

# 2024 Annual Report



# Murrumbidgee Irrigation Limited 2024 Annual Report

ABN 39 084 943 037

This report is available electronically  
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## 2024 Annual General Meeting

The 26th Annual General Meeting of  
shareholders will be held on Thursday  
7 November 2024. It will be held at  
the Griffith Regional Theatre, with  
registrations from 1.30pm and the  
AGM to run from 2pm to 4.30pm.

## Acknowledgment of Country

Murrumbidgee Irrigation acknowledges  
the Wiradjuri people as the Traditional  
Owners and Custodians of the land and  
waterways on which we operate, and  
pay our respect to their Elders past,  
present and emerging.



Murrumbidgee Irrigation Limited (MI) is focused on growing our future together with customers and the community.

Our aim is to enable regional productivity through irrigation by delivering water in the best way possible.

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## At a glance 2023/24

# 378,911 ha

Total area of Murrumbidgee Irrigation Area (MIA)

# 1,062,976 ML      1,324,264

Company water licences

Total delivery entitlements in issue

# 3,110

Landholdings

# 138,443 ha

Total area of irrigated crops

# 157      0 I/MH

Employees

Lost Time Injury Frequency Rate

## General information

	Measure	2023/24	2022/23	2021/22
Total area of MIA	ha	378,911	378,911	378,911
Company water licences	ML	1,062,976	1,073,005	1,078,302
Total delivery entitlements in issue	Number	1,324,264	1,322,023	1,319,369
Landholdings	Number	3,110	3,121	3,124
Total area of irrigated crops	ha	138,443	103,672	133,828
Employees (equivalent full-time, including externally funded)	Number	157	160	155
Lost Time Injury Frequency Rate (LTIFR)	I/MH	0	7.6	0

## Financial

	Measure	2023/24	2022/23	2021/22
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) from normal operations	\$'000	9,861	7,582	9,944
Government and other revenue <sup>1</sup>	\$'000	53,893	49,654	8,043
Net assets	\$'000	709,356	661,998	574,317
Asset renewal capital expenditure (excluding government funded)	\$'000	4,071	3,711	20,979

## Water summary

	Measure	2023/24	2022/23	2021/22
Carryover from previous year <sup>2</sup>	ML	0	0	0
Government announced allocation (all licences)	ML	1,072,557	1,075,565	1,088,181
Temporary transfers into MIA	ML	194,385	101,842	141,230
Supplementary flows from river	ML	33,291	36,011	30,027
Total water delivered (all licences; including surplus flows)	ML	797,951	613,614	684,959
Temporary transfers out of MIA	ML	197,279	192,048	247,203
Carryover into following year	ML	230,803	232,750	234,288
Spill to government resource set	ML	74,200	175,006	92,989
<b>Allocations</b>				
Special purpose high security (towns, S&D)	% of entitlement	100	100	100
High security (HS)	% of entitlement	100	100	100
General security (GS)	% of entitlement	100	100	100
Additional water <sup>3</sup>	ML	49,791	47,519	36,541

Note 1: Other revenue includes items such as customer contributions and profit on sale of assets.

Note 2: Carryover spilled from accounts due to 100% General Security allocation (in accordance with carryover rules).

Note 3: For eligible customers who hold more than 250 Delivery Entitlements (DEs) and issued as a proportion of DEs.

# Year in review 2023/24



## July

As part of setting our Company up for the future, we reviewed how we communicate who we are, including our brand and visual communication style. A refresh was undertaken, in line with our journey over the last seven years since it was last updated. Retaining the colour palette, we opted for an evolution rather than a major change in direction, and the contemporary and fresh look and feel has been rolled out across the business to great effect.

## August

Works at Roach's Reservoir on the Main Canal subway crossing between inlet and outlet structures were completed, marking an important milestone for the project with construction on the reservoir's embankments ongoing.

## September

The Winter Works program included the automation of 275 outlets and 117 regulators, the refurbishment of 6.5 kilometres of channels, and the installation of 5.5 kilometres of pipelines as part of our Automation Project.

## October

Slip meters were installed to accurately control the flow at the Main Canal inlet to the reservoir. The integrated gates and meters will be responsible for accurately controlling the flow, with the capability to handle flow rates of up to 1,000ML/d.



"Murrumbidgee Irrigation assisted us in preparation for works and creating plans for our drip irrigation system. This system enables a slow, controlled system of delivering water to our trees, keeping moisture at optimal levels.

Murrumbidgee Irrigation are very good to work with. They're easy to get in contact with when we need, and their team are very friendly."

Mavi Singh, Citrus grower, Leeton



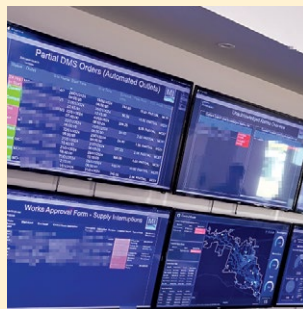
## November

Following Hayden Cudmore's retirement from the Board, Tracey Valenzisi was appointed as the new Murrumbidgee Irrigation Chair at the AGM. New faces on the Board included new Member Director John Houghton and Independent Director Niall Blair. For the first time, the 25th AGM offered a fully hybrid option to enable as many shareholders as possible to participate.



## December

Working with Griffith City Council to upgrade two footbridges was part of the Her Way 2680 project. The works included the removal of vegetation and some trees, which were identified as barriers to enhancing the safety and accessibility of the space.



## January

Our new customer impact alarm dashboard now enables us to monitor and respond promptly to any customer order impacts corresponding with low channel levels.



## February

The National Irrigators' Council (NIC) members, including our representatives, Karen Hutchinson, Hayley Sergi and Stephanie Clarke, met with The Hon. Ms Tanya Plibersek, Minister for Environment and Water, as part of their first meeting of 2024. The message delivered was that buybacks of productive water are not the answer to achieving the goals of the Murray Darling Basin Plan.



## March

From India to New Zealand and then Australia, agriculture and farming have always been a part of Mavi Singh's life. Throughout his time in farming, Mavi has used a range of different irrigation strategies, and we caught up with him for a customer case study.



## April

Our 2024 Winter Works period commenced early, automating outlets and regulators across the Murrumbidgee Irrigation Area (MIA) as part of the final stage of our automation program.



## May

Since 2006, the Murrumbidgee Irrigation team has raised over \$32,000 for cancer research and support services for the Cancer Council by hosting an annual Biggest Morning Tea. This year, the Murrumbidgee Irrigation team raised a record \$3,874 for the charity.



## June

We gained our ISO 9001 Quality Management Certification, which will ensure that we operate to the highest levels of compliance. The certification demonstrates control of our internal processes at all stages, and the continual improvement and robustness of existing internal systems and processes.

# Chair's message

As I reflect on the past year, it is evident to me that it has been a period of significant progress for our business. Murrumbidgee Irrigation has moved forward on several fronts, from finalising the automation of our water delivery system to embarking on our reconciliation journey.

We have made excellent progress in completing the automation of our system, which has seen a decade-long investment program come to fruition. The upgrades will provide a more flexible, timely and efficient water delivery system for many years to come. In addition to the physical infrastructure, we have embedded automation in our business systems and workflows. I am very pleased to say that the Murrumbidgee Irrigation team has embraced these changes with professionalism and openness, and as an organisation, we have always maintained our focus on delivering for customers both in the short and long term.

## Strategic approach

The key to long-term success for any organisation is having a strong and visionary strategy. So, it was with this in mind that the Board and Senior Leadership Team took the time to attend an offsite strategy session. We discussed what comes next for Murrumbidgee Irrigation beyond the task of embedding a fully automated system. That is, what we will be doing to deliver success in five to ten years from now. Whilst none of us have a crystal ball, we believe that the next big step for our organisation will be in the digital space. Ensuring that we are using all the tools and technology available to make the best use of our high-tech IT systems, customer interface tools and data streams will be vital in an increasingly competitive irrigation landscape.

Our strategy is also being developed in the context of climate, environmental, social and governance reporting requirements. Whilst we will not be required to report on a number of these metrics until 2027, it is important that we lay the groundwork now to ensure we are in a position to do so. For instance, we are building our understanding of how to measure and mitigate emissions, including Scope 1 to Scope 3 emissions. These standards are being developed to make sure we are on the front foot when the policies come into effect. It is also good business practice to respond proactively to the broader challenges of our operating environment. The Leadership Team, led extremely well by Brett, continually works to do so.

## Financial

Murrumbidgee Irrigation achieved an Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) of \$9.9M in FY24, which is an outstanding result and reflects strong water deliveries as a result of high allocations and favourable growing conditions. However, it has also been achieved in the face of rapidly increasing expenses. Achieving sufficient EBITDA to enable continued investment in capital renewal, whilst maintaining customer pricing at CPI, ensures we have an organisation capable of delivering water in the best way possible for upcoming seasons and future generations.

## Water policy

Shareholders will be well aware that this year has been a rather tumultuous one in terms of water policy. The Restoring our Rivers Bill, introduced by the Federal Government in November 2023, saw a very unwelcome focus on buybacks of productive water. Murrumbidgee Irrigation has always maintained that the solution is not as simple as buying back productive water from irrigators. We know only too well the devastating effect that would have on rural communities and our economy. We supported our employees and customers to attend the Basin Rallies held in our region late last year to highlight these concerns.

Murrumbidgee Irrigation continues to focus on the successful delivery of projects to generate the water savings required under the Murray Darling Basin Plan. For our part, we have worked alongside our counterparts and customers to implement projects that deliver real water savings whilst supporting productive irrigation. We call on the government to act in good faith and engage in constructive discussion with irrigators, environmental water users, Indigenous communities and the broader regional community to safeguard our productive industries and communities that rely on irrigation.

“As a Board we’re focused on what comes next for Murrumbidgee Irrigation beyond the task of embedding a fully automated system. In an increasingly water constrained environment, we need to think about what we will be doing differently to deliver success in five to ten years from now.”

Tracey Valenzisi

## Board

Being new to the role of Chair, I have taken the opportunity to undertake an internal temperature check of Board performance and seek the insights of each of my Board colleagues as to how we are operating. I am pleased to report that the views were consistently positive in terms of the business itself, and there was confidence that our Board is functioning well, possessing the broad skillset required to fulfil our responsibilities to shareholders.

## Reconciliation Action Plan

At Murrumbidgee Irrigation, we understand the significance of reconciliation. Embarking on the Reconciliation Action Plan (RAP) journey is a natural step for us and is integral to embracing diversity within our workplace and building connections with our community.

Connection is at the heart of the way we operate. We are proud to be a values-led organisation that builds connection through relationships and fosters an environment of honesty, openness and improvement. We are at the start of our journey under the Reconciliation Australia framework, and over the next 12 months, we will work respectfully with Aboriginal and Torres Strait Islander people, organisations and communities to build reconciliation awareness.

## Thanks and acknowledgement

My first year as Chair has been full of learning, and whilst at times it has been a challenge, it was made easier by Brett and the Leadership Team, who so ably support the Board.

I am also immensely grateful to my fellow Directors for their wisdom and advice and to Hayden Cudmore for having fostered such high standards and a quality Board, which I am honoured to have been elected to Chair.



Tracey Valenzisi  
Chair



# CEO report

In each CEO report to date throughout my time at Murrumbidgee Irrigation, I have discussed the automation of our system, and this is the year I am proud to be reflecting on the final leg of that journey. Not only have we been undertaking major work to fully automate our water delivery system, but we have also embedded automation across all of our functional areas.

Changes have been necessary to achieve our goals and have been implemented over a long time in our team's information systems and skillsets, including operations, asset delivery, engineering, information technology and maintenance. I am pleased to say that the Murrumbidgee Irrigation team has shown themselves to be more than equal to the task of making automation deliver for our customers.

Reflecting on the past year, it was fantastic to see deliveries tip over 750,000 ML as a result of high allocations and favourable growing conditions throughout the season.

## Murray Darling Basin Plan

*The Water Amendment (Restoring Our Rivers) Act 2023*, which was introduced in November, was somewhat unexpected. However, we adapted quickly, consulting widely in the lead-up to the bill passing into legislation. Since then, we have continued to work hard to ensure that we maximise the benefits for our customers and our region under the new legislation. We have also been collaborating with Murray Irrigation and Coleambally Irrigation Co-operative Limited and are working together with the government to minimise the impact of water buybacks on irrigators.

We firmly believe that investment in infrastructure represents a far better way to achieve water savings and want to set up the network to deliver over a 20-to-50-year horizon. In that vein, our goal has been to complete as many infrastructure projects as possible to offset any ramifications of the buyback policy. This includes submitting funding applications for projects that will enable our area to make maximum use of available water in the future.

## Customer service

MI Connect, which has been developed to replace EASYWATER, is an important deliverable for our customers. This web-based tool will improve the service that Murrumbidgee Irrigation provides by enhancing the water ordering process, providing improved access to information, making it simpler to use and ensuring the security of our business systems.

We understand that customers need a robust water ordering system that is as mobile as they are, and MI Connect, combined with the Customer Operations Centre, offers the greatest flexibility possible in terms of managing water orders.

Delivery to customers and supporting them has remained a key focus of our operations this year. Ensuring the efficient operation of our Customer Operations Centre is at the heart of our ability to deliver water well. I am pleased to report that our annual customer satisfaction survey resulted in an overall score of 82%, with key drivers of this result including 92% satisfaction with water ordering and delivery.

## Safety

I am very pleased to report that we have now exceeded 12 months without any significant injuries across the business. This result is special as it comes off a tough period, which included two major incidents and two Lost Time Injuries (LTI). While I am very pleased about the outcome, the way we achieved it is even more significant. The Murrumbidgee Irrigation team has demonstrated exceptional performance improvement and a strong focus on lifting our safety game. Our focused approach to training, communication, and behavioural change programs has led to the achievement of this positive outcome, and this dedication is what sets us apart in ensuring the safety of our people, customers, and community.

## Financial performance

I am pleased to be reporting financial results which demonstrate that Murrumbidgee Irrigation continues to be managed responsibly and with clear business focus, and that our financial health and stability is assured. The Company continues to aim to match its earnings from normal operations to its capital renewal requirements over a rolling five year period.

## Strategy in action

In light of the transition to being a fully automated business and the looming challenges of a more water-constrained environment, reshaping the Leadership Team to be fit for purpose going forward has been a focus of mine and the Board this year. A Board and Leadership session to undertake a Board Strategic review allowed us to take the opportunity to focus on the progress of our Corporate Plan, with sessions on our Reconciliation Action Plan (RAP), Safety Due Diligence, Environmental Social and Governance requirements, Net Zero and Basin Plan responses.

I am confident that we have a leadership structure that positions us well to deliver on our Corporate Strategy in the years ahead. The reshaping of the team has also meant ensuring that our employees are resilient enough to manage any challenges going forward. This includes having strategies to ensure the wellbeing of our people as well as opportunities for professional development and training to support our people to be ready for the future.

A key component of setting ourselves up for the future was reflecting on our Corporate Values. This reflection included a series of internal focus groups to help us capture a comprehensive range of insights and understand the specific behaviours that resonate with our team members across the business. This feedback was used to fine-tune our values and behaviours, ensuring that they are aligned with our Corporate Plan and support our future.

The existing values of 'Accountability' and 'Customers' remain foundational to our culture, but we also updated certain values, including Clarity, Connection, Vulnerability and Improvement, which reflect the stage we are now at on our cultural journey.

## Certification

It is important to ensure that our systems, processes, and procedures are fit for purpose and are value-adding. I am pleased to report that we have achieved certification for two key critical aspects of the business: our Quality Management System and Work Health and Safety (WHS) Management System. Our Environmental Management System audit has also recently been completed and is currently undergoing certification.

## Thanks and acknowledgements

I would like to take this opportunity to thank our new Chair, Tracey Valenzisi, for delivering clear leadership of our business as we embed automation and position our business for a more water-constrained future.

I would also like to thank the Board and my Leadership Team for their support and wisdom over the past year. Our organisation thrives on collaboration and being a solid team, and I believe this culture is evident at all levels, from the Board right through the business.



**Brett Jones**  
CEO & Managing  
Director



**“Delivery to customers and supporting them has remained a key focus of our operations this year. Ensuring the efficient operation of our Customer Operations Centre is at the heart of our ability to deliver water well and it is pleasing that customers report that they value it.”**

Brett Jones

# Strategy in action

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Murrumbidgee Irrigation exists to enable regional productivity through irrigation. Our job is simple – to deliver water in the best way possible. In line with our Corporate Plan, we organise our efforts to succeed under three pillars:

## 01

### **One team**

We have a strong identity and are known for our great customer service.

## 02

### **Ahead of the game**

We capitalise on connectivity and use our modernised system to drive the business forward.

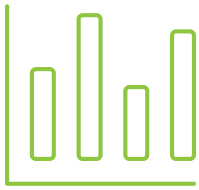
## 03

### **Doing different**

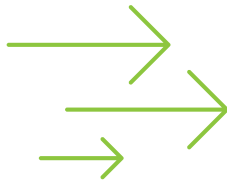
We have a continuous improvement mindset that transforms how we do business.



In FY24, Murrumbidgee Irrigation delivered our business strategy against the objective of setting customers and the MIA up for success through irrigation by:



Measuring and using data intelligently to deliver excellent customer service;



Leveraging our modernised system to enable our region to maximise productivity and sustainability; and



Focusing on safety across our whole organisation to the benefit of our people, customers and the wider community.



# How we delivered in 2023/24



## Customers

### Water when customers need it

As we've been automating the network, we have also been changing how we work to ensure that we continue to deliver your water in the best way possible. To support your water ordering and supply needs, our Customer Operations Centre, which is easy to access, operates 24/7 in peak season and can resolve most supply needs on the spot. We have dedicated support and customer engagement teams for when we need to support customers in the field and have increased our focus on preventative maintenance to ensure customers get the water customers order when they need it.

We are also continuously adding new technology to our Customer Operations Centre to support customers and stay ahead of the game. This includes our new customer impact alarm dashboard, which enables us to monitor and respond promptly to any customer order impacts corresponding with low channel levels.

Murrumbidgee Irrigation's customer base is diverse in its requirements and eager to adopt new technologies and practices to maximise their water use efficiency. The role of the Engagement Team is to work with customers to help them decide the best outlet automation option for their needs.

### Crop insights

Data collected in our annual crop survey helps us with our planning for the season ahead and being prepared to deliver water when customers need it. The September survey indicators pointed towards water deliveries tipping over 750GL in 2023/24.

High allocations then enabled customers to take advantage of the conditions and produce a wide range of food and fibre. This includes rice, horticulture and cotton plantings similar to the previous year, while irrigated cereals saw a slight increase in area planted.

### Customer satisfaction survey

Customers are at the centre of everything we do, with our annual customer satisfaction survey providing a pleasing result with an overall score of 82%. Some of the key drivers of this result included satisfaction with water ordering and delivery, as well as staff helpfulness.

### Residential Connections

Our Residential Connections Program is for customers with water entitlements who require water for use on an area up to 1 ha. This product is part of our unmetered upgrade program under the Off-farm Efficiency Program, with all Murrumbidgee Irrigation outlets required to be either metered or supplied through a restricted connection by early 2025. So far, 186 Residential Connections have been installed.

One of the first customers to sign up for the program was Jess Hoskins. With only two water entitlements, the small Residential Connection suited Jess's situation, negating the need for her to purchase more entitlements or lock the outlet, rendering it unusable.

*"It was really good when MI gave me the design as to what they were putting in at the outlet because I just gave that straight to my irrigation specialist and then they knew what they were doing and what they had to connect to," Jess said.*

As an existing customer upgrading an unmetered outlet to a Residential Connection, Jess was offered a support payment from Murrumbidgee Irrigation to help cover the costs of purchasing pumps and piping. She put this payment towards her decision to install a solar panel to power the pump at the outlet.

*"It's perfect for me because I don't need a huge volume of water in a short period of time, just as long as I can keep my dam topped up," Jess explained. "It requires almost no maintenance."*



"ProTen utilises water from the Murrumbidgee Irrigation channels for all their Griffith farms. This has been an ongoing relationship for the past 20 years. The Murrumbidgee Irrigation infrastructure is extremely innovative, their technology and remote access operating systems form part of our success – sustainability, efficiency and innovation are a primary drivers at ProTen."

Nathan Reynolds, Regional Operations Manager Griffith ProTen, Griffith, NSW



## People

### Employee wellbeing

Wellbeing is more than a feel good exercise, and we have taken a number of deliberate steps to embed a culture of care for our people. This includes safety in the workplace, a focus on the mental and physical health of our team, and awareness of psychosocial risks.

Some of the initiatives introduced in 2023/24 include:

- Funky Shirt Fridays focuses on taking ownership of our mental health and encourages meaningful conversations with those around us.
- Black Dog Institute mental health training is available for everyone and gives employees the confidence and skills to support others and care for their own mental health.

### Skills pipeline

A key component of our business is to ensure that our skills pipeline remains full and we have the right people to deliver the best service possible to our customers. In 2023/24, we had nine apprentices, three trainees, seven graduates and one cadet working across the business.

### Looking to the future

Investing time to plan for the future is essential to our organisational success. An offsite strategic review in February gave the Board and Leadership Team the opportunity to focus on the progress of our Corporate Plan, with sessions held on our Reconciliation Action Plan (RAP), safety due diligence, environmental, social and governance requirements, Net Zero and the Basin Plan.

### Safety of our people and community

We exceeded 12 months without any significant injuries across the business in 2023/24, with our safety-first culture continuing to be a focus. The approach is well supported by our employees who are invested in this culture of prioritising the safety of themselves, their coworkers, customers and the community.

Member for Murray, Helen Dalton MP, recognised former long-serving Murrumbidgee Irrigation employee, the late, John Chant in State Parliament for his service to the water industry. A long-time champion of the water industry, John retired in late 2023 after an impressive 62 years working for the Water Conservation & Irrigation Commission and Murrumbidgee Irrigation.

John is pictured with his Community Recognition Statement and Murrumbidgee Irrigation CEO Brett Jones.





## Operations

### Closing in on full automation

Following the completion of our 2023 winter works program, 94% of the MIA system is now fully automated. This was one of the biggest ever winter works programs with the completion of critical works required to ensure readiness for a big water delivery season.

The FY24 winter works program included the automation of 275 outlets and 117 regulators, the refurbishment of 6.5 kilometres of channels and the installation of 5.5 kilometres of pipelines. These activities all formed part of our Automation Finalisation Project. With over 3,000 km of supply and drainage channels across the MIA, maintenance tasks are prioritised according to the safety of our customers, our people and community, supply or drainage impacts and works program efficiency.

### Roach's Reservoir

Finishing the construction of 5,000 ML Roach's Reservoir this year has been a lynchpin in the full automation of the Murrumbidgee Irrigation water delivery system. The reservoir will enable us to be flexible, efficient and responsive to the needs of irrigators and town water users. Roach's Reservoir will also give irrigators greater water security during winter works periods for crops, such as citrus, and town water supply, as well as enable Murrumbidgee Irrigation to supply "off the grid" in high demand periods such as targeted high flow environmental events along the Murrumbidgee River.

### Maintenance innovation

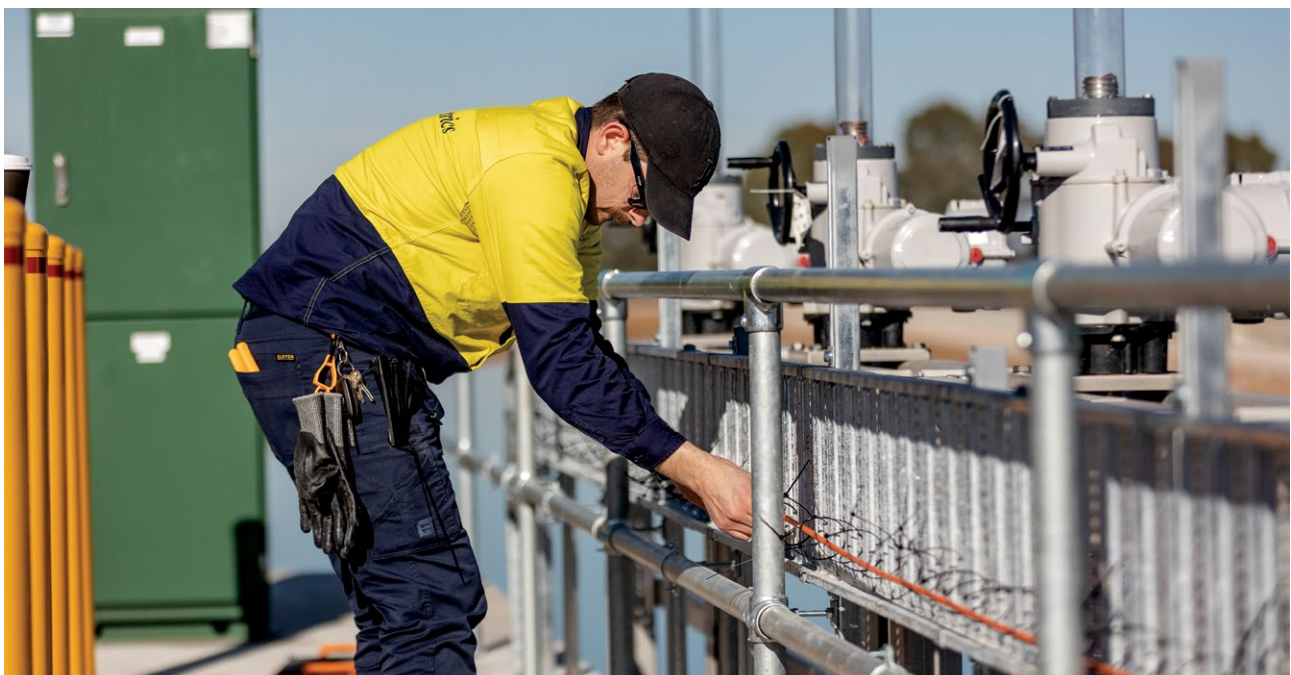
This year saw us realise the benefits of a new data tool developed to assist us when scheduling maintenance across the network. Using this tool, we can forecast sections of the system that are likely to have potential impacts on customers via higher silt loads and prioritise maintenance in these areas. The desilting of channels as a part of automation works has yielded results that will provide a baseline set of data that can be used to run this data tool on these channels in the future.

During our FY24 winter works, we also introduced a new specially engineered bucket to assist in desilting lined channels.

### MI Connect development

In June 2024, MI Connect, our new water ordering platform, which replaces EASYWATER, was handed to a group of customers to test before its release in July. The platform, which was developed with the customer in mind, will make ordering water easier and more secure.

All the functionality of EASYWATER remains, with additional features including a complex password for increased security, the ability to place consecutive multi-flow orders, check daily meter readings, allocate water to plantings, download meter readings as a CSV file and repeat orders, as well as an overview of outlets in map view.





   
**Murrumbidgee Irrigation  
automation finalisation project**  
Proudly funded by the Australian Government  
and supported by the NSW Government



## Stakeholders

### One Basin CRC

Murrumbidgee Irrigation has played a key role in establishing the Griffith Hub of the One Basin CRC, which is enabling regionally based research and development supporting innovation and adaption in our footprint and beyond.

We participated in a number of projects facilitated by the One Basin CRC throughout the course of the past financial year, including:

- **Critical Component Anomaly Detection:** Proactively identifying and addressing potential failures in a fully automated irrigation network is critical in improving the reliability and efficiency of water delivery systems to minimise disruptions and ensure consistent water supply for customers.
- **Demand Forecasting Project:** Proactively identifying demand across Murrumbidgee Irrigation's area of operations allows the organisation to better meet customer orders and manage our integrated network. This project aims to enhance irrigation reliability and flexibility, providing immediate benefits to customers and stakeholders.

- **Multiple Benefits Project:** This project aims to improve information systems and processes that underpin decisions on water deliveries, thereby reducing uncertainties faced by water system operators along the length of a river system. A case study within this project is focused on the Murrumbidgee River and involves a variety of state, federal and private stakeholders working together for a better outcome.

### Big Water

Over the past year, our "The Murrumbidgee – Big water, big future" project has continued to highlight the significant achievements in water efficiency and the river's value from various perspectives, including cultural, productive, environmental and social. Raising awareness within the community and with key policy makers is important as it underscores our messages around the value of irrigated industries and the importance of irrigation in the economy and to the environment.

### Ministerial visits and advocacy

An important part of having a strong voice on water policy is using our position as on-the-ground operators to show, rather than just tell, the story of efficient and productive irrigation. Meetings were held throughout the year with various State and Federal Ministers, including Ministers Tanya Plibersek, Rose Jackson and Tara Moriarty. In addition, meetings with Members of Parliament and Senators such as Jackie Lambie, Jeremy Buckingham, Helen Dalton and Steph Cooke informed discussion around water management and showcased efficiency in our region.

The Murrumbidgee Irrigation team also attended Basin Community Rallies in Griffith and Leeton in November.





## Community

### Supporting local community

As a business, Murrumbidgee Irrigation has a strong history of supporting local community organisations, as do our employees. Since 2006, the Murrumbidgee Irrigation team has raised over \$32,000 for cancer research and support services for the Cancer Council by hosting an annual Biggest Morning Tea. This year, the Murrumbidgee Irrigation team raised \$3,874 at their Biggest Morning Tea.

Each year, the Murrumbidgee Irrigation team support local charity organisations Griffith Carevan, Leeton Community Op Shop and Bidgee Boxing.

### Her Way 2680

We worked together with Griffith City Council on the upgrade of two foot bridges at Ulong Street and Kooyoo Street as part of the Her Way 2680 project. The works included the removal of vegetation and some trees between Ulong Street and Jondaryan Avenue, which were identified as barriers to enhancing the safety and accessibility of this public space.

Our support for this Safer Cities initiative aimed at enhancing the perception of safety for women, girls and gender diverse people in Griffith aligns with our goals to support safety within the community in which we operate.

### Reflect Reconciliation Action Plan

Our Reflect Reconciliation Action Plan (RAP) was formally endorsed by Reconciliation Australia this year and will take around 18 months to complete. This plan supports our contribution to reconciliation and is a structured approach aimed at fostering understanding, respect and collaboration between Murrumbidgee Irrigation and Aboriginal and Torres Strait Islander communities.

### Water safety campaign

Murrumbidgee Irrigation has a constant focus on managing risks associated with waterways which are integrated with the broader landscape and public thoroughfares. In addition to our annual TV and radio channel safety campaigns, we upped the ante with our social media coverage, as this platform is well suited to getting the water safety message out to key audiences, including younger demographics.





## Environment

### Environmental water

Working with the Commonwealth Environmental Water Holder (CEWH), Murrumbidgee Irrigation's delivery system has ensured that 3,081ML reached identified environmental target areas, including Campbell's Wetland, Tuckerbill Wetland, Nericon Swamp, Cudgel Creek, McCaugheys Lagoon and Turkey Flats. This partnership sees us using our water delivery system to deliver positive environmental outcomes for important wildlife habitats.

### Net Zero

At Murrumbidgee Irrigation, we are cognisant of the challenges of a changing climate and net zero emissions policies and are planning to play our part in the solution. The Solar Merungle Hill pump station was established as a demonstration site for the One Basin CRC "Decarbonising Irrigation" project (2025–2027). A key objective of this project is to conduct a system modelling and optimisation study to identify opportunities for energy integration, storage and management to enhance overall system efficiency, which will be applied to additional solar installations across our network.

### Working together to manage weeds

We worked closely with local Councils to support community, safety and water delivery outcomes. This included collaborating with Griffith City Council to manage weeds at various sites across the network. We also support customers seeking to reduce and/or manage vegetation on the channel banks adjacent to their properties. Where safe to do so, effective mechanical and/or chemical controls can improve both farm and irrigation operations and access.

### Solar for pumping

As part of a pilot project to determine the efficacy of solar panels to supply power within our system, we installed solar panels at one of our pump stations in the Leeton area. The pilot assessed the potential for energy efficiencies and subsequent greenhouse gas emission reductions, savings in costs associated with power supply and maintenance, and using solar energy in other parts of the business.

**"Weeds don't respect boundaries or different land managers so it is vital that we work together to combat them. This is why Murrumbidgee Irrigation places a priority on working collaboratively with Councils to manage weeds across our network."**

Mark Dance, General Manager – Maintenance & Logistics



“Partnering with the Commonwealth Environmental Water Holder (CEWH) has seen Murrumbidgee Irrigation use our delivery system to deliver water to areas identified as priority environmental assets, including Campbell’s Wetland, Tuckerbill Wetland, Nericon Swamp, Cudgel Creek, McCaugheys Lagoon and Turkey Flats.”

Lindsay Golsby-Smith, General Manager – Customer Services & Water Delivery



# How Murrumbidgee Irrigation works

Operating as an unlisted public company (limited by shares), Murrumbidgee Irrigation is owned by the irrigators we supply. Murrumbidgee Irrigation’s shares are based on the water entitlements (WEs) a customer owns. This means that to be a shareholder, a person (or entity) must own WEs under a Water Entitlements Contract with Murrumbidgee Irrigation. Our core function is to leverage our extensive integrated supply and drainage network to deliver water to customers.

Murrumbidgee Irrigation operates as a modern business entity with a view to minimising the costs of water delivery to customers. All cost savings and efficiencies are passed on to customers in the form of reduced service fees and/or additional water allocations.

### Stakeholders and how Murrumbidgee Irrigation engages

Murrumbidgee Irrigation understands that we are part of the broader story within the MIA, which embodies excellence in irrigation and a highly productive and diverse regional economy. Our organisation takes a leadership role in those issues that affect our shareholders, customers, employees and community. We seek to ensure that we deliver water in a cost-effective and efficient manner as an enabler of the efficient use of water and the production of food and fibre.

We do this as active members of relevant organisations, providing the insights of an on-the-ground infrastructure operator and water management expert. Our team’s expertise, coupled with insights from the data and information we are now able to capture, makes for a valuable contribution to policy, research and broader public discussion around water use.

We value a collaborative approach to working with our stakeholders, including local councils, industry bodies, community and environmental groups and other irrigation operators. We meet with local councils on a regular basis, at least every two to three months.

### National Irrigators’ Council

Through the National Irrigators’ Council (NIC), Murrumbidgee Irrigation remains a strong advocate for a range of issues, such as the Murray Darling Basin Plan, water pricing rules, affordable energy and environmental watering. Taking a leadership role on the NIC, providing submissions to the policy debate and engaging in direct conversations with policy makers are important aspects of our advocacy on behalf of shareholders.



Submissions
Federal DCCEEW – Minister for the Environment and Water: “Community Ideas to deliver The Basin Plan”.
Productivity Commissions Interim Report into the Implementation of the Murray Darling Basin Plan.
Committee Secretary: Senate Standing Committees on Environment and Communications: Submission Inquiry into the Water Amendment (Restoring Our Rivers) Bill 2023 (Cth).

### Agency meetings

We continue to meet regularly and as required with a range of operational regulatory agencies. This interaction supports our operations and helps to promote the region more broadly. This year, we met with a range of agencies, including Natural Resources Access Regulator (NRAR), WaterNSW, NSW Environment and Heritage, Murray-Darling Basin Authority (MDBA), Commonwealth Environmental Water Office (CEWO), NSW Department of Climate Change, Energy, the Environment and Water, Infrastructure NSW, ACCC, Bureau of Meteorology, Murray Darling Association and the Productivity Commission.

### Team structure

Murrumbidgee Irrigation’s aim is to enable regional productivity through irrigation by delivering water in the best way possible, a goal implemented by a leadership team of eight and headed by our CEO and Managing Director. The delivery of services to our customers is supported by the organisation’s functional areas, including Operations, Maintenance & Logistics, Asset Performance and Delivery, Customer Service, Finance, Information and Communications Technology, and People and Culture.



### Employee performance and remuneration processes

Murrumbidgee Irrigation has long held the goal of being seen as an employer of choice, which means that we establish remuneration and conditions designed to attract and, importantly, retain employees. We also understand that having access to a range of non-salary benefits is increasingly valuable to people, so we support our employees with incentives such as salary packaging, paid parental leave, life insurance cover and relevant health and wellness programs.

Offering career pathways and continuous learning to develop capability is important both to support the retention of valued employees and to maintain the skills of our people in a changing work environment. As we have transitioned to a fully automated system over a number of years, we have understood the need to be flexible and support employees in shifting to new roles within the organisation. This occurs through a mix of training, secondment opportunities and mentoring.

We are committed to nurturing local talent, both because it is right to support our local young people and because we recognise that having locals working for Murrumbidgee Irrigation integrates us even more in the region we service. This year, we are pleased to have supported nine apprentices, three trainees, seven graduates and one cadet working across the business.

To support our bid to engage specific skills from further afield, including graduates, we recognise the need to promote not just the benefits of working at Murrumbidgee Irrigation but also the opportunities and attraction of living in the region.

Above all, we place the wellbeing, safety and health of our employees at the centre of who we are, as evidenced by an organisation-wide focus on safety and culture. We pride ourselves on walking the talk when it comes to the safety and wellbeing of our people.

### Diversity and gender balance

As part of a strategy to ensure gender balance within its operations, Murrumbidgee Irrigation has several policies in place. In addition to providing flexible working arrangements and parental leave, we have strategies in place to identify and develop high-potential women and use “gender-blind” promotion and recruitment processes. The business annually submits its Workplace Gender Equality Agency (WGEA) public report.

Ongoing internal training and mentoring for emerging leaders allows people to identify their own pathways to career advancement. Our philosophy very much allows for employees to drive their own growth and learning pathways, which Murrumbidgee Irrigation steps in to support.

Murrumbidgee Irrigation actively participates in community projects that promote gender equality. This year, we were once again involved in the Her Way 2860 project, run by Griffith City Council, which aligns with our values of equity and community safety.

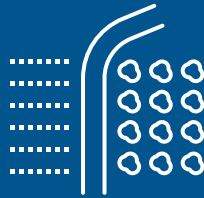
# Murrumbidgee Irrigation assets



**378,911 ha**

**Area of operations**

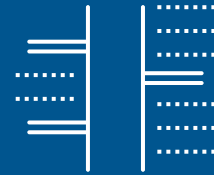
Up to 190,000 ha irrigated



**1,740 km**

**Supply systems**

194 km piped, 100 km lined,  
1,446 km earthen



**1,547 km**

**Drainage**



**100%**

**Full coverage communications**

16 towers, 2 control centres



**4**

**Storages**

Yenda, Brays, Barren Box  
and Roach's Reservoir, totalling  
43.2 GL in storage capacity



**4,008**

**Outlets**

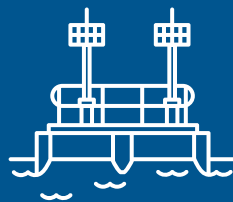
3,205 metered



**3,205**

**Meters**

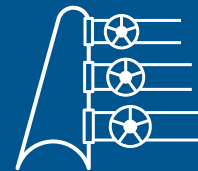
2,742 magflow, 287 dopplers,  
22 slip meters, 154 other



**1,644**

**Regulators**

1,180 automated



**51**

**Pump stations**

12 IHS, 3 storages and 36 other

# Our leadership team

## Brett Jones

BE (Hons), MEngSc, GradDipAppFin, HBS AMP, FIE (Aust), MAIPM, MAICD

### Chief Executive Officer and Managing Director

Brett Jones commenced as Chief Executive Officer in October 2015 and was appointed to the Board as Managing Director in July 2016. Brett is an experienced executive with qualifications in engineering, project management and finance.

## Karen Hutchinson

BSc (Hons), GAICD

### Executive Director Strategic Partnerships

Karen Hutchinson joined the Company in 2009 and is the Executive Director Strategic Partnerships. She is Murrumbidgee Irrigation's delegate and Deputy Chair of the National Irrigators' Council.

## Mark Dance

DipEng (Elec), DipEng (EngTech), CAAM

### General Manager – Maintenance & Logistics

Mark joined the Company as Manager – Engineering Maintenance in 2023 and commenced as General Manager Maintenance & Logistics in March 2024. He is responsible for the maintenance of all of the infrastructure that services Murrumbidgee Irrigation's customers, including storage, supply and drainage assets.

## Annaliese Giason

BBus (HRM)

### General Manager – People & Culture

Annaliese joined the Company in 2021 and is General Manager for People & Culture. Annaliese is responsible for company and corporate communications, safety, and human resources.

## Steven Porter

BECivil, MAppSc (Organisation Dynamics), GAICD, CertCoSecEss

### General Manager – Asset Performance & Delivery

Steven commenced at Murrumbidgee Irrigation in 2024 and is responsible for managing Australian Government funded modernisation projects, Murrumbidgee Irrigation funded capital projects.

## Lindsay Golsby-Smith

BEnvSc (Hons), AAICD

### General Manager – Customer Services & Water Delivery

Lindsay Golsby-Smith joined Murrumbidgee Irrigation in 2014 and is the General Manager Customer Services and Water Delivery. She is responsible for managing the operation of all infrastructure that services Murrumbidgee Irrigation customers and our customer services functions, as well as ensuring that customers are the centre of what we do.

## Vivian Forner

BComm (Acc), CA, GAICD

### General Manager – Finance

Vivian Forner joined Murrumbidgee Irrigation in April 2018 and is General Manager for Finance. Vivian is responsible for providing sound financial stewardship to the organisation.

## Michael Turnell

LLB, BCom, Grad Dip Legal Practice, GAICD

### Senior Legal Counsel and Company Secretary

Michael Turnell joined the Company in 2017 as Legal Advisor and was appointed Company Secretary in July 2021. In addition to statutory secretarial duties and administering the business of the Board, Michael is responsible for managing the legal and compliance functions of Murrumbidgee Irrigation.

## Andrew Pasquetti

BInfTech, MBA (Computing), AAICD

### General Manager – Information & Control Systems

Andrew Pasquetti joined Murrumbidgee Irrigation in 2008 and is the General Manager for Information and Control Systems. Andrew is responsible for leading Murrumbidgee Irrigation's Information and Operational Technology strategy and performance, including field maintenance of Murrumbidgee Irrigation's automated infrastructure.



Left to right: Lindsay Golsby-Smith, Andrew Pasquetti, Karen Hutchinson, Mark Dance, Brett Jones, Michael Turnell, Annaliese Giason, Steven Porter, Vivian Forner.

# Corporate governance overview

Murrumbidgee Irrigation is committed to ensuring that its corporate governance framework, policies, and processes reflect a culture of compliance. To deliver on this objective, the Murrumbidgee Irrigation Board requires a clear understanding of current governance requirements and practices, while also keeping up to date with emerging trends and changing expectations of its stakeholders.

This overview outlines selected components of Murrumbidgee Irrigation's corporate governance framework, highlighting the key focus areas for the Board around governance in FY24. To review the Company's full Corporate Governance Statement (CGS), visit [www.mirrigration.com.au/company/shareholders](http://www.mirrigration.com.au/company/shareholders).

Murrumbidgee Irrigation's corporate governance approach continues to be guided by Australian Standard AS8000: Good Governance Principles and the best practice Corporate Governance Principles and Recommendations (CGPR), fourth edition. As an unlisted public company, Murrumbidgee Irrigation is committed to continuous improvement and ensuring compliance with relevant standards of corporate governance and delivering in the best interests of all our stakeholders.

## Board composition, skills and areas of focus

In accordance with the Constitution, the following changes were made to the composition of the Board in FY24:

- Independent Director Niall Blair was offered a four year term by the Board and his appointment was approved by shareholders at the 2023 AGM.
- B Class Director Hayden Cudmore completed his second term on the Board and did not nominate for re-election. Nominations for a B Class Director were held in August 2023 at the end of the nominations period, John Houghton was the only nominee and was therefore elected to the position of B Class Director and was appointed at the conclusion of the 2023 AGM for a period of four years.

The Board Skills Matrix (Table 1) summarises the range of essential knowledge, experience and skills assessed as ideal for the Murrumbidgee Irrigation Board to hold to drive the Company's current strategic direction and effectively govern. The Board considers that its current members have an appropriate mix of skills and experience to discharge its responsibilities and deliver on our organisation's strategic objectives.

When Directors join the Board, they are required to become members of, and to undertake training provided by, the Australian Institute of Company Directors and other professional organisations which add to the value, capability, and competency of Directors. During the past year, Directors undertook several training and development sessions both individually and as a group.

The key areas of focus for the Board during FY24, in addition to standing agenda items, are set out in Table 2. The focus areas for the Board Committees, in addition to standing agenda items, are set out in Table 3 and Director attendance is set out in Table 4.

Underpinning the Board's priorities is oversight of Murrumbidgee Irrigation's risk management framework which includes legal and regulatory, strategic, financial, reputational, people and culture and business/operations to ensure appropriate management of actual or potential risks. See Murrumbidgee Irrigation's full CGS at [www.mirrigration.com.au](http://www.mirrigration.com.au) for more detail.

Table 1: Board skills matrix

Key skill	Demonstrated by these attributes
<b>Water and Irrigation Industries</b>	Good working knowledge of, and ability to influence, the structure, operations and challenges of water policy and the irrigation industry.
<b>Financial and Commercial</b>	Demonstrated achievements in financial management, commerce, investment management and internal control systems.
<b>Engineering, Infrastructure, Construction, and Project Management Expertise</b>	Knowledge and experience in infrastructure and engineering, including the prioritisation, delivery, and management of investments in infrastructure assets.
<b>Risk Management Expertise</b>	Proven knowledge, background, experience balancing commercial imperatives with the agreed risk appetite in delivering company objectives.
<b>Organisational Culture and Strategic Management</b>	Experience and ability to promote and monitor Murrumbidgee Irrigation's culture; and mentor, support and evaluate the performance of the CEO and oversee and provide input to strategic management.
<b>Information Systems and Data Management</b>	Knowledge and experience in information and control systems including systems integration, cyber security, data driven decision making and customer information management.
<b>Corporate and Business Governance</b>	Skills, knowledge and experience in contemporary corporate governance and ability to apply those skills, knowledge, and experience to Murrumbidgee Irrigation.

## Board composition



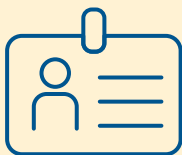
### Board qualifications

Collectively, Board members have qualifications in the following fields: occupational health and safety, agriculture, engineering, finance, marketing, political advocacy, water policy, infrastructure technology and data management, functional leadership risk management, and strategic planning.



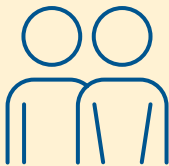
### Industry experience

The Board views relevant skills and experience as adding strength to the Board. Directors' collective experience includes irrigated agriculture; water policy; infrastructure technology and data management, engineering, project management; financial and commercial management; strategy and governance.



### Directors' average tenure

The Board considers it has an appropriate mix of new, mid, and longer tenured Directors. The average tenure of the current non-executive directors is 2.67 years (FY23 3.33 years).



### Diversity

The Board values and is mindful of achieving a balance of diversity in Director experience, skills, qualifications and strives to increase diversity in terms of gender, age and ethnicity.

Table 2: Board key focus areas FY24

Board key focus areas FY24	
<b>Health and safety</b>	Building on company values and culture to embed behavioural safety to keep people safe at work, home and in the community and invest in programs that support employee wellbeing.
<b>Water policy</b>	Proactively advocating Murrumbidgee Valley, particularly around the introduction of the Water Amendment (Restoring our Rivers) Bill 2023 (Cth), which has removed the cap on potential water buybacks.
<b>Environmental, social and governance (ESG)</b>	Engaging with internal and external stakeholders to inform our identification of, and responses to, ESG risks and opportunities that face the Company.
<b>Automation and connectivity</b>	Continuing the long-term investment in modernisation projects and enabling greater connectivity to meet the needs of customers.
<b>Company culture, values and leadership</b>	Oversight of the continued investment in enhanced company culture, promotion of Murrumbidgee Irrigation's corporate values and behaviours, and developing and empowering emerging leaders.

Table 3: Board Committees' key focus areas for FY24

Board Committees' key focus areas for FY24	
<b>Audit and Risk Committee</b>	Oversight of risk management, governance, compliance, and culture, with a continued focus on cyber security and privacy, asset reserves, and investments.
<b>Remuneration and Nominations Committee</b>	Focus on strategic employment and remuneration issues, succession planning and managing the process for attracting and assessing suitable applicants for independent director positions.
<b>Operational Risk Committee</b>	Continued focus on operational risks, such as safety and environmental risks, in addition to delivery of capital projects. Continued development of asset management, cyber security, infrastructure technology, and project management governance practices.

# Board of Directors

The names of the persons who have been Directors, or appointed as Directors, during the financial period and up to the date of this Annual Report are outlined as follows, together with their tenure, qualifications, and other directorships.

## Current

### Tracey Valenzisi

BBus, MAICD

#### Shareholder-elected Director

Director since 2019, Company Chair since November 2023

#### Board committees as at 30 June 2024

- Member, Audit and Risk Committee
- Murrumbidgee Irrigation's delegate, National Irrigators' Council

### Lil Bianchi

BSc (Economics), MSc (Computer Science), GAICD

#### Independent Director

Director since 2021

#### Board Committees as at 30 June 2024

- Chair, Operational Risk Committee
- Member, Investments Working Group

#### Other Directorships as at 30 June 2024

- Non-Executive Director, 4DMedical
- Non-Executive Director, Qscan Group
- Director, Lirio Consulting Services Pty Ltd

### Michael Carter

BEng (Mining), DipFinServ, GradCertMarketing, CertGovPrac&RiskMgmt, GAICD, FGIA

#### Independent Director and Deputy Chair

Director since 2019, Deputy Chair since February 2022

#### Board committees as at 30 June 2024

- Chair, Audit and Risk Committee
- Chair, Investment Working Group
- Member, Remuneration and Nominations Committee

#### Other Directorships

- Director, Qualia Financial Group Pty Ltd
- Director and Responsible Manager, GWP Financial Services Pty Ltd
- Non-Executive Chairperson, Sydney Institute of Traditional Chinese Medicine
- Director, Grange Wealth Advisors Pty Ltd

### Hon. Niall Blair

MOccHS, BAppSci (Hort), Dip TA, GAICD

#### Independent Director

Director since 8 November 2023

#### Board Committees as at 30 June 2024

- Member, Operational Risk Committee
- Member, Investments Working Group

#### Other Directorships as at 30 June 2024

- Non-Executive Chairperson, NSW Biodiversity Conservation Trust (BCT)
- Non-Executive Chairperson, ELF Farm Supplies Pty Ltd
- Non-Executive Director, Marine Bioproducts Cooperative Research Centre (CRC)
- Non-Executive Director, Circular Australia
- Non-Executive Director, White Prince Mushrooms Pty Ltd

### Allan (Grant) Delves

BSc, MAICD

#### Shareholder-elected Director

Director since 2021

#### Board committees as at 30 June 2024

- Member, Audit and Risk Committee
- Member, Operational Risk Committee

### John Houghton

MAICD

#### Shareholder-elected Director

Director since 8 November 2023

#### Board committees as at 30 June 2024

- Member, Operational Risk Committee

### Hayley Sergi

BPharm, MAICD

#### Shareholder-elected Director

Director since 2021

#### Board committees as at 30 June 2024

- Member, Audit and Risk Committee
- Member, Remuneration and Nominations Committee
- Murrumbidgee Irrigation's delegate, National Irrigators' Council

### Brett Jones

BE (Hons), MEngSc, GradDipAppFin, HBS AMP, FIE (Aust), MAIPM, MAICD

#### Chief Executive Officer (CEO) and Managing Director (MD)

CEO since October 2015  
MD since July 2016

#### Board committees as at 30 June 2024

- Member, Investment Working Group

### Company Secretary

The following persons held the position of Company Secretary during the reporting period:

#### Michael Turnell

LLB, BCom, GradDip Legal Practice, GAICD

### Former

The following person retired from the position of Director during the reporting period:

#### Hayden Cudmore

GAICD



Left to right: Lil Bianchi, Niall Blair, John Houghton, Tracey Valenzisi (Chair), Brett Jones (CEO), Michael Carter, Grant Delves, Hayley Sergi.

# Independent Board review

In line with good practice, the Board regularly reviews its own performance, and invites a suitably qualified external business to provide an independent assessment of governance, effectiveness, and composition.

The Board engaged Johnson Partners to conduct an external review, which was completed in June 2023. This review followed on from a review conducted by Johnson Partners in 2021. The Company reviewed the findings and agreed to introduce the minor changes designed to improve overall productivity and effectiveness. Overall, however, the review found the Board operates with a suitable governance framework, designed to take account of the prescribed composition (member elected and independent directors) with all Directors understanding and acquitting their duties well.

## Directors' remuneration

At the Annual General Meeting held on 7 November 2016, shareholders approved a change to the method of remunerating directors. Aggregate remuneration is limited through an annual cap for directors' fees, escalating by CPI at the start of each year. The cap for FY24 was \$526,204 (inclusive of superannuation contributions), and actual compensation for the year was below the cap (FY23 \$496,419).

Information on Directors' aggregate compensation for the financial year is shown in Note 27 to the financial statements.

## Directors' and managers' interests

Shareholder directors Tracey Valenzisi, Allan (Grant) Delves, Hayley Sergi and John Houghton all have interests in contracts with Murrumbidgee Irrigation Limited to own and deliver water.

These contracts are based on normal customer terms and conditions. The individual contracts are not subject to discussion at Directors' meetings. All Directors declare any interests in matters relevant to the Company as they arise, and formally table standing disclosures of their interests at least annually. When matters are discussed in which a material personal interest might exist, or be perceived to exist, for an individual Director, that Director will excuse him or herself from the meeting and take no further part in decisions relating to those matters unless the remaining Directors determine that it is in the Company's best interests for the Director to participate.

Directors acknowledge that their overriding duty is to the Company and that Board decisions must be made in the best long-term interests of the Company. Directors and managers are required to place the Company's interests ahead of their personal business interests, and refrain from actions which constitute competing with the Company or taking personal advantage of information provided to them in their capacity as directors.

Our Constitution prohibits the independent Directors and the Managing Director from holding voting shares in the Company. In addition, the Board has determined that independent directors, the CEO, the General Manager Finance, and the Accountant, Water Assets may not own or trade water entitlements in the Southern Connected Basin. Leadership team members (excluding the CEO and General Manager Finance) may only hold voting shares in the Company if formally approved.

Aggregate information on shares and commercial transactions of key management personnel with the Company are shown in Note 27 to the financial statements.

Table 4: Directors' attendance at meetings

Director	Directors' Meetings		Audit and Risk Committee		Remuneration and Nominations Committee		Operational Risk Committee	
	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended
Tracey Valenzisi	6	6	1	1	1	1	-	-
Michael Carter	6	6	4	4	2	2	-	-
Lil Bianchi	6	6	-	-	-	-	3	3
Niall Blair	4	4	-	-	-	-	1	1
Allan (Grant) Delves	6	6	3	3	-	-	2	2
John Houghton	4	4	-	-	-	-	1	1
Hayley Sergi	6	6	4	4	2	2	-	-
Brett Jones	6	6	-	-	-	-	-	-

# Directors' report

Directors present their report on the Company and its controlled entities, listed at Note 4, for the financial year ended 30 June 2024.

## Directors

The persons who served as directors of Murrumbidgee Irrigation Limited during the year in review and up to the date of this report are listed on pages 28 to 29.

## Company Secretary

The persons who served as Company Secretary during the year in review and up to date of this report are listed on pages 28 to 29.

## Meetings

The Board met in person 6 times during the year. The duration of meetings varied between one to two days, including committee meetings, field trips, site visits, customer meetings, training, and an off-site strategy session. Meetings are preferably held on-site and face-to-face, however teleconference and electronic meetings are available if face-to-face is not appropriate in the circumstances.

The agenda for meetings is set through consultation between the Chair, the Chief Executive Officer, and the Company Secretary. Prior to each meeting, directors are provided with briefing papers on matters to be considered and are encouraged to participate in debate and to bring to meetings independent views on all relevant issues. Details of attendance at Board meetings are shown in Table 4 of the Corporate Governance Overview on page 31.

## Principal activities

The consolidated entity continued its principal activity of water delivery and related services to all customers while maintaining a competitive, resilient business through prudent fiscal management. This primary goal continues to guide the consolidated entity in supporting sustainable irrigation in the Murrumbidgee Irrigation Area.

There were no significant changes to the nature of the consolidated entity's principal activities during the financial year.

## Significant changes in the state of affairs

The continuation of infrastructure investment projects funded by the Commonwealth Government has seen an increase in staffing and commercial transactions for the consolidated entity, and year-on-year variations in the entity's financials. There are no other significant changes to the state of affairs of the consolidated entity and the Commonwealth Government funded projects have not impacted the entities principal activities or operations.

## Financial statements

The financial statements for the 2023/24 year in review are contained within this report.

## Basis of preparation of financial statements

The financial statements for the year in review are presented as consolidated entity statements. They incorporate the results of the Company and its controlled entities: MI Holdings Pty Ltd, the Hanwood Estate Property Trust on a consolidated basis, as required by Australian Accounting Standards (Simplified Disclosure).

## Shares, options and loans

Company shares are not listed on any share trading exchange. There are no securities under option or in respect of which options have been created, nor have any options been exercised.

On winding up of the Company, any remaining assets may not be distributed to shareholders but must be transferred to another irrigation corporation in the Murrumbidgee Irrigation Area (MIA), or an entity with similar purposes to the Company.

Shares held by Directors are disclosed in Table 5 in the Directors' Report.

No loan has been granted to any director during the year (FY23 Nil).

## Auditor's independence

Audit firm Grant Thornton Audit Pty Ltd has no representation on the Board or Board committees, nor is there any relationship between company officers and the auditor other than the normal business relationship between auditor and client.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

The Auditor's Independence Declaration is included with the financial statements. Fees paid to the external auditors for audit and non-audit services are fully disclosed in the notes to the financial statements.

## Risk management

Directors confirm that robust risk management processes and practices are in place, and that strategic, financial, reputational, and operational risks, including business continuity, continue to be managed appropriately. The Board has formally adopted a statement of risk appetite which it applies when making decisions on behalf of the Company, and which it reviews at least annually.

## Compliance

The Company continues its strong focus on managing significant regulatory compliance, which is ultimately governed under the Compliance Management Framework. The Board is satisfied that compliance is satisfactorily managed to discharge our legal obligations.

## Review of operations

An overview of the operations of Murrumbidgee Irrigation for the year in review can be found throughout pages 2 to 22.

The underlying earnings from the normal operations of Murrumbidgee Irrigation for FY24 was \$9.8M (FY23 \$7.6M). This number represents the Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and is a measure of the Company's operating performance. This excludes earnings from government funded programs, and also excludes any customer capital contribution to infrastructure expansion projects. Revenue from normal operations, including customer operations, water savings and investment revenue was \$45.4M and expenditure was \$35.5M (FY23 revenue was \$40.1M and expenditure was \$32.5M).

The Company continues to aim to match its earnings from normal operations to its capital renewal requirements over a rolling 5-year period. Water delivery in FY24 was up from previous years due to lower rainfall. In FY24, capital expenditure on asset renewal (excluding government funded projects) was \$4.1M (FY23 \$3.7M) which was covered by the EBITDA for the year.

Murrumbidgee Irrigation continued with its automation strategy in FY24 using Commonwealth Government funding under the Off Farm Efficiency Program to complete works across the winter 2023/2024 period.

The Company maintains a strong financial position due to its investment portfolio and 5-year financial plan.

## Matters subsequent to the end of the year

Between the end of the financial year and the date of this Directors' Report, no events have occurred, which in the opinion of Directors, have the potential to significantly affect the state of affairs of the consolidated entity.

## Future developments

High allocations combined with average rainfall throughout FY24 has resulted in near maximum carryover conditions and water storages starting at approximately 90% full. This combination, coupled with the Bureau of Meteorology forecasting a return to El Nino and dry climate conditions, is expected to translate to a higher-than-average irrigation demand year. The operational and delivery efficiency of our automated network will come in to its own in supporting our customers drive regional productivity in such a year.

The \$124 million in funding received over a number of years under the State led Off-farm Efficiency Program, to finalise our automation works is in the final stages of execution with Roach's Reservoir due to be filled in September. These upgrades will deliver a system which will underpin a more flexible, timely and efficient water delivery for many years to come. To complement the infrastructure upgrades, the Company has refreshed its team structure to position it to fully embed the benefits that will come with full automation.

We continue to work with the newly established One Basin Co-operative Research Centre (CRC) to partner with researchers, government and other industry members to develop long term solutions to reduce exposure to climate, water and environmental threats in the Murray-Darling Basin. In addition to the two "QuickStart" projects relating to irrigation network efficiency, Murrumbidgee Irrigation is involved in building a 3–5 year project for work on integrated network efficiency across the irrigation and river footprints and identifying and managing unaccounted water (also known as "losses").

## Water reform

The Board remains focused on water policy and advocacy on behalf of productive water users and has maintained our work in the interests of protecting customers and communities in terms of ongoing access to irrigation water. Following the unexpected introduction of the Water Amendment (Restoring Our Rivers) Bill 2023 (Cth) in December, we have seized the opportunity provided by the extended project timelines to vigorously pursue our submissions for water efficiency projects.

We continue our advocacy efforts at all levels of government and in collaboration with Murray Irrigation Limited and Coleambally Irrigation Co-operative Limited. The collaboration with Coleambally Irrigation to seek funding from the NSW government for a feasibility study to optimise operations in the Murrumbidgee River system, including across our Irrigation footprints, continues.

Finally, we note that the Water Amendment (Restoring Our Rivers) Bill 2023 (Cth) has implemented all 23 recommendations proposed in the *Water Market Reform: Final Roadmap Report*. This Bill underscores the critical role of water markets to promote more open, fair, and transparent trading. The amendments have been staged to commence over a three year period, commencing from 1 July 2024. We are cognisant that our customers and our Company rely on fair and efficient water markets and need to remain alert to opportunities to advocate for increased transparency and simplification of trading rules on behalf of our customers.

## Environmental regulation

Murrumbidgee Irrigation Limited holds an operating licence under the *Water Management Act 2000* (NSW) to carry out the business and function of water delivery within its Area of Operations. A requirement of this operating licence is to hold an Environmental Protection Licence (EPL) under the *Protection of the Environment Operations Act 1997* (NSW). The EPL is issued by the Environmental Protection Authority (EPA) and, among other conditions, requires monitoring and reporting of specified water quality parameters at sites that discharge water outside Murrumbidgee Irrigation's Area of Operation.

Murrumbidgee Irrigation met the requirements of our EPL for this reporting year.

To satisfy the requirements of our licences, Murrumbidgee Irrigation prepares and submits an Annual Compliance Report covering the entirety of its area of operations, as well as an Annual Environmental Management Report covering Barren Box Storage & Wetlands. A copy of our latest available reports are located on our website: [www.mirrigration.com.au](http://www.mirrigration.com.au).

## Indemnifying Directors and Officers

Murrumbidgee Irrigation Limited indemnifies directors and leadership team members for liabilities to third parties arising from their role as officers of the Company, unless that liability arises out of conduct involving a lack of good faith or a pecuniary penalty or compensation order under the *Corporations Act 2001* (Cth).

The Company also provides an indemnity for directors and leadership team members against the cost of successfully defending themselves against civil or criminal proceedings. The company has insurance policies that provide cover for permitted situations.

During 2023/24, the Company paid a premium of \$110,532 (exclusive of GST and stamp duty) (FY23 \$100,928 ) to provide liability insurance cover for directors and officers of the Company. The insured liabilities include any legal costs that may be incurred in defending civil or criminal proceedings which may be brought against the Company or its officers when acting in that capacity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, unless such liabilities arise out of conduct involving a wilful breach of duty by the officers, or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

It is not possible to apportion the premium between amounts relating to legal costs and other liabilities, or between officers' cover and company cover.

## Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company, nor has any such application been made, under section 237 of the *Corporations Act 2001* (Cth).

## Dividends

The company's Constitution prohibits it from declaring any dividends.

**Table 5: Particulars of directors' interests in Shares and Delivery Entitlements at 30 June 2024**

Director	A Class Shares	B Class Shares	C Class Shares	Delivery Entitlements
Tracey Valenzisi	149		2	151
Michael Carter	-	-	-	-
Lil Bianchi	-	-	-	-
Niall Blair	-	-	-	-
Allan (Grant) Delves	549			1050
John Houghton	242	1641	2	2440
Hayley Sergi	355	3175		5948
Brett Jones	-	-	-	-

### Directors statement

Directors are satisfied that the auditor, Grant Thornton Audit Pty Ltd, has met the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

This report is made in accordance with a resolution of the directors.



**Tracey Valenzisi**

Chair

Hanwood NSW 2680

5 September 2024

## Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out below:



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**Grant Thornton Audit Pty Ltd**  
Level 22 Tower 5  
Collins Square  
727 Collins Street  
Melbourne VIC 3008  
GPO Box 4736  
Melbourne VIC 3001  
T +61 3 8320 2222

### Auditor's Independence Declaration

#### To the Directors of Murrumbidgee Irrigation Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Murrumbidgee Irrigation Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd  
Chartered Accountants

A handwritten signature in black ink, appearing to read "A C Pitts".

A C Pitts  
Partner – Audit & Assurance

Melbourne, 5 September 2024

[www.grantthornton.com.au](http://www.grantthornton.com.au)  
ACN-130 913 594

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# Financial statements



## Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2024

### Revenue

	Notes	2024 \$'000	2023 \$'000
Operations	5	40,577	35,932
Government and other	5	53,893	49,654
Investments	5	4,597	5,322
<b>Total revenue</b>		<b>99,067</b>	<b>90,908</b>

### Expenditure

	Notes	2024 \$'000	2023 \$'000
Professional services and consultants	6	1,963	1,591
Depreciation	17	16,122	15,266
Employment related	6	20,152	18,438
Net (gain)/loss on disposal of assets	6	(245)	3,948
Operations and materials	6	7,433	6,584
Utilities	6	1,703	1,334
Other	6	5,153	4,561
<b>Total expenditure</b>		<b>52,281</b>	<b>51,722</b>

<b>Profit before tax</b>		<b>46,786</b>	<b>39,186</b>
Income tax benefit	8	–	48,473
<b>Profit for the year</b>		<b>46,786</b>	<b>87,659</b>

### Other comprehensive income

<b>Items that will be reclassified subsequently to profit or loss</b>			
Financial asset at FVOCI <sup>1</sup> revaluation gain		615	155
Income tax benefit/(expense) on items recognised directly in equity		–	–
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Actuarial (loss) of defined benefits plan recognised directly in equity		(42)	(130)
Income tax benefit/(expense) on items recognised directly in equity		–	–
<b>Other comprehensive income for the year net of tax</b>	9	<b>573</b>	<b>25</b>
<b>Total comprehensive income for the year</b>		<b>47,359</b>	<b>87,684</b>

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.  
<sup>1</sup> Fair Value through Other Comprehensive Income (FVOCI).

## Consolidated statement of financial position as at 30 June 2024

### Assets

	Notes	2024 \$'000	2023 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	22,794	43,981
Trade and other receivables	11	24,615	19,831
Inventories	12	1,621	1,849
Other assets	13	821	507
Non-current assets held for sale	14	–	1,738
<b>Total current assets</b>		<b>49,851</b>	<b>67,906</b>
<b>Non-current assets</b>			
Financial assets	15	11,814	9,795
Property, plant and equipment	17	533,930	501,641
Intangible assets	18	138,363	137,552
Shares in co-operative		37	39
<b>Total non-current assets</b>		<b>684,144</b>	<b>649,027</b>
<b>Total assets</b>		<b>733,995</b>	<b>716,933</b>

### Liabilities

<b>Current liabilities</b>			
Trade and other payables	19	9,997	10,852
Provisions	20	4,213	3,685
Borrowings	21	–	–
Deferred revenue	22	9,762	39,833
<b>Total current liabilities</b>		<b>23,972</b>	<b>54,370</b>
<b>Non-current liabilities</b>			
Provisions	20	667	565
<b>Total non-current liabilities</b>		<b>667</b>	<b>565</b>
<b>Total liabilities</b>		<b>24,639</b>	<b>54,935</b>
<b>Net assets</b>		<b>709,356</b>	<b>661,998</b>

### Equity

Contributed equity	23	273,734	273,734
Retained earnings	24	434,804	336,825
Reserves	25	818	51,439
<b>Total equity</b>		<b>709,356</b>	<b>661,998</b>

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

## Consolidated statement of changes in equity for the year ended 30 June 2024

	Contributed equity \$'000	FVOCI Reval Reserve* \$'000	Asset reserve^ \$'000	Retained earnings \$'000	Total \$'000
<b>Balance as at 1 July 2022</b>	<b>273,734</b>	<b>48</b>	<b>51,236</b>	<b>249,296</b>	<b>574,314</b>
Profit/(loss) for the year	-	-	-	87,659	87,659
Other comprehensive income/(loss) for the year	-	155	-	(130)	25
Total comprehensive income/(loss) for the year	-	155	-	87,529	87,684
<b>Balance as at 30 June 2023</b>	<b>273,734</b>	<b>203</b>	<b>51,236</b>	<b>336,825</b>	<b>661,998</b>
Profit/(loss) for the year	-	-	-	46,786	46,786
Transfer of asset reserve	-	-	(51,236)	51,236	-
Other comprehensive income for the year	-	615	-	(42)	573
Total comprehensive income for the year	-	615	-	97,980	47,359
<b>Balance as at 30 June 2024</b>	<b>273,734</b>	<b>818</b>	<b>-</b>	<b>434,804</b>	<b>709,356</b>

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

FVOCI Reval Reserve plus retained earnings as at 30 June 2024 reconcile to retained earnings in the Consolidated Statement of financial position as at 30 June 2024.

\* Fair Value through Other Comprehensive Income (FVOCI) revaluation reserve – refer to notes 1(p) and 1(t).

^ Asset reserve reference has been removed. The balance has been transferred to retained earnings.

## Consolidated statement of cash flows for the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (including GST)		41,289	41,997
Payments to suppliers and employees (including GST)		(48,328)	(40,997)
<b>Cash (used)/receipted by operations</b>		<b>(7,039)</b>	<b>1,000</b>
Receipts from annual water savings and leasing of water and land		4,933	4,737
Receipts from government contributions		26,501	71,633
Interest and other finance costs paid		(100)	(136)
<b>Net cash generated by operating activities</b>		<b>24,295</b>	<b>77,234</b>
<b>Cash flows from investing activities</b>			
Payments to acquire financial assets		(2,509)	(4,737)
Proceeds on sale of financial assets		561	39
Payments for property, plant and equipment		(48,472)	(56,475)
Proceeds on sale of property, plant and equipment		293	615
(Payments)/proceeds for water investments		(795)	5,778
Interest and investment income received		5,440	4,403
<b>Net cash used in investing activities</b>		<b>(45,482)</b>	<b>(50,377)</b>
<b>Cash flows from financing activities</b>			
Repayments to borrowings		–	(2,000)
<b>Net cash used in investing activities</b>		<b>–</b>	<b>(2,000)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(21,187)</b>	<b>24,857</b>
Cash and cash equivalents at the beginning of the year		43,981	19,124
<b>Cash and cash equivalents at the end of the year</b>	10	<b>22,794</b>	<b>43,981</b>

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## Notes to the financial statements as at 30 June 2024

### Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Where there has been a change in presentation format, prior year comparatives have been changed accordingly.

#### (a) Basis of preparation

Murrumbidgee Irrigation Limited's (the "Company" or "consolidated entity") principal purpose is to provide cost effective services to its customers rather than to generate profits, as such, the directors have determined that the Company is a not-for-profit entity as defined under Australian Accounting Standards – Simplified Disclosure.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

The financial statements have been prepared on a going concern basis based on forecasts prepared for future years demonstrating the Company's solvency, the Company has financial reserves held in cash, deposits and convertible investments, and there are no known threats to the Company's viability.

The Company is a limited company incorporated in Australia. The registered office and principal place of business of Murrumbidgee Irrigation Limited is:

86 Research Station Road, Hanwood NSW 2680.

#### (b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of Murrumbidgee Irrigation Limited and its controlled entities, MI Holdings Pty Ltd as trustee for the Hanwood Estate Property Trust. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Control is achieved where Murrumbidgee Irrigation Limited:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

#### (c) New or amended Accounting Standards and Interpretations adopted

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

The adoption of these Accounting Standards and Interpretations has not had a material effect on the consolidated entity.

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

The consolidated entity has considered Accounting Standards and Interpretations which have been issued but are not yet effective, identifying the following which are relevant to the consolidated entity:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as current or non-current;
- AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback;
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants;
- AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements;
- AASB 2023-3 Amendment to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2; and
- AASB 2024-1 Amendment to Australian Accounting Standards – Supplier Finance Arrangements: Tier 2 Disclosures.

When these amendments are first adopted for the year ending 30 June 2025 there will be no material impact on the financial statements.

Other Accounting Standards and Interpretations which have been issued but are not yet effective are not relevant to the consolidated entity, or their impact is editorial only.

## Note 1. Summary of significant accounting policies (*continued*)

### (d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for the major business activities:

- (i) **Customer revenue:** Revenue from the supply of water and drainage services comprises both access and usage-based charges which are billed GST-free annually to all customers. Revenue is recognised as the services are delivered to customers and the associated performance obligation is fulfilled.
- (ii) **Other revenue:** Other revenue is raised from the provision of works, including the installation of irrigation supply infrastructure, and is recognised on completion of the works when rewards of ownership have passed to the buyer.
- (iii) **Government contributions for Off Farm Efficiency Program (OFEP):** Contributions received from the government for infrastructure improvements are recognised as revenue on a percentage of completion basis, utilising the input cost method which includes labour and materials, as the relevant expenditure is incurred and when water entitlements are returned. As this arrangement constitutes a bundled contract, revenue relating to each element is recognised proportional to their fair value at contract date as if they were sold and performed independently of each other. As the consolidated entity is obliged under the terms of the funding agreement to undertake the relevant infrastructure works or refund the money, any unexpended funds, equivalent to any unperformed work, at balance date are brought to account as a liability.
- (iv) **Leasing of water and property:** Revenue is recognised on a straight-line basis over the term of the lease.
- (v) **Interest income:** Interest income is recognised as it accrues.
- (vi) **Revenue from the sale of assets:** Revenue from the sale of fixed assets is recognised when risks and rewards of ownership have passed to the buyer.
- (vii) **Temporary transfer of water:** Revenue from the temporary transfer of water is recognised when the risks and rewards have passed to the buyer.
- (viii) **Termination charges:** A charge is levied on cancellation of delivery entitlements. This charge for 2023/24 was based on a multiple of 10 times fixed charges in accordance with ACCC water charge rules.

### (e) Income tax

On 20 March 2023, the consolidated entity received a private ruling from the ATO confirming that Murrumbidgee Irrigation Limited is exempt from income tax for periods commencing from 1 July 2021 under the *Income Tax Act 1997*.

This exemption would no longer be available if Murrumbidgee Irrigation did not continue to maintain the requirements of the private ruling. This change in tax status has resulted in a reversal of recorded deferred tax balances as at 1 July 2022 and the recording of an income tax benefit as at that date. No additional deferred tax will be recognised from the date the exemption is granted.

The Company has continued to maintain the requirements of the private ruling for the financial period. As such the exemption continues to be applicable for the current financial period.

### (f) Trade and other receivables

Trade receivables are recognised at fair value. Trade receivables are raised at the end of April for fixed charges and the end of June for water use based charges and are due for settlement no more than 28 days from the date of raising of the invoices. Other debtors are due for settlement in no more than 28 days. Collectability of receivables is reviewed on an ongoing basis.

Debts which are known to be uncollectable are written off. An allowance for expected credit loss is established when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms. The amount of movement in the allowance for expected credit loss is recognised in the consolidated statement of profit or loss and other comprehensive income.

Chapter 7, Part 4, clauses 354 to 362 of the *Water Management Act 2000* ('the Act') provides that a rate or charge imposed on the owner of any land by an irrigation corporation is a charge on the land to which it relates, thereby securing the debts.

Chapter 4, Part 1, Division 6, paragraph 136 of the Act further provides that on a change of ownership of land, the new landholder is liable to the irrigation corporation for the amount of any charges levied by the irrigation corporation in relation to the land and unpaid by the previous landholder as if the new landholder had entered into a contract with the irrigation corporation for the supply of the service or services to which the unpaid services relate.

Based on the above provisions of the *Water Management Act 2000* the consolidated entity considers the allowance for expected credit losses to be appropriate.

## Note 1. Summary of significant accounting policies (*continued*)

### (g) Inventories

Raw materials and stores are stated at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of weighted average costs. No inventory is held for resale.

Consequently, the consolidated entity considers the remaining service potential of inventories when assessing the net realisable value of items held for distribution or use in delivering a service to members.

### (h) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of non-current assets constructed by the consolidated entity includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of overheads. Land is not depreciated.

Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful life, as follows:

Category	Years	Average
Earth channels, infrastructure and drains	10–100	42
Buildings and cottages	5–40	23
Plant	4–30	11
Office and scientific equipment	2–25	11
Motor vehicles	4–20	8

Assets are not depreciated until they have been commissioned. The assets' residual values and useful life are reviewed, and adjusted if appropriate, at each reporting date. 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 (refer Note 1 (w)(iii)). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of profit or loss and other comprehensive income.

### (i) Intangible assets

Licensed water share components are brought to account at cost. The licences have indefinite useful life and accordingly no amortisation is charged. The licensed water shares are checked for impairment annually (refer Note 1 (w)(iii)).

### (j) Maintenance expenditure

Routine maintenance expenditure of a regular and ongoing nature is charged as an operating expense to the profit or loss as and when incurred. Major refurbishments in respect of earth supply and drainage channels and other infrastructure are capitalised.

### (k) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity up to the reporting date which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### (l) Employee benefits

- (i) **Short-term and long-term employee benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits, are measured at the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to the reporting date.

- (ii) **Retirement benefit obligations:** All employees of the consolidated entity are entitled to benefits on retirement, disability or death. Plans are either defined contribution or defined benefit. The defined benefit plan provides defined lump sum or pension benefits based on years of service and final average salary and is administered by the Active Super Scheme.

Under the accumulated plans, the consolidated entity makes contributions as determined by legislation.

A liability or asset in respect of defined benefit superannuation plans is recognised in the consolidated statement of financial position and is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains, less unrecognised actuarial losses, less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries 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 national high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Movements in the value of the defined benefits plans' assets and liabilities are recognised directly to other comprehensive income. Post service costs and net interest expense or income are recognised in profit or loss in the period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## Note 1. Summary of significant accounting policies (*continued*)

### (m) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand and cash at bank.

### (n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or 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 taxation authority, are presented as operating cash flows.

### (o) Rounding of amounts

The Company is of a kind referred to in Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### (p) Financial assets

#### (i) Recognition, initial measurement and derecognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurements of financial assets are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### (ii) Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

Classifications are determined by both:

- The entities business model for managing the financial asset; and
- The contractual cash flow characteristics of the financial assets.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

## Note 1. Summary of significant accounting policies (*continued*)

### (iii) Subsequent measurement of financial assets

#### **Financial assets at amortised cost**

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as government bonds that were previously classified as held-to-maturity under AASB 139.

#### **Debt instruments at fair value through other comprehensive income (Debt FVOCI)**

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of collecting the contractual cash flows and selling the assets are accounted for at Debt FVOCI. Any gains or losses recognised in other comprehensive income will be reclassified to profit or loss upon derecognition of the asset. This category includes corporate bonds that were previously classified as 'available-for-sale' under AASB 139.

The classification of financial assets at FVOCI was an election determined by management at initial recognition, as it provided the most useful information.

#### **Impairment of financial assets**

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

#### **Trade and other receivables and contract assets**

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses.

In using the practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

#### **Classification and measurement of financial liabilities**

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

## Note 1. Summary of significant accounting policies (continued)

### (q) Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

### (r) Provisions

Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

### (s) Leasing

For any new contracts entered into on or after 1 July 2020, the Company considers whether a contract is, or contains, a lease. At lease commencement date, a right-of-use asset and a lease liability is recognised on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the lease liability is measured at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

### (t) Reserves

The Constitution provides that directors may, at their discretion, set aside reserves out of Company profits, to be used for any purpose that the profits of the Company can be properly applied. Such reserves can be used in the business of the Company or reinvested as the directors think fit.

- (i) **Asset reserve:** The concept of an asset reserve was removed in December 2023, replaced for reporting purposes with Investment Portfolio. As such, the asset reserve has been transferred to retained earnings during the period.
- (ii) **Fair Value through Other Comprehensive Income Reserve (FVOCI):** The purpose of the FVOCI Reserve is to accumulate unrealised gains or losses on financial asset revaluations.

### (u) Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale only when the Company is committed to the sale and the sale is expected to qualify for recognition as a completed sale within one year from the date of classification.

## Note 1. Summary of significant accounting policies (*continued*)

### (v) Critical accounting judgments and key sources of estimation uncertainty

In the application of the consolidated entity's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

- (i) **Climate change:** Where specific impacts of climate change are identified, there may be impacts on useful lives of assets (increasing depreciation charged and reducing carrying values) and there may be changes to the basis of accounting for intangible assets. It is not possible, at the present time, to state the expected quantum of these impacts.
- (ii) **Water Amendment (Restoring our Rivers) Bill 2023 (Cth):** The amendments passed in December 2023 included voluntary water buy backs. It is not possible, at the present time, to state the expected quantum of these, nor the impact on the Company.

### (w) Significant estimates

- (i) **Property, plant and equipment:** Depreciation is charged on property, plant and equipment as outlined in Note 14. Management have determined useful lives based on historical experience, as outlined within that note. Given the quantum of assets held by the Company, this is a significant estimate.

If the useful lives of assets were to reduce by 5% (an average of 1.7 years), depreciation would increase by \$0.7M per annum.

- (ii) **OFEP revenue recognition:** Revenue relating to the OFEP funding is recognised as infrastructure projects are completed. The revenue is recognised over time as progress is made against budgeted expenditure on infrastructure projects. There is a risk that spend on these infrastructure projects may be higher or lower than budgeted, with any changes in the forecast costs to complete having a consequential impact on the revenue which would be recognised.

Management do not consider there to be a significant risk of a material adjustment in the next 12 months based on historical experience of major infrastructure projects.

If forecast costs to complete were +/- 5% against the original budget in the current year, the Company would have recognised +/- \$3M of OFEP revenue.

## Note 1. Summary of significant accounting policies (continued)

- (iii) **Impairment of assets:** Assets are reviewed annually for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

As the Company is a not-for-profit entity and the future economic benefits of the Company's assets are not primarily dependent on their ability to generate cash flows, value in use is taken to be current replacement cost provided that the Company would, if deprived of the asset, replace it.

Intangible assets with indefinite useful lives are reviewed annually as to whether their carrying value exceeds their recoverable amount. In the current year, no impairment loss has been recognised, as the fair value of intangible assets is significantly in excess of their carrying value (Note 18).

The commencement of the OFEP project created an expectation that a significant portion of the Company's capital assets will be replaced or decommissioned in future years. Where the Company has been able to make a reasonable estimate of such items, the carrying amount of the relevant assets has been reduced to their recoverable amount. That reduction is recognised as an impairment loss through the consolidated statement of profit or loss.

It is impracticable as at 30 June 2024 to estimate the impact of planned replacements over the medium-to-longer term as these are subject to management and Board decisions, ongoing availability of funding, progress against current infrastructure projects and workforce capacity.

### (x) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law. Accounting Standards include Australian Accounting Standards – Simplified Disclosures.

The financial statements were authorised for issue by the directors on 5 September 2024.

### (y) Comparatives

Unless otherwise stated, all accounting policies applied are consistent with those of prior years. Where necessary, comparatives have been reclassified for consistency with current year disclosures.

## Note 2. Segment reporting

Revenue and expenses by activities

2024 \$'000	Customer operations	Water savings	Investments	Government and other activities	Hanwood Estate Property Trust	Inter- company	Total \$'000
Revenue	35,739	4,843	4,532	53,904	1,077	(1,029)	99,066
Expenses	(51,017)	-	-	(1,215)	(1,077)	1,029	(52,280)
(Loss)/profit before tax	(15,278)	4,843	4,532	52,689	-	-	46,786

2023 \$'000	Customer operations	Water savings	Investments	Government and other activities	Hanwood Estate Property Trust	Inter- company	Total \$'000
Revenue	31,319	4,618	5,158	49,654	993	(834)	90,908
Expenses	(46,955)	-	-	(4,608)	(993)	834	(51,722)
(Loss)/profit before tax	(15,636)	4,618	5,158	45,046	-	-	39,186

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Maker ('CODM'), defined as the Leadership Team/Board.

The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The information reported to the CODM is on a monthly basis.

### Note 3. Parent entity disclosure

Statement of profit or loss and other comprehensive income of the parent entity Murrumbidgee Irrigation Limited

	2024 \$'000	2023 \$'000
Operations revenue	45,115	41,096
Government and other revenue	53,904	49,654
<b>Total revenue</b>	<b>99,019</b>	<b>90,750</b>
Customer expenditure	51,107	47,082
Government and other expenditure	1,215	4,608
<b>Total expenditure</b>	<b>52,322</b>	<b>51,690</b>
Profit before tax	46,697	39,060
Income tax benefit	-	48,473
<b>Profit for the year</b>	<b>46,697</b>	<b>87,533</b>
<b>Other comprehensive income</b>		
Actuarial loss of defined benefit plan recognised directly in equity	(42)	(130)
Financial asset at FVOCI revaluation gains	615	155
<b>Other comprehensive income for the year net of tax</b>	<b>573</b>	<b>25</b>
<b>Total comprehensive income for the year net of tax</b>	<b>47,270</b>	<b>87,558</b>
Statement of financial position of the parent entity Murrumbidgee Irrigation Limited		
Current assets	49,998	66,852
Non-current assets	701,355	666,713
<b>Total assets</b>	<b>751,353</b>	<b>733,565</b>
Current liabilities	27,150	57,195
Non-current liabilities	15,602	15,036
<b>Total liabilities</b>	<b>42,751</b>	<b>72,231</b>
<b>Net assets</b>	<b>708,602</b>	<b>661,334</b>
Contributed equity	273,734	273,734
Reserves	-	51,439
Retained earnings	434,868	336,161
<b>Total Equity</b>	<b>708,602</b>	<b>661,334</b>

## Note 4. Subsidiaries

Information about the composition of the consolidated entity at the end of the reporting period is as follows.

Name of entity	Principal activity	Place of incorporation	Number of wholly-owned subsidiaries		Proportion of interest and voting	
			2024	2023	2024	2023
MI Holdings Pty Ltd	Trustee Company	Australia	1	1	100%	100%
Hanwood Estate Property Trust	Investment	Australia	1	1	100%	100%
MI EasyTrade Pty Ltd	De-registered	Australia	–	1	–	100%
MI Energy Pty Ltd	De-registered	Australia	–	1	–	100%
Number of wholly-owned subsidiaries			2	4		

## Note 5. Revenue

	2024 \$'000	2023 \$'000
<b>Customer revenue</b>		
Fixed charges	23,858	22,275
Usage	10,758	7,778
Bulk water conveyance	803	953
Contract and other	315	308
<b>Total customer revenue</b>	<b>35,734</b>	<b>31,314</b>
Water savings	4,843	4,618
<b>Total operating revenue</b>	<b>40,577</b>	<b>35,932</b>
<b>Investment revenue</b>		
Interest and dividends	663	585
Water allocation	3,934	4,737
<b>Total investment revenue</b>	<b>4,597</b>	<b>5,322</b>
<b>Government and other revenue</b>		
OFEP – Infrastructure	26,848	28,559
OFEP – Water transfer	26,311	20,974
Customer contributions	734	121
<b>Total government and other revenue</b>	<b>53,893</b>	<b>49,654</b>

## Note 6. Expenses

The statement of profit or loss and other comprehensive income includes the following expenses:

	2024 \$'000	2023 \$'000
Salaries and wages	15,207	13,068
Superannuation	1,889	1,540
Labour on-costs	3,056	3,830
<b>Total employment related</b>	<b>20,152</b>	<b>18,438</b>
Legal	92	136
Consultants	1,524	1,045
Audit and taxation advisors	233	277
Environmental	114	133
<b>Total professional services and consultants</b>	<b>1,963</b>	<b>1,591</b>
Plant maintenance and hire	622	905
Materials	2,117	2,103
Fuels and oils	788	735
Contractors	2,290	1,461
Other	1,616	1,380
<b>Total operations and materials</b>	<b>7,433</b>	<b>6,584</b>
Utilities	1,703	1,334
Insurance	1,309	1,216
Information Technology	1,871	1,909
Fees and charges	497	131
Bulk water conveyance	443	477
Other	1,033	828
<b>Total utilities and other</b>	<b>6,856</b>	<b>5,895</b>
Gain on disposal of non – infrastructure assets	(245)	(457)
Infrastructure disposals*	–	4,405
<b>Total net loss on disposal of assets</b>	<b>(245)</b>	<b>3,948</b>

\*Infrastructure disposals includes impairment of infrastructure assets of Nil (FY23 \$4.4M), taken up due to the pending replacement of the assets under the scheduled OFEP capital works.

## Note 7. Remuneration of auditors

	2024 \$	2023 \$
<b>(a) Auditor of the parent entity</b>		
Audit of the financial report	86,625	82,500
Taxation services*	136,675	180,744
Other assurance services**	6,375	10,000
<b>Total auditor remuneration of the parent entity</b>	<b>229,675</b>	<b>273,244</b>
<b>(b) Other auditors</b>		
Audit of the financial report of Hanwood Estate Property Trust	3,700	3,550
<b>Total remuneration of other auditors</b>	<b>3,700</b>	<b>3,550</b>

\* Taxation services for 2024 includes Fringe Benefits Taxation advice and assistance with employee salary packaging.

\*\* Other assurance services relate to audit of the Murrumbidgee Irrigation Off Farm Efficiency Program as required by the NSW Department of Planning and Environment.

## Note 8. Income taxes

Tax benefit comprises:

	2024 \$'000	2023 \$'000
Current tax benefit in respect of the current year	-	-
<b>Total current tax benefit</b>	<b>-</b>	<b>-</b>
Deferred tax (expense) relating to the recognition and reversal of temporary differences	-	-
Research and development tax offset	-	-
Decrease in deferred tax assets	-	(21,088)
Decrease in deferred tax liabilities	-	69,561
<b>Total deferred tax benefit</b>	<b>-</b>	<b>48,473</b>
<b>Total current tax benefit relating to continuing operations</b>	<b>-</b>	<b>48,473</b>

The benefit/(expense) for the year can be reconciled to the accounting profit as follows:

	2024 \$'000	2023 \$'000
Profit from continuing operations	-	-
Income tax benefit calculated at 30%	-	-
Effect of net PIIOP revenue/expense that is exempt	-	-
Under/over – property, plant and equipment	-	-
Reversal of prior year under/over – property, plant and equipment	-	-
Adjustment to derecognise deferred tax assets and deferred tax liabilities	-	48,473
<b>Income tax benefit recognised in profit or loss</b>	<b>-</b>	<b>48,473</b>

On 20 March 2023, the consolidated entity received a private ruling from the ATO confirming that Murrumbidgee Irrigation Limited is exempt from income tax for periods commencing from 1 July 2021 under the *Income Tax Act 1997*.

This change in tax status resulted in a reversal of recorded deferred tax balances as at 1 July 2022 and the recording of an income tax benefit as at that date. No additional deferred tax will be recognised from the date the exemption is granted.

## Note 9. Amounts recognised directly in equity

The following amounts were recognised directly in equity:

	2024 \$'000	2023 \$'000
Actuarial loss of defined benefits plan recognised directly in equity	(42)	(130)
Financial asset at FVOCI revaluation gain	615	155
Income tax (expense)/benefit on items recognised directly in equity	–	–
<b>Net gain recognised directly in equity</b>	<b>573</b>	<b>25</b>

## Note 10. Cash and cash equivalents

	2024 \$'000	2023 \$'000
Cash at bank and on hand	22,794	43,981
<b>Total cash and cash equivalents</b>	<b>22,794</b>	<b>43,981</b>

Included in the above cash and cash equivalents are the following:

Cash held for OFEP	17,174	40,386
Unrestricted operational cash	5,620	3,595
<b>Total cash and cash equivalents</b>	<b>22,794</b>	<b>43,981</b>

Cash held for OFEP includes amounts held in a separate bank account to meet the requirements of the OFEP. These amounts are available for use on eligible activities under the OFEP funding deed and are maintained separately internally to meet the needs of the consolidated entity.

## Note 11. Trade and other receivables

Current trade and other receivables:

	2024 \$'000	2023 \$'000
Trade receivables	3,905	4,290
Less: Expected credit losses	(15)	(16)
	<b>3,890</b>	<b>4,274</b>
Other receivables	20,725	15,557
Less: Expected credit losses	–	–
	<b>20,725</b>	<b>15,557</b>
<b>Total current receivables</b>	<b>24,615</b>	<b>19,831</b>
<b>Total receivables</b>	<b>24,615</b>	<b>19,831</b>

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost. No interest is charged on trade receivables for the first 28 days from the date of the invoice. Thereafter, interest is charged at the maximum rate permissible under the *Water Management Act 2000* on the outstanding balance. In accounting for the loss allowance for trade and other receivables, the consolidated entity uses the simplified approach to recognise this equal to the expected lifetime credit losses. The consolidated entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

	2024 \$'000	2023 \$'000
Movement in the allowance for credit losses:		
Balance at the beginning of the year	16	26
Impairment gains recognised on receivables	(1)	(10)
Amounts written off during the year as uncollectable	–	–
Amounts recovered during the year	–	–
<b>Balance at end of the year</b>	<b>15</b>	<b>16</b>

## Note 12. Current assets – inventories

	2024 \$'000	2023 \$'000
General inventory, chemicals and construction materials – at cost	1,621	1,849
<b>Total inventories</b>	<b>1,621</b>	<b>1,849</b>

## Note 13. Other assets – other

	2024 \$'000	2023 \$'000
Prepayments	722	401
Retirement benefit asset	99	106
<b>Total other assets</b>	<b>821</b>	<b>507</b>

## Note 14. Non-current assets held for sale

	2024 \$'000	2023 \$'000
Water – Conveyance at cost	–	1,738
Water – High Security and General Security	–	–
<b>Total non-current assets held for sale</b>	<b>–</b>	<b>1,738</b>

In April 2022, Murrumbidgee Irrigation agreed to transfer 6,290ML of Conveyance water entitlements to the Commonwealth Government, in accordance with the OFEP funding deed. The OFEP deed has been executed and the transfer was completed prior to 30 June 2024.

## Note 15. Financial assets

	Notes	2024 \$'000	2023 \$'000
Financial assets at FVOCI		11,814	9,795
<b>Total financial assets</b>		<b>11,814</b>	<b>9,795</b>

Included in the above financial assets at FVOCI are the following:

Financial assets held for asset reserve	25	–	2,506
Unrestricted financial assets at FVOCI		11,814	7,289
<b>Total financial assets</b>		<b>11,814</b>	<b>9,795</b>
Current		–	–
Non-current		11,814	9,795
<b>Total financial assets</b>		<b>11,814</b>	<b>9,795</b>

## Note 16. Financial instruments

The consolidated entity's activities expose it primarily to the financial risks of liquidity, credit risk, and market risk.

The directors and senior management are responsible for monitoring and managing the financial risks of the consolidated entity. They monitor these risks through board meetings where management reports are presented and analysed.

The consolidated entity manages its capital to ensure that entities in the consolidated entity will be able to continue as going concerns while maximising the returns to the consolidated entity through the optimisation of investment opportunities.

The consolidated entity's overall strategy remains unchanged from 2023, with amendments to the overall investment portfolio in 2024. The consolidated entity's financial instruments consist mainly of deposits with banks, fixed and floating rate notes, investments in Australian and international equities, accounts receivable and accounts payable. The Company is exposed to the following risks through holding financial instruments:

- (a) **Credit risk exposures:** Credit risk is the risk of financial loss to the consolidated entity if a party to a financial instrument fails to meet its contractual obligations. In respect of its cash and term deposits, the consolidated entity manages its risk by the application of the consolidated entity's investment policy. In respect of trade debtors, the credit risk is largely mitigated by the security described at Note 1 (f). The consolidated entity establishes allowances for impairment when it is expected that any receivables are not considered collectible.

The maximum exposure to credit risk as at balance date is the carrying amount as disclosed in the statement of financial position.

- (b) **Liquidity risk management:** Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due.

The consolidated entity has both short and long term facilities which enable sufficient cash to be available to settle obligations as they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which is continuously reviewing practices with the purpose of establishing an appropriate liquidity risk management framework for the consolidated entity's short, medium and long term funding and liquidity management requirements.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Due to the dynamic nature of the underlying businesses, the consolidated entity aims at maintaining flexibility in funding by keeping committed credit lines available. The credit risk on liquid funds is limited because the investment houses are banks with high credit ratings assigned by international credit rating agencies.

- (c) **Net fair value of financial assets and liabilities:** The directors consider that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the financial statements approximates their fair values.

- (d) **Market risk:** Market risk consists of foreign exchange risk, interest rate risk, and price risk.

- (i) Foreign exchange risk exposure:

The consolidated entity's functional currency is Australian dollars. Foreign exchange rate risk arises from financial assets and financial liabilities denominated in a currency that is not the consolidated entity's functional currency. Exposure to foreign currency risk may result in the fair value of future cash flows of a financial instrument fluctuating due to the movement in foreign exchange rates of currencies in which the consolidated entity holds financial instruments which are other than the Australian dollar functional currency of the consolidated entity. Given the nature of the consolidated entity's operations, this risk is not material, as material transactions and balances are denominated in the consolidated entity's functional currency. The cost of hedging at this time outweighs any benefits that may be obtained.

- (ii) Interest rate risk exposure:

As of 30 June 2024, the consolidated entity had \$23M of cash and cash equivalents. Cash and cash equivalents consist of cash in banks and bank deposits. Such interest-earning instruments carry a degree of interest rate risk. The primary objectives of our investment activities are the preservation of capital, the fulfillment of liquidity needs, and the fiduciary control of cash. The effect of a hypothetical 10% change in interest rates would have resulted in +/- \$0.1M impact for the year-ended 30 June 2024.

- (iii) Price risk exposure:

As at 30 June 2023, the consolidated entity had As at 30 June 2024, the consolidated entity had \$6M of financial assets held in equity investments. If the equity indexes had increased by 5% with all other variables held constant and all the entity's equity instruments moved according to the historical correlation with the index, there would have been an impact of \$0.3M for the year-ended 30 June 2024.

## Note 17. Property, plant and equipment

Net book values:

	2024 \$'000	2023 \$'000
Land	9,644	9,659
Earth channels, infrastructure and drains	452,868	432,914
Buildings and cottages	8,104	8,399
Plant	4,342	4,224
Office and scientific equipment	1,433	1,228
Motor vehicles	2,365	1,903
In course of construction	55,174	43,314
<b>Balance as at 30 June</b>	<b>533,930</b>	<b>501,641</b>

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Land (\$'000)	Earth channels and infrastructure (\$'000)	Buildings and cottages (\$'000)	Plant (\$'000)	Office and scientific equipment (\$'000)	Motor vehicles (\$'000)	In course of construction (\$'000)	Total (\$'000)
Carrying amount at 1 July 2023	9,659	432,914	8,399	4,224	1,228	1,903	43,314	501,641
Acquisitions	–	–	166	696	603	1,106	45,892	48,463
Disposals	(15)	(1)	–	–	–	(36)	–	(52)
Depreciation	–	(14,077)	(461)	(578)	(398)	(608)	–	(16,122)
Impairment	–	–	–	–	–	–	–	–
Transfers in/(out)	–	34,032	–	–	–	–	(34,032)	–
<b>Balance at 30 June 2024</b>	<b>9,644</b>	<b>452,868</b>	<b>8,104</b>	<b>4,342</b>	<b>1,433</b>	<b>2,365</b>	<b>55,174</b>	<b>533,930</b>

The consolidated entity's policy for accounting for depreciation of assets is described in Note 1(h).

## Note 18. Intangible assets

	2024 \$'000	2023 \$'000
<b>Reconciliation – water</b>		
Water – Conveyance at cost (parent entity)	88,177	88,177
Water – High Security and General Security at cost	49,744	48,933
Water – at cost (controlled entity)	442	442
<b>Carrying amount</b>	<b>138,363</b>	<b>137,552</b>
<b>Reconciliation – water</b>		
Carrying amount 1 July	137,552	137,124
Water – conveyance sold/held for sale during year	–	–
Water – High Security and General Security sold/held for sale during year	(50)	–
Water – High Security and General Security acquired during year	861	428
<b>Carrying amount</b>	<b>138,363</b>	<b>137,552</b>

Intangible assets are carried at the lower of their cost or cost less impairment. The consolidated entity's policy for accounting for water and impairment of assets is described in Notes 1(i) and 1(w)(iii).

Water investments are held at the lower of cost and net realisable value. As at 30 June 2024, the market value of the water investments was approximately \$171M (FY23 \$176M).

## Note 19. Trade and other payables

	2024 \$'000	2023 \$'000
Trade payables	4,160	2,542
Accruals	5,837	8,310
<b>Total trade and other payables</b>	<b>9,997</b>	<b>10,852</b>

Generally no interest is charged on trade payables for the first 28 days from date of the invoice. Thereafter, interest may be charged on outstanding balances. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

## Note 20. Provisions

Employee entitlements:

	2024 \$'000	2023 \$'000
Annual leave	1,390	1,299
Long service leave	3,490	2,951
<b>Carrying amount</b>	<b>4,880</b>	<b>4,250</b>
Current	4,213	3,685
Non-current	667	565
<b>Total provisions</b>	<b>4,880</b>	<b>4,250</b>

## Note 21. Borrowings

### *Assets pledged as security*

The bank loans are secured by first mortgages over the consolidated entity's High Security Water Entitlements WAL11299.

### *Financing arrangements*

Unrestricted access was available at the reporting date to the following lines of credit:

Total facilities:

	2024 \$'000	2023 \$'000
Working capital loan facility	5,000	5,000
Bank loan	9,375	11,250
<b>Total facilities</b>	<b>14,375</b>	<b>16,250</b>

Used at reporting date:

Working capital loan facility	-	-
Bank loan	-	-
<b>Total used at reporting date</b>	<b>-</b>	<b>-</b>

Unused at reporting date:

Working capital loan facility	5,000	5,000
Bank loan	9,375	11,250
<b>Total unused at reporting date</b>	<b>14,375</b>	<b>16,250</b>

Current

-

Non-current

-

**Total liability at reporting date**

**-**

Any principal repayments due within the next 12 months are classified as current liabilities in the consolidated statement of financial position.

## Note 22. Deferred revenue

	Notes	2024 \$'000	2023 \$'000
Off Farm Efficiency Program	1 (d) (iii)	9,532	39,274
Other	1 (d) (ii)	230	559
<b>Total deferred revenue</b>		<b>9,762</b>	<b>39,833</b>

## Note 23. Contributed equity

(a) Ordinary shares – fully paid

	2024 \$'000	2023 \$'000
Contributed equity	273,734	273,734

Shares are cancelled or forfeited as a result of customers' water entitlement transactions including sales of water entitlement out of Murrumbidgee Irrigation Limited's water access licences.

The contributed equity is reflective of the equity in the Company upon privatisation in 1999. In accordance with the Company's Constitution, the Company cannot declare dividends, and in the event of winding up or dissolution, any remaining property must not be paid or distributed among members but must be given or transferred to an irrigation corporation as defined in the *Water Act 2000*. Therefore, there is no impact on contributed equity for the forfeiture or cancellation of shares.

(b) Movement in number of shares

	2024 Shares No.	Forfeited or cancelled shares No.	2023 Shares No.
A Class Shares	206,440	(3,182)	209,622
B Class Shares	503,746	(8,337)	512,083
C Class Shares	14,190	(71)	14,261
<b>Total ordinary shares</b>	<b>724,376</b>	<b>(11,590)</b>	<b>735,966</b>

As at 30 June 2024 – 61,023 (FY23 49,433) previously forfeited shares are under the control of the directors and are available to be re-issued.

(c) Voting rights

	2024	2023
Voting rights attached to A Class shares	1,280	1,313
Voting rights attached to B Class shares	871	891
Voting rights attached to C Class shares	–	–

The Constitution prescribes one vote per landholding.

A Class and B Class shareholders have voting rights at general meetings and for the election of Member Directors in their voting college. Where a shareholder holds both A Class and B Class shares, the holder votes in the college in which they hold the greater number of shares.

C Class shareholders generally have no voting rights other than in respect of matters affecting their class rights.

(d) Rights to assets

Shares carry no rights to, or have residual interest in, any assets remaining on the winding up of the Company.

## Note 24. Retained earnings

	2024 \$'000	2023 \$'000
Retained earnings at the beginning of the financial year	336,825	249,296
Transfer from asset reserve	51,236	–
Total comprehensive income for the year	46,743	87,529
<b>Retained earnings at the end of the financial year</b>	<b>434,804</b>	<b>336,825</b>

## Note 25. Reserves

	Notes	2024 \$'000	2023 \$'000
Asset reserve at the beginning of the year		51,236	51,236
Transfer to retained earnings		(51,236)	–
<b>Asset reserve at the end of the year</b>		<b>–</b>	<b>51,236</b>
FVOCI revaluation reserve at the beginning of the year		203	48
FVOCI revaluation reserve gains		615	155
<b>FVOCI revaluation reserve at the end of the year</b>		<b>818</b>	<b>203</b>
<b>Total reserves at the end of the year</b>		<b>818</b>	<b>51,439</b>
Reserves are funded by the following investments:			
Water investments	18	–	48,933
Financial assets	15	818	2,506
<b>Total funding</b>		<b>818</b>	<b>51,439</b>

The concept of an asset reserve was removed in December 2023 in the review of the Investment Policy. It is recognised that the Investment Portfolio underpins future investment in infrastructure. The revenue that is derived from the Investment Portfolio, which is a combination of Water investments and Financial assets, funds the ongoing capital requirements of the business.

## Note 26. Retirement benefit plans

All employees are entitled to benefits on retirement, disability or death. The entity has two retirement plans, the defined benefits plan and the accumulation plan. The accumulation plan provides benefits on accumulations based on contribution and investment income.

The defined benefits superannuation plans are administered by the Active Super Scheme (the Scheme) in accordance with legislation. The defined benefits plans provide benefits based on years of service and final average salary. Employees contribute to the plans at various percentages of their wages and salaries. In respect of contributions to the defined benefits plans, the Company has applied the rate of employer contribution advised by the actuary and by the Scheme administrators (Active Super Scheme).

The Scheme was established on 30 June 1997 by a Trust Deed made under an Act of the NSW Parliament for the purpose of providing retirement benefits for public sector employees of certain Local Government bodies in NSW. The Scheme has received an exemption from annual actuarial valuation and therefore actuarial valuations are only required triennially.

The last actuarial valuation of the Scheme was performed as at 30 June 2021 by Mercer Consulting (Australia) Pty Ltd. The next actuarial valuation is due as at 30 June 2025 and will be released in the 2025/26 financial year. Actuarial assessments are made in the intervening periods for financial reporting purposes, with Mercer Consulting (Australia) Pty Ltd conducting an assessment as at 30 June 2024. The Directors rely on the assessments and valuations performed by Mercer Consulting (Australia) Pty Ltd to determine the entity's obligation in respect of its defined benefit plans.

There are a number of risks to which the plan exposes the Employer. The more significant risks relating to the defined benefits are:

<b>Interest rate risk</b>	The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of high quality corporate bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation. A decrease in market yield on high quality corporate bonds will increase the entity's defined benefit liability.
<b>Investment risk</b>	The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.
<b>Longevity risk</b>	The risk that pensioners live longer than assumed, increasing future pensions.
<b>Indexation risk</b>	The risk that pensions will increase at a rate greater than assumed, increasing future pensions
<b>Salary growth risk</b>	The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.
<b>Legislative risk</b>	The risk is that legislative changes could be made which increase the cost of providing the defined benefits.
<b>Counterparty risk</b>	The risk arising from the insurance policies purchased by the Fund. The key risk involved would be the default by the insurer as the Fund would still be liable to pay member benefits.

## Note 26. Retirement benefit plans (continued)

A reconciliation of the entity's defined benefit obligation and plan assets to the amount presented in the consolidated statement of financial position for each of the reporting periods is presented below:

	2024 \$'000	2023 \$'000
Present value of defined benefit obligations	24,484	24,830
Fair value of defined benefit plan assets	(25,751)	(26,515)
Adjustment for effect of asset ceiling	1,168	1,579
<b>Net asset</b>	<b>(99)</b>	<b>(106)</b>

For FY24 the retirement benefit plan net asset has been recognised in Other Assets – see Note 13.

The details of the entity's defined benefit obligation are as follows:

	2024 \$'000	2023 \$'000
Opening present value of defined benefit obligation	24,830	24,630
Current service cost	26	86
Interest cost	1,340	1,272
Actuarial (gains)/losses arising from changes in demographic assumptions	–	–
Actuarial losses/(gains) arising from changes in financial assumptions	278	(807)
Actuarial (gains)/losses arising from liability experience	(92)	577
Benefits paid	(1,813)	(836)
Taxes, premiums and expenses paid	(85)	(92)
<b>Closing defined benefit obligation</b>	<b>24,484</b>	<b>24,830</b>

The reconciliation of the balance of the assets held for the defined benefit plans is presented below:

	2024 \$'000	2023 \$'000
Opening fair value of plans assets	26,515	25,852
Interest income	1,436	1,338
Movement in value on fund assets less interest income	(356)	149
Employer contributions	54	104
Benefits paid	(1,813)	(836)
Taxes, premiums and expenses paid	(85)	(92)
<b>Closing fair value of plans assets</b>	<b>25,751</b>	<b>26,515</b>

All Division B, C and D assets are held in Pool B of the Scheme. As such, assets are not separately invested for each employer and it is not possible or appropriate to disaggregate and attribute fund assets to individual entities, and the disclosures below relate to total assets of Pool B of the Scheme.

## Note 26. Retirement benefit plans (continued)

		Quoted prices in active markets for identical assets	Significant observable inputs	Unobservable inputs
	Total (\$'000)	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)
Unlisted and listed Securities Employer Reserve	1,831,611	752,975	754,585	324,051*
Unlisted and listed Securities Member Investment Choice	1,606,286	769,608	544,318	292,360
<b>Total</b>	<b>3,437,897</b>			

\* Includes the value of Challenger annuity policy held by Trustee valued on the AASB119 basis.

As shown in the table above some Active Super assets are invested in accordance with member investment choices.

For Active Super assets supporting the Employer Reserve, the percentage invested in each asset class at the reporting date is:

	2024	2023
Equities	44%	44%
Property	9%	10%
Fixed Income	28%	30%
Cash	9%	5%
Other*	10%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>

\* Other includes private equity, private credit, growth alternative and defensive alternative assets.

The significant actuarial assumptions used for the valuation are as follows:

	2024	2023
Discount rate at 30 June	5.48%	5.61%
Salary growth rate	3.50%	3.50%
Expected rate of CPI increase*	3.80%	6.60%

\* The rate of CPI increase has been assessed at 3.8% for FY24, then 2.50% per annum thereafter.

## Note 27. Key management personnel compensation

(a) The directors and other members of key management personnel of the consolidated entity during the year were:

### (i) Directors

Non-executive Chair:	T C Valenzisi (from November 2023) H P Cudmore (to November 2023)
Non-executive Directors:	M K Carter, L Bianchi, N Blair (from November 2023), A G Delves, J Houghton (from November 2023), H Sergi, T C Valenzisi (to November 2023)
Managing Director:	B A Jones

### (ii) Leadership team

B A Jones	Chief Executive Officer
M Dance	General Maintenance and Logistics (from October 2023)
V Forner	General Manager Finance (from December 23)
A Giason	General Manager People and Culture
L Golsby-Smith	General Manager Customer Services and Water Delivery (to March 24) General Manager Asset Performance and Delivery (March 2024 to June 2024)
K J Hutchinson	Executive Director Strategic Partnerships
C Palmer	General Manager Customer Services and Water Delivery (from March 24)
A R Pasquetti	General Manager Information and Control Systems
S Porter	General Manager Asset Performance and Delivery (from June 2024)
D F Puntoriero	Company Secretary/General Manager Finance (to December 23)
J J Rudd	General Manager Asset Performance and Delivery (to September 2023)
A P Shea	General Maintenance and Logistics (to September 2023) General Manager Asset Performance and Delivery (September 2023 to March 2024)
M J Turnell	Company Secretary/Senior Legal Counsel

(b) Key management personnel compensation:

(i) Directors (excluding Managing Director/Chief Executive Officer)	2024 \$	2023 \$
Short-term benefits	435,170	408,151
Post-employment benefits	44,357	42,856
<b>Total compensation</b>	<b>479,527</b>	<b>451,007</b>
(ii) Leadership (including Managing Director/Chief Executive Officer)	2024 \$	2023 \$
Short-term benefits (including payment of leave entitlements on termination)	3,052,400	2,533,523
Post-employment benefits	267,844	197,583
<b>Total compensation</b>	<b>3,320,244</b>	<b>2,731,106</b>

(c) Equity instrument disclosures for key management personnel:

The aggregate numbers of shares in the Company at balance date that key management personnel have an interest in were:

	2024	Movement	2023
Ordinary shares			
A Class	1,295	242	1,053
B Class	4,816	(462)	5,278
C Class	4	2	2
<b>Total ordinary shares</b>	<b>6,115</b>	<b>(218)</b>	<b>6,333</b>

## Note 27. Key management personnel compensation (continued)

- (d) As active irrigator shareholders of the Company a number of key management personnel entered into normal commercial transactions for the supply of water and drainage services in accordance with the Water Entitlements and Water Delivery Contracts.

Value of transactions:

	2024 \$	2023 \$
Water supply and drainage services	295,301	300,603
Receivable balance at reporting date	–	–

- (e) Loans to key management personnel

There are no loans to key management personnel in the current or prior year.

## Note 28. Related parties

Related party transactions with key management personnel are disclosed in Note 27.

While other related party relationships have been identified by management, there were no material transactions with those related parties in the year-ended 30 June 2024 (FY23 none). Other than the entities controlled by the Company, which are consolidated within these financial statements and for which intragroup transactions are not disclosed as a result, no other related parties where control exists have been identified.

## Note 29. Commitments

Capital commitments	2024 \$'000	2023 \$'000
Commitments for the acquisition of plant and equipment contracted for at the reporting date, but not recognised as liabilities.	9,237	25,852

## Note 30. Contingent liabilities

During the reporting period, the Company received notice under s 338A of the *Water Management Act 2000* (NSW) from the National Resources Access Regulator (NRAR) regarding an allegation of non-compliance with this Act. The Company is confident that there is no non-compliance with the Act and has responded accordingly. However, if non-compliance is found by NRAR, the Company may be subject to penalties in line with the Act. Further information is not included in these financial statements as this matter remains under consideration by NRAR and the Company, and further disclosure may prejudice the position of the Company.

## Note 31. Events occurring after balance date

At the date of this report, no matter or event has occurred since the balance date that has not been disclosed elsewhere in the financial statements.

## Consolidated Entity Disclosure Statement

Name of Entity	Type of Entity	Trustee, partner, or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or foreign resident (for tax purpose)	Foreign tax jurisdiction(s) of foreign residents
Murrumbidgee Irrigation Limited	Company	n/a	100	Australia	Australian	n/a
MI Holdings Pty Ltd	Company	Trustee	100	Australia	Australian	n/a
Hanwood Estate Property trust	Trust	n/a	n/a	Australia	Australian	n/a

### Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

### Consolidated entity

This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements (AASB 10).

### Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 Income tax: central management and control test of residency.

## Directors' declaration

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The Directors declare that the financial statements and notes set out on pages 38 to 69:

- (a) comply with Accounting Standards – Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date.

In the Directors' opinion:

- (c) the financial statements and notes are in accordance with the *Corporations Act 2001*;
- (d) the consolidated entity disclosure statement is true and correct; and
- (e) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



**Tracey Valenzisi**  
Chair

Hanwood NSW 2680  
5 September 2024

## Independent auditor's report



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### Independent Auditor's Report

#### To the Members of Murrumbidgee Irrigation Limited

##### Report on the audit of the financial report

###### Opinion

We have audited the financial report of Murrumbidgee Irrigation Limited (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

###### 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 Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's financial report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors' for the financial report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement); and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

#### 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd  
Chartered Accountants



A C Pitts  
Partner – Audit & Assurance

Melbourne, 5 September 2024

# Murrumbidgee Irrigation Limited Company directory

as at 5 September 2024

ABN	39 084 943 037
Directors	Tracey Valenzisi (Chair) Michael Carter (Deputy Chair) Lil Bianchi Niall Blair Allan (Grant) Delves John Houghton Hayley Sergi Brett Jones
Company Secretary	Michael Turnell
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