

H. Glossary

Term	Definition
Accountability	The responsibility of public sector entities to achieve their objectives of delivering reliable financial reporting, effective and efficient operations, compliance with applicable laws, and reports to interested parties.
Acquisition	Establishing control of an asset, undertaking the risks, and receiving the rights to future benefits as would be conferred with ownership, in exchange for the cost of acquisition.
Asset valuation	The process of determining the fair value of an asset.
Audit committee	A committee intended to provide assistance to the accountable officer or statutory body in discharging their obligations. Duties and responsibilities can involve oversight of all or a combination of the following: <ul style="list-style-type: none"> effectiveness and reliability of internal controls quality and integrity of accounting and reporting practices effectiveness of performance management legal and regulatory compliance auditors' qualifications and independence performance of the internal audit function and external auditors.
<i>Auditor-General Act 2009</i>	An Act of the State of Queensland that establishes the responsibilities of the Auditor-General, the operation of the Queensland Audit Office, the nature and scope of audits to be conducted, and the relationship of the Auditor-General with parliament.
Audit opinion	A written expression of the auditor's overall conclusion on the financial statements, based on audit evidence obtained.
Australian accounting standards	The rules by which financial statements are prepared in Australia. These standards ensure consistency in measuring and reporting on similar transactions.
Australian Accounting Standards Board (AASB)	An Australian Government agency that develops and maintains accounting standards applicable to entities in the private and public sectors of the Australian economy.
Bulk water	The supply of large quantities of water (other than irrigation water) to customers.
Bulk water suppliers	Water entities that provide bulk water services to water service providers.
Capital expenditure	Expenditure to acquire assets or improve the service potential of existing assets that is capitalised to the balance sheet (which means that the cost of the assets can be allocated over the years for which the asset will be in use).
Category one water board	For-profit water authorities established under the <i>Water Act 2000</i> , including Gladstone Area Water Board and Mount Isa Water Board.



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Category two water board	Not-for-profit water authorities, other than category one authorities.
Channel irrigation	An irrigation channel is an open channel that transports water in order to irrigate agricultural land.
Channel irrigation schemes	A scheme where the water is delivered via a channel rather than being taken from the river.
Community service obligations (CSO)	Government payments to 'for-profit' entities to provide services that are not sustainable otherwise.
Competitive neutrality	Is the policy that a public sector business, or agency, should not have a competitive advantage (or disadvantage) over the private sector solely due to their government ownership.
Contributed equity	Investment in an entity by shareholders.
Control environment	The structures, policies, attitudes, and values that influence daily operations. A component of internal control that provides the foundation for other elements of internal control.
Controls monitoring solution	Is an integration of multiple business processes into a single reporting platform intended to continuously identify exceptions to be explored and addressed by appropriate stakeholders.
Controlled entities	The capacity of an entity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of another entity so as to enable that other entity to operate with it in achieving the objectives of the controlling entity.
Dam improvement program	A dam improvement program incorporates an ongoing series of inspections, engineering assessments, and comprehensive risk assessments for all referable dams, including changes in design standards, hydrologic data and methods, industry best practice, and regulatory requirements.
Deficiency	When internal controls are ineffective or missing and are unable to prevent, or detect and correct, misstatements in the financial statements. A deficiency may also result in non-compliance with policies and applicable laws and regulations, and/or inappropriate use of public resources.
Depreciation	The systematic allocation of a fixed asset's capital value as an expense over its expected useful life, to take account of normal usage, obsolescence, or the passage of time.
Detailed business case	Aims to provide evidence for investing in whatever the business case is about.
Developer contributions	Developer contributions are payments (cash contributions) or water and sewerage infrastructure (donated assets) provided by developers to distributor-retailers, intended to increase the capacity of water and sewerage networks that are needed to support new developments.



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Distributor-retailers	Entities established under the <i>South-East Queensland Water (Distribution and Retail Restructuring) Act 2009</i> to purchase and distribute water; deliver water and wastewater services; charge customers for relevant services; manage customer enquiries, service requests and complaints; perform functions relating to trade waste and seepage; and perform particular planning and development assessment functions under the <i>Planning Act 2016</i> .
Dividends	A portion of a statutory body or government owned corporation's profits that it pays to its shareholders.
Drought assets	Assets that are constructed in response to severe drought, such as the Gold Coast Desalination Plant and Western Corridor Recycled Water Scheme. These assets do not form part of the integral water source and/or core supply of water.
Emphasis of matter	A paragraph included with an audit opinion to highlight an issue that the auditor believes the users of the financial statements need to be aware of. The inclusion of an emphasis of matter paragraph does not modify the audit opinion.
Fair value	The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.
Feasibility study	Includes a range of detailed technical, environmental and economic assessments on specific water infrastructure project sites to enable investment decisions ahead of construction.
<i>Financial Accountability Act 2009</i>	An Act of the State of Queensland that establishes accountability for the administration of the state's finances and financial administration of departments and statutory bodies, as well as annual reporting to parliament by departments and statutory bodies.
Financial and Performance Management Standard 2009	Subordinate legislation of the State of Queensland that provides a framework for an accountable officer of a department, or a statutory body, to develop and implement systems, practices, and controls for the efficient, effective, and economic financial and performance management of the department or statutory body.
Financial statement	Report on an entity's financial performance over a period of time and financial position at a point in time, prepared in accordance with a financial reporting framework. A financial statement includes a profit and loss statement, balance sheet, cash flow statement, statement of changes in equity, and accompanying notes disclosing how amounts have been recognised and measured.
Financial sustainability	Entities' ability to repay their liabilities as and when they fall due during the next financial year.
Fraud	Any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
Going concern	An entity that is a going concern is expected to be able to pay its debts as and when they fall due, and to continue to operate without any intention or necessity to liquidate or wind up its operations.
Governance	The arrangements in place at an entity to plan, direct, and control its activities to achieve its strategic and operational goals.



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High priority water	A water allocation (an authority to take water, and an entitlement to a share of the available water resource in a catchment) that is stated to be a high priority in the water allocations register (an accurate and secure register that records water allocation ownership and other attributes of water allocations).
Impairment	When an asset's carrying amount exceeds the amount that can be recovered through use or sale of the asset.
Irrigation water	The supply of water or drainage services for irrigation of crops or pastures.
Legislative deadline	In this context, the date prescribed by legislation for a public sector entity to finalise its financial statements or annual report.
Management	Those with the executive responsibility for conducting an entity's operations.
Materiality	Relates to the size or nature of the item or error judged against the circumstances of its omission or misstatement. Information is material if its omission or misstatement could influence the economic decisions of users.
Misstatement	A difference between the amount, classification, presentation, or disclosure of a reported financial statement item and the amount, classification, presentation, or disclosure that is required for the item to be in accordance with the applicable financial reporting framework. Misstatements can arise from error or fraud.
Megalitre (ML)	One million litres. A standard Olympic-size swimming pool contains 2.5 ML or 2,500,000 litres of water.
Net assets	Total assets less total liabilities.
Non-current assets	An entity's long-term investments, where the full value will not be realised within the financial year. These assets are capitalised rather than expensed, meaning that the cost of the asset can be allocated over the number of years for which the asset will be in use, instead of allocating the entire cost to the financial year in which the asset was purchased.
Participation returns	A portion of a distributor-retailer's profits, which it pays to its participating local governments in accordance with a participation agreement.
Phishing	A fraudulent scamming attempt to obtain sensitive information from an end user (for example, username, passwords, and credit card information). For example, asking a user to click on a link that results in malicious software being installed.
Preliminary business case	Aims to progress the concept documented in a feasibility study by generating options and assessments for a preferred option/s for more detailed analysis.
Price path	A mechanism used to adjust the building blocks of an entity's revenue requirement.
Public sector entity	A department, statutory body, government owned entity, local government, or a controlled entity.
Referable dams	A dam is referable if a failure impact assessment demonstrates there would be people at risk if the dam were to fail.



Term	Definition
Revaluation movement (increments or decrements)	The act of recognising a reassessment of the carrying amount of a non-current asset to its fair value as at a particular date. It excludes recoverable amount write-downs and impairment losses.
Risk management	The systematic identification, analysis, treatment, and allocation of risks. The extent of risk management required will vary depending on the potential effect of the risks.
Rural bulk water	The supply of bulk water to customers in rural areas.
Significant deficiency	A deficiency, or combination of deficiencies, in internal control that requires immediate remedial action.
Surplus	Total income exceeds total expenses resulting in a profit.
Total participation returns	The sum of participation returns, income tax equivalents, and competitive neutrality fees paid to participating local governments.
Trunk infrastructure	Local infrastructure is categorised as either 'trunk infrastructure' (that is, higher-level infrastructure that is shared between multiple developments) or 'non-trunk infrastructure' (that is, infrastructure that is not shared with other developments and is generally internal to a development site). The classification of infrastructure as trunk or non-trunk guides what infrastructure conditions a local government can impose on a development application. Developers are responsible for providing and funding all non-trunk infrastructure while the funding of trunk infrastructure is shared between a number of developers and the local government.
Unit rate	A unit rate is the combined cost of materials, labour and overhead allocated to each unit of production. It is used to estimate the cost of constructing an equivalent asset.
Unmodified audit opinion	An unmodified opinion is expressed when the financial statements are prepared in accordance with the relevant legislative requirements and Australian accounting standards.
Useful life	The number of years an entity expects to use an asset (not the maximum period possible for the asset to exist).
Water smart package	Provides vouchers or rebates for water-efficient irrigation systems, low-flow shower heads, drought resistant turf and compost bins.

