross (\$)	0	N/A	N/A

**before third party recovery

Data for previous years is available at: Not applicable

Executive employment in the agency

Executive classification	Number of executives
EXECOF	1
SAES 1	1

ONWD was abolished on 7 May 2025. The functions of the agency are carried out through DEM and DIT.

Numbers above reflect total number of paid executive positions as ONWD at 7 May 2025.

Data for previous years is available at: Not applicable

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2024-25 are attached to this report.

The total net loss reported for ONWD for the period 1 July 2024 to 7 May 2025 was \$0.5 million which was predominantly due to executive termination payments, following the changes to project delivery and organisational structure.

Assets and liabilities for ONWD were transferred to DEM immediately preceding the abolition of ONWD at 7 May 2025. During the period 1 July 2024 to 7 May 2025 ONWD reported capitalised expenditure of \$34.9 million for the project.

Consultants disclosure

Consultants that have been directly engaged by DIT, which manages the pre-delivery and procurement phase of the project, are disclosed in DIT's annual report.

Only minor consultancy costs of \$0.1 million were directly incurred by ONWD and these have been reflected as part of the capital cost associated with the business case development for the project.

Data for previous years is available at: Not Applicable.

Contractors disclosure

Contractors that have been directly engaged by DIT, which manages the pre-delivery and procurement phase of the project, are disclosed in DIT's annual report.

In 2024-25 ONWD did not directly engage any contractors.

Data for previous years is available at: Not Applicable

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk management

Fraud detected in the agency

ONWD had no instances of fraud detected in the agency during the 2024-25 financial year.

Category/nature of fraud	Number of instances
N/A	0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

During 2024–25, the Audit and Risk Committee (ARC) within DEM provided independent assurance over risk management, internal controls, compliance, and financial reporting. The Committee met five times under its Terms of Reference and Calendar of Focus.

The ARC oversaw implementation of the risk framework and endorsed the revised Risk Appetite Statement to reflect the machinery of government changes that occurred in May 2025. This also include review of the department’s strategic risks, major project risks and cyber/technology risks to ensure they are effectively mitigated and/or aligned with the Strategic Plan objectives. The ARC also commissioned major project assurance mapping to identify potential coverage gaps across major programs.

The ARC reviewed the 2024-25 financial statements process, sector accounting updates, and had a private session with the Auditor-General’s team.

The internal audit function performed several reviews over the DEM system and control environments. In addition, DEM has a Fraud and Corruption Policy which addresses the prevention, detection and response to fraud, and a supporting procedure for reporting suspected fraud. As outlined in Treasurer’s Instruction 2, the documents are reviewed annually (last published in January 2024) and correspond with the South Australian Public Sector Fraud and Corruption Control Policy.

Data for previous years is available at: Not applicable

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

0

Data for previous years is available at: insert hyperlink to specific data.sa page and ensure data sources are referenced. Not applicable

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
Not Applicable	Section and summary of reporting requirement

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2024-25
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

Complaint categories	Sub-categories	Example	Number of Complaints 2024-25
Service quality	Information	Incorrect, incomplete, out-dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	0

Additional Metrics	Total
Number of positive feedback comments	0
Number of negative feedback comments	0
Total number of feedback comments	0
% complaints resolved within policy timeframes	0

Data for previous years is available at: Not applicable

Service Improvements

There were no formal complaints received by ONWD and subsequently no service improvements.

Compliance Statement

ONWD is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
ONWD has communicated the content of PC 039 and the agency’s related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2024-25

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.


Paul Martyn, PSM
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		<u>126</u>
Expenses		
Employee related expenses	4.1	633
Other expenses	4.2	30
Total expenses		<u>663</u>
Net result		<u>(537)</u>
Total comprehensive result		<u>(537)</u>

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>(537)</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>	
<i>Cash outflows</i>	
Employee related expenses	(633)
Net cash (used in) operating activities	(633)
<u>Cash flows from investing activities</u>	
<i>Cash outflows</i>	
Purchase of property, plant and equipment	(532)
Net cash (used in) investing activities	(532)
<u>Cash flows from financing activities</u>	
<i>Cash inflows</i>	
Cash received from restructuring activities	18 427
<i>Cash outflows</i>	
Cash transferred as a result of restructuring activities	(17 262)
Net cash from financing activities	1 165
Net increase in cash and cash equivalents	-
Cash at the beginning of the period	-
Cash at the end of the reporting period	-

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	18 427
Receivables	14 450
Property, plant and equipment	30 070
Total assets	62 947
Payables	3 394
Employee related liabilities	436
Provisions	71
Total liabilities	3 901
Total net assets transferred	59 046

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	185
Total liabilities	185
Total net assets transferred	(185)

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	17 262
Receivables	30
Property, plant and equipment	64 989
Total assets	82 281
Payables	23 429
Employee related liabilities	88
Provisions	70
Total liabilities	23 587
Total net assets transferred	58 694

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
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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 AASB 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
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4. Expenses

4.1. Employee related expenses

	2025 \$'000
Termination payments	633
Total employee related expenses	<u>633</u>

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	<u>6</u>

* 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	<u>30</u>

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

Office of Northern Water Delivery
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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	30 070	30 070
Capitalisation	34 919	34 919
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.