

PACIFIC WATER AND WASTEWATER ASSOCIATION

Annual Report 2023



Sustainable Water and
Sanitation for Pasifika





**PACIFIC WATER AND WASTEWATER ASSOCIATION,
INC.**





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Representing Countries and Territories



American Samoa



Cook Islands



Federated States of Micronesia



Fiji



French Polynesia



Guam



Kiribati



Marshall Islands



Nauru



New Caledonia



Niue



Northern Mariana Islands



Palau



Papua New Guinea



Samoa



Solomon Islands



Tokelau



Tonga



Tuvalu



Vanuatu



Wallis and Futuna



Board of Directors in 2023



Chairperson
Fuimaono Dominic Schwalger
Category Elected: Pacific Utility
Member
Organisation: Managing Director,
Samoa Water Authority



Vice Chairperson
Mrs Elizabeth Wright-Koteka
Category Elected: Pacific Utility,
All Member
Organisation: Chief Executive
Officer, Infrastructure Cook
Islands



Secretary
Mr Paul Cobbin
Category Elected: Allied & All
Categories
Organisation: General Manager,
Decentralised Solutions, Hydroflux,
EPCO Australia



Treasurer
Mr Marc Mocellin
Category Elected: Pacific Utility
Member
Organisation: Deputy Chief
Executive Officer, Caledonienne
des Eaux, New Caledonia



Director
Dr Amit Chanan
Category Elected: Pacific Utility
Member
Organisation: Chief Executive
Officer, Water Authority Fiji



Director
Mr Abraham Aremwa
Category Elected: Pacific Utility
Member
Organisation: Chairman, Nauru
Utilities Corporation



Director
Mr Erickson Sammy
Category Elected: Pacific Utility
Member
Organisation: Director
Department of Water
Resources, Vanuatu



Director
Mr Frank Kyota
Category Elected: Pacific
Utility Member
Organisation: Chief Executive
Officer, Palau Public Utilities
Corporation.



Director
Mr James Logan
Category Elected: Allied Member
Organisation: National Products
Manager, Hygrade Water New
Zealand (HYNDS)



Director
Name: Mr Richard Ashley
Category Elected: Allied Member
Organisation: General Manager,
Moerk Water, Australia



Mr Ian Gooden
past Chairman until 1st July 2023



Ms Ruth Ueselani
Former Secretary Nov 2022 -
May 2023



Mr Parkop, representing All
Categories Nov 2022 - August
2023

Chairman's Statement



Fuimaono Dominic Schwalger

PWWA Chairman

I am pleased to provide this report on behalf of your Board of Directors for the financial year 2023.

The 2023 financial year was a transformational year for PWWA. Following elections in November 2022, the new Board of Directors elected for a 3-year term met for the first time on 9-10 February for a governance essentials training by the NZ Institute of Directors, and to workshop the finalisation of the PWWA Strategic Plan 2023-2027.

The newly elected Board undertook to be champions of driving PWWA's mission for the new Strategic Plan "to strengthen advocacy, collaboration and capacity building for a sustainable and resilient water and sanitation." With this renewed focus, board engagement in implementing the Strategic Plan enabled PWWA to deliver on its programs for its members and to seek for funds to improve on its work. Board Directors were each allocated a focal area of the Strategic Plan to champion and provide the support to the small secretariat to help move the agenda for this year and thereafter.

Strategic Plan 2023-2027

Delivery in the four strategic priority areas: Advocacy, Training, Agility, and Funding progressed well in 2023, the first year of Plan implementation.

The Board developed the key priorities for actively engaging member utilities and allied members, identified PWWA stakeholders, setting the groundwork for a more detailed Communications Strategy to be developed later in the year by the Secretariat. Targeted discussions for developing overall strategies and solutions on advocacy, and support for the Secretariat in building PWWA presence at international forums and conferences were key in amplifying the PWWA "voice" in the region for water and wastewater. Inroads have been made to build a stronger "voice for water and sanitation" for PWWA through active participation in regional conferences and webinars and building/enhancing networks with existing partner organisations and potential partners.

Discussions were held with various training institutions and private companies and partners to further advance the development of focused training programs to meet the technical training needs at the operational level of member utilities. A program for Asset Management was discussed and developed with the PRIF for utilities and was conducted in collaboration with trainers from IPWEA New Zealand. Furthermore, a capacity building twinning program involving a couple of utilities and the secretariat was provided through a collaboration with the Australian Water Association (AWA).

The Board recognized early on that effective communications was a key priority but those specialist resources within the secretariat was non-existent. Due to funding constraints, approaches were made to Volunteer Services Abroad (VSA) for a volunteer communications resource person to help with the work of PWWA. A volunteer agreement was signed at the end of the year, and a Volunteer Communications Advisor started working remotely from New Zealand.



PWWA, reliant on development partner financing for its operations and programs is always keen to make the organisation sustainable. The Board has been active in reviewing membership, member value offers, conference fees and sponsorships and building its advocacy network to draw new members to PWWA in 2023.

Pacific Water & Wastewater Conference 2023 (PWWC'23)

This major event held together with the Pacific Water and Wastewater Ministers Meeting (PWWM) is the only major revenue-earning event for PWWA. This year, the conference, expo and PWWM were held for the first time in the northern Pacific in Palau following the acceptance of the offer from member utility Palau Public Utilities Corporation (PPUC) to host. Each year, with a membership spanning 21 countries and territories of the wide Pacific region, PWWA relies on the support of its membership utilities to bid for hosting the conference with the support of their governments.

The conference attracted 201 participants mostly from member utilities with only a few (23) participants from Allied membership. This was a fair drop in numbers from the first post-COVID-19 conference in 2022 held in Nadi, Fiji which attracted 298 registered participants. The distance and costs to travel and transport companies' products for display was a major obstacle to attendance. However, those who attended were very pleased with the menu of technical sessions available and engagement was high.

The PWWA conference remains the premier water meet for the Pacific, serving as the central event for Pacific Water Ministers, PWWA members and its partners for discussing, exploring and deliberating on the significant challenges and opportunities that will shape a sustainable and climate-resilient water future for the region.

Critical Government Support and Commitment

I would like to specifically thank all our political leaders – our Ministers and senior government representatives in each of our member countries and territories for their active support and guidance not only in PWWA as an organisation but also for championing the cause for improving and supporting the performance and services of member water utilities in our respective countries and territories. We remain encouraged and challenged by your drive for improved performance, for universal and inclusive access of all Pacific peoples to safe water and sanitation and we remain committed to the improvement of service to the country and the region as a group.



Special acknowledgement and thanks are attributed to the Government of Samoa for its contribution and political support as our host country for the PWWA Headquarters. We are sincerely grateful for the recognition of PWWA as an international organisation the continued financial support for PWWA's headquarters office and the yearly support towards its annual conference. The support of Samoa's Ministry of Finance and various Ministries comprising the Water and Sanitation Sector in Samoa who are Allied members of PWWA is very much appreciated.

Let me make special mention and acknowledgement to the Hon Minister Charles B. Obichang and the President and Government of Palau for hosting the 2023 Ministerial Forum and Annual Conference and Expo. This year's conference was very special to PWWA as it was the first time, the PWWA annual conference has been brought to our members in the northern Pacific. Not only that, Palau was a fitting venue with its pristine natural environment to host this year with the theme "Resilient water and climate change". This environment is highly conducive to creating lasting partnerships and enhancing strong networks among our members and partners.

Development Partner Support

A special thank you to our long-term development partner, the ADB, without whom the conference will not happen. As the major sponsor for the annual conference and Ministerial Forum, the ADB has over the years never failed to extend this support. Without payment for travel and participation expenses for Ministers, and CEOs of member utilities, some will not have been able to attend and without the numbers of utility members attending, our Allied members will not attend.

We thank also DFAT through the Australian Water Partnership (AWP) - the AWP direct funding support for the Secretariat is crucial to the sustainability of the Association – without a Secretariat, the Association cannot function and cannot do any programs or run a conference. Funding for an Association is not something easily picked up by development partners. However, we are truly blessed for the continued assistance of DFAT and assurance of support to PWWA. Despite the completion of the AWP Phase 2 program, we were able to continue with additional funding from AWP for the Secretariat and to run the flagship Young Water Professionals program this year. We were also fortunate to have had a twinning collaboration with the Australian Water Association under AWP funding.



Not forgetting our other partners who have worked with us to support some of our other programs such as the benchmarking survey each year supported by the World Bank, the PRIF-supported asset management program; and SPC for technical support for the PWWM and for championing PWWA within their organisations and amongst their partners.

The Board of Directors

In July 2023, Ian Gooden concluded his tenure as Chairman of the Board and Association. At the PWWC'23 in Palau, we formally acknowledged and thanked Ian for his exceptional and passionate leadership of PWWA and the contributions he made as Chair of our Association. We also expressed gratitude at the conference and acknowledged the contributions of two other departing Directors - Ruth Ueselani and Parkop Kurua who had resigned from their respective offices. Ruth Ueselani was the only woman Director on the Board at the time.

By-elections held in August at the AGM in Palau, brought in Directors Elizabeth Wright-Koteka, Secretary for the Ministry of Infrastructure Cook Islands, Frank Kyota, CEO of Palau Public Utilities Corporation and Richard Ashley, General Manager of Moerk Water Australia to the Board. We warmly welcomed our new Directors and anticipate their valuable contributions to the Board. At the AGM in Palau, I was formally elected as Chairman of PWWA to replace outgoing Chairman, Ian Gooden. I am deeply grateful for this show of confidence from the Board. I am blessed to have diverse, experienced and skilled colleagues working with me on the Board to provide strategic guidance and governance to our Association.

Acknowledgements

I am deeply grateful to my Board colleagues, our CEO Pitolau Lusie Sefo-Leau, the tireless Secretariat team, and all the various individuals, members and partners who have voluntarily made their respective contributions this year to support our organisation. To our cohort of young water professionals past and present, thank you for your tremendous contributions and innovative ideas for PWWA and your respective utilities.

Your collaborative spirit, determined efforts, and innovative ideas continue to inspire and strengthen PWWA's vision for a sustainable water and sanitation for Pasifika.

Fuimaono Dominic Schwalger
CHAIRMAN

Message from PWWA Chief Executive Officer



PWWA Chief Executive Officer

Pitolau Lusia Sefo Leau

Though not without its challenges, the year 2023 was a significant turning point in PWWA's pursuit of its vision for sustainable water and sanitation future for the Pasifika region. It was a year of new beginnings.

The new Board elected in November 2022 started its work immediately following its first meeting in February 2023. New elected Directors Amit Chanan, Marc Mocellin, Paul Cobbin, James Logan, Abraham Aremwa and Parkop Kurua joined re-elected members Ian Gooden, Fuimaono Dominic Schwalger, Erickson Sammy and Ruth Ueselani to make up a diversified, experienced and skilled Board of Directors committed and engaged to drive PWWA to a new level.

The new Strategic Plan 2023-2027 came into effect following workshop consultations at the Board level with the Secretariat in the first quarter of 2023, to finalise and refine a draft Plan developed late 2022. Board Directors were set to go so far as to draw up an implementation plan setting teams of Directors championing the four strategic priority areas of the Plan and lend support to the work of the small Secretariat.

In late 2022, the Board decided to advertise the position of CEO. Following a robust recruitment and selection process, I was re-appointed under a new 3-year contract effective 1 June 2023. I acknowledge the trust and confidence the new Board has placed on my performance, and I will endeavour to work with full commitment to elevating the status of PWWA and soliciting new funds and programs for its members.

Our allied member growth in 2023 dropped from 2022 levels as companies following Covid-19 were hit by mounting global recession. Building back from the impact of Covid-19 and facing recessionary growth meant companies were faced with some hard-core decisions of prioritisation. Nevertheless, overall, members expressed renewed purpose in the "new" PWWA, and this was reflected in allied members advising the Secretariat of reasons for non-renewal and assurance of re-joining when their financial situations improved; and in PUMs interest and engagement in various programs such as the twinning program under both AWA and ADB twinning programs, and the PRIF funded asset management program for selected utilities, and the young professionals program.

Member Engagement

PWWA aspires to support through its strategic priorities the benefits for its members: improved quality and access for safe drinking water and sanitation, a higher level of service by improved delivery of water and sanitation services by its members; greater capacity and capability by a growing pool of local expertise; better connectivity by an inclusive, well connected, and engaged network and diverse representation across the Pacific.



Measures of member engagement through the benchmarking survey as well as engagement surveys following the annual conference show improved access to water and sanitation for most countries with exceptions in countries where the growth of population and movement to informal settlements have surpassed the ability of utilities to provide the service; improvement in delivery of service but tempered by the impact of climate change phenomena such as droughts during the year on resource availability.

The annual benchmarking survey added further value to members' performance with an MOU signed with the new IBNET team. The new IBNET provided further enhanced tools for measuring the performance of utilities and included a suite of indicators on management and human resources capacities in utilities. The annual benchmarking survey results form the basis for awards that are presented at the Annual conference which in themselves incentivize utilities to perform better. As a report also presented to the PWWM, utilities are further encouraged to provide the data and analyse and inform themselves of the results and their value for decision-making, and for seeking capital investments.

The engagement survey post-conference in 2023 showed a highly satisfactory result to members' experience of the overall conference program, the venue and the environment. In summary, the conference to those who attended was a success despite the location, logistics and costs of getting to Palau. Great feedback was received for areas for improvement, especially on the content offered for technical sessions.

Capacity Building Programs

In the past years, PWWA has endeavoured to provide programs that build the capacity of its utility members. It has been able to do so with assistance from various partner organisations. PWWA has gone through several capacity needs assessments and diagnostic surveys to ascertain the learning and development needs of its member utilities. It has also developed and put together various long-term proposals for capacity-building programs at all levels from basic training to operations and maintenance, to asset management to leadership, management and governance levels.

Without the support for coordination and delivery of training, PWWA has been reliant on the support of organisations such as the Australian Water Partnership (AWP) and AWA for example to deliver short-term programs such as the Young Water Professionals program which has successfully built over the years the leadership capacities of young people from utilities, and twinning programs that have been successful in building lasting relationships between utilities in the Pacific and water utilities in Australia, and improved operational level capabilities.



An asset management training program delivered by the Institute of IPWEA NZ focused on asset management and operational maintenance over the course of the year with learning modules management manual of operation to be used by utilities. Training of this nature was found to be very useful for utilities and it is envisaged PRIF which financed the course will extend the training to other member utilities in the coming year.

Our Secretariat Staff

The number of our staff remain the same with the CEO assisted by a staff of three: the Finance and Corporate Administrator, the Development Programs Coordinator, and an Executive Officer Assistant. The Secretariat team were joined by a remoted working Communications Advisor at the end of 2023. We are an Association that relies heavily on member funding and development partner financing for its Secretariat and over the years, PWWA has often been asked to enhance its self-sustainability, as it becomes more and more difficult for partner organisations to provide direct operational support. PWWA has actively researched avenues where it is able to fund its operations with membership fees and supplemented by program coordinator fee as an example. We can only look towards our members to support the events and the Association membership registration fees.

With the anticipated support for Phase 3 funding from AWP, we hope to be able to pay for some of our operational responsibilities supplemented by membership fees and/or through innovative funding agreements.

Acknowledgements

I would like to express my heartfelt gratitude to our members, our small but dedicated staff at the Secretariat, and our partners for their unwavering support and commitment to our mission “to strengthen advocacy, collaboration and capacity building for sustainable and resilient water and sanitation” in our Pacific Region.

Together we have achieved remarkable change in the year, endured a challenging time of uncertainty over its funding resources and continued to be able to manage its operations with good governance and best practises.

Pitolau T. Lusio Sefo-Leau
Chief Executive Officer



PWWA Secretariat



Mrs. Pitolau Lusie Sefo Leau
Chief Executive Officer



Mrs. Misileti Masoe Satuala
Development Programs Coordinator



Mrs. Vaipa Tafeama'alii Lui
Finance & Corporate Administrator



Ms. Malaefono Iteli Manulaiti
Executive Officer Assistant



About Us

The Pacific Water and Wastewater Association is a not-for-profit membership body established in 1994 to support the Pacific region in meeting all water challenges. It has developed to become a regional Association of organizations operating in the water and wastewater sectors whose mission is the delivery of quality water-related services that enhance the well-being of people in the Pacific region.

The membership comprises various Pacific water stakeholders including 30 Pacific Island water and wastewater utilities across 21 countries and territories (known as members); private sector equipment and service supply companies, contractors and consultants (known as allied members); international water authorities and associations (known as affiliated members) and interested individuals.

The Heads/Chief Executive Officers of the 30 utility members comprise the **PWWA Council**.

No.	Name of Utility	Country
1	American Samoa Power Authority	American Samoa
2	Infrastructure Cook Islands	Cook Islands
3	To Tatou Vai Ltd	Cook Islands
4	Commonwealth Utilities Corporation	Commonwealth of the Northern Marianas
5	Yap Central State Public Service Corporation	Federated States of Micronesia
6	Southern Yap Water Authority	Federated States of Micronesia
7	Gagil Tomil Water Authority, Northern Yap	Federated States of Micronesia
8	Chuuk Public Utilities Corporation	Federated States of Micronesia
9	Kosrae Department of Transportation & Infrastructure	Federated States of Micronesia
10	Pohnpei Utilities Corporation	Federated States of Micronesia
11	Water Authority of Fiji	Fiji
12	Polynésienne-des-Eaux	French Polynesia
13	Guam Waterworks Authority	Guam
14	Public Utilities Board	Kiribati
15	Majuro Water & Sewerage Corporation	Marshall Islands
16	Kwajalein Atoll Joint Utility Resources (KAJUR)	Marshall Islands
17	Nauru Utilities Corporation	Nauru
18	Caledonienne des Eaux	New Caledonia
19	Ministry of Infrastructure & Utilities	Niue
20	Palau Public Utilities Corporation	Palau
21	Water PNG	Papua New Guinea
22	Samoa Water Authority	Samoa
23	Samoa Independent Water Schemes Association	Samoa
24	Solomon Islands Water Authority	Solomon Islands
25	Tonga Water Board	Tonga
26	Ministry of Economic Development, Natural Resources & Environment	Tokelau
27	Ministry of Works, Water & Energy	Tuvalu
28	UNELCO	Vanuatu
29	Department of Water Resources	Vanuatu
30	Electricity & Water of Wallis and Futuna	Wallis and Futuna



Affiliated Partners



ASIAN DEVELOPMENT BANK



Pacific
Community
Communauté
du Pacifique



Pacific Region Infrastructure Facility



unicef  for every child



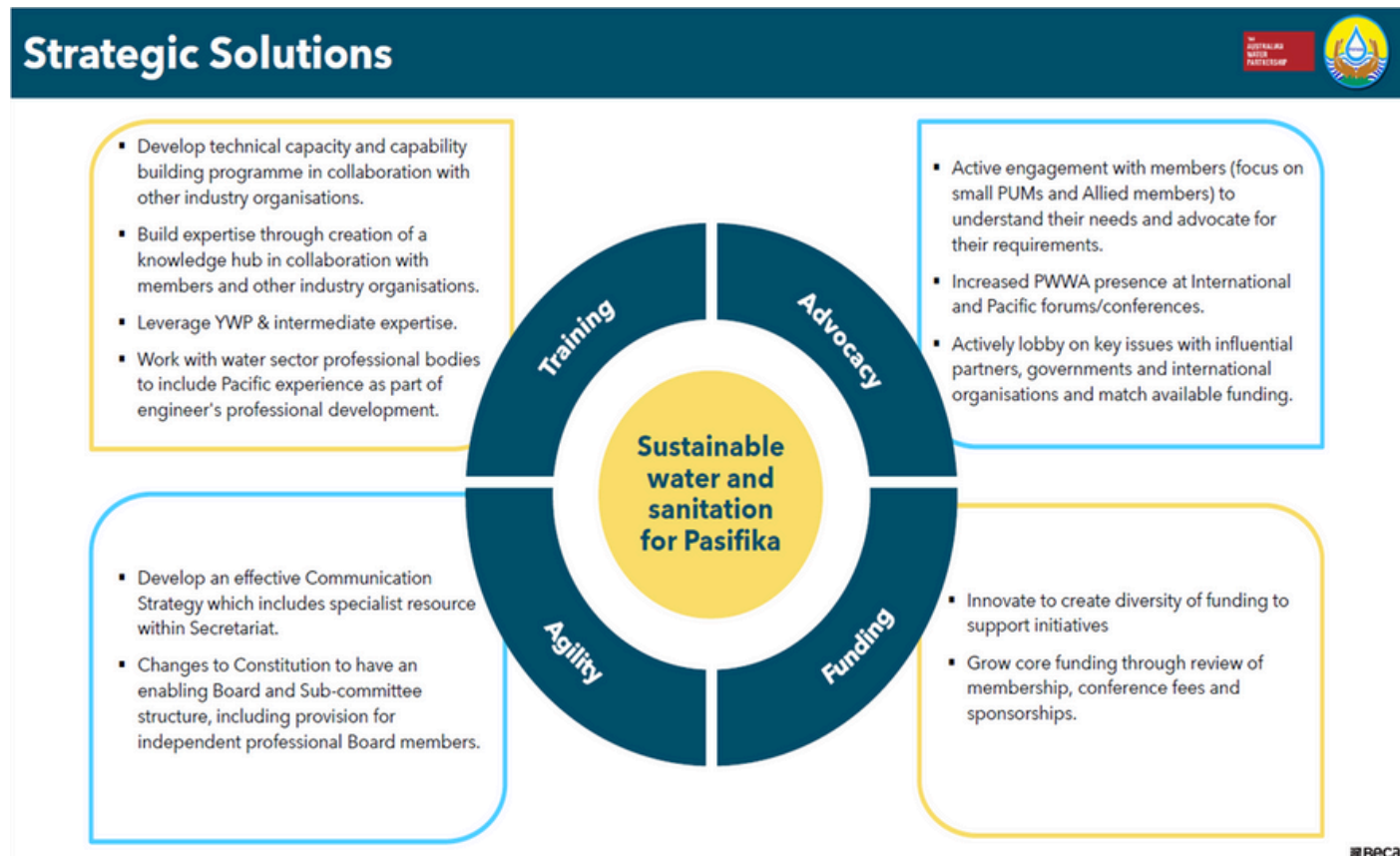
Premium Allied Members 2023



Basic Allied Members 2023

No.	Name of Member	Country
1	Promains	New Zealand
2	CONHUR Limited	New Zealand
3	Urban Water Solutions	Australia
4	Hach Pacific	Australia
5	INNOFLOW Tech NZ	New Zealand
6	Arthur D Riley	New Zealand
7	GHD NZ	New Zealand
8	Cla Val	New Zealand
9	Pioneer Water Tanks Pty Ltd	Australia
10	Moerk Water Solutions	Australia
11	Pensar Project Infrastructure	Australia
12	Open Spatial Pty Limited	Australia
13	SWS Pacific	Fiji
14	Central Pacific Chemicals Limited	New Zealand
15	Pacific Engineering Projects Limited	New Zealand
16	DAB Pumps Oceania Pty Ltd	Australia
17	SPC (Pacific Community)	Fiji
18	University of Technology Sydney	Australia
19	Solo Plastics Ltd	New Zealand
20	Hynds Pipe Systems Ltd	New Zealand
21	Ministry of Health – Samoa	Samoa
22	Osmoflo	Australia
23	CCB Envico Co Pty Ltd	Australia
24	Pacific Technologies NZ Limited	New Zealand
25	Ministry of Natural Resources & Environment	Samoa

PWWA Strategic Plan 2023 - 2027



The Year in Review

Priority 1: Advocacy

- Active engagement with members (focus on small PUMs and Allied members) to understand their needs and advocate for their requirements.
- Increased PWWA presence at International and Pacific forums/conferences.
- Actively lobby on key issues with influential partners, governments and international organisations and match available funding.

Unable to attend the global UN Water Conference in New York in March, PWWA endeavoured to host a side event collaboratively with other organisations to get the water message across to this important UN gathering. PWWA was fortunate to have collaborated with WAF Fiji, the Fiji Ministry of Public Works, Meteorological Services and the University of New South Wales Global Water Institute in Sydney to host this virtual side event. The side event focused on getting the Communique from the Pacific Water and Wastewater Ministers (PWWM) Meeting in Fiji 2022 to the UN. The key message in the Communique is in respect of water security and achieving SDG6 in the Pacific region considering imminent climate change challenges and higher vulnerabilities and risks of Pacific countries and territories to the effects of climate change. Delivering a keynote address at the side event was the Hon Ro Filipe Tuisawau, Minister of Public Works, and Meteorological Services. Other speakers included Mr Taitusi Vakadravuyaca Permanent Secretary for the Ministry of Public Works and Meteorological Services; and delivering the Communique were Ian Gooden Chairman of PWWA and the CEO of PWWA.



Hon. Ro Filipe Tuisawau

Leaders who had been present at the 2022 Annual PWWM who attended the main UN Water Conference event also advocated for the Pacific water and sanitation Ministers meeting and endeavoured to bring attention of the world to the Pacific. The new IBNET also held a side event to the UN Water Conference and PWWA was represented virtually on the Panel by the CEO.

Following a successful conference in 2022, the engagement of members increased, and new relationships were forged with other international organisations, and partnerships made with other sister Associations in Asia through the Australian Water Association.

PWWA's presence in international forums such as the Australian Water Partnership annual partners meeting, the Ozwater 2023, the NZ Water conference and other events increased and added to strong advocacy of PWWA by being on panel discussions and speaking sessions at these forums.

- **Membership**

The organisation's Pacific Utilities members remained at 30 utilities from across 21 countries and territories. At end of 2023, total Allied membership was 39 of whom, 15 were premium members. Whilst premium Allied members increased by 3 members over 2022, the total number had dropped by 25% from 52 in 2022, and by 31% from the total in 2019 before Covid-19. While small



in number, PWWA however has had some steady premium members who have stayed as premium members over the years – the number of premium members has fluctuated between 12 and 15 over the past 5 years.

Individual members numbered 14 individuals, compared to 18 in 2022, which also had the highest number of individuals over the past 5 years. The number of individual members fluctuates over the years without there being a particular pattern to it.

Participation of Allied members at the conference in 2023 was very low. The distance and cost of travel were a challenge to most. However, we were still able to have about 30 Allied members and 3 individuals attending. Booths sold at the Palau conference were few.

The total registered participants for the 2023 Annual Conference numbered 201 of whom 7 were attending Ministers, 141 from 23 Pacific Utility members (PUMs), 3 individuals, 9 affiliated members and 6 non-members. Our partner affiliated members comprised ADB, WP, DFAT, AWA, SPC and PRIF.

- **The Young Water Professional Program**

The Young Water Professionals Program is a flagship program for PWWA supported by the Australian Water Partnership (AWP). The YWPs program started in 2017 and attracts, engages and empowers young water professionals and young leaders from the 30 utilities of PWWA.

Participants who attended the young professionals program in 2023 included 17 men and 8 women from 20 PUMs plus a young professional from an allied member company who paid her way to attend. The 2023 program was a hybrid program starting with 8 weeks of online sessions and culminating at the annual conference in Palau with mentoring, group presentations, and GEDSI sessions. As part of their program, the YWPs have the opportunity to make a presentation to the Ministerial Forum. The cohort of YWPs was a very active and participative group that built their network on social media to connect outside of the formal program.



• The PWWA 2023 Awards

The PWWA Water Awards were presented at the annual conference in Palau and a total of 24 awards were presented. The PWWA water awards are made based on the results of the performance of utilities against several benchmarking indicators analysed by the IBNET team at the World Bank. The following table indicates the awards presented under the three different categories of utilities (grouped according to GNI per capita).

Performance Awards			
Award	Group 1	Group 2	Group 3
1. Best Coverage	Caledonienne des Eaux, New Caledonia	Palau Public Utilities Corporation	Independent Water Schemes, Samoa
2. Cost Recovery	Caledonienne des Eaux, New Caledonia	UNELCO, Vanuatu	To Tatou Vai Ltd, Cook Islands
3. Best Customer Service	Guam Waterworks Authority	Chuuk Public Utilities Corporation, FSM	Public Utilities Board Kiribati
4. Best Technical Performance	Caledonienne des Eaux, New Caledonia	Palau Public Utilities Corporation, Palau	Independent Water Schemes Association, Samoa
5. Most Improved Utility	American Samoa Power Authority	Palau Public Utilities Corporation, Palau	To Tatou Vai Ltd, Cook Islands
6. Best Utility in 2023	Caledonienne des Eaux, New Caledonia	Palau Public Utilities Corporation, Palau	To Tatou Vai Ltd, Cook Islands
7. 2023 Exemplary Engagement Award: Awarded to Caledonienne des Eaux, New Caledonia. This is awarded to the most engaged, most consistent, and most responsive utility in submitting, timely reports for the benchmarking survey, and for all other surveys conducted by PWWA such as gender questionnaire, management practices, response to Covid-survey.			

Special Awards	
1. Gender Balance	Chuuk Public Utilities Corporation, FSM
2. Women Engineers	Polynésienne des Eaux, French Polynesia
3. Equity in Pay	Tonga Water Board, Tonga

Exhibition Display Awards

- The Best Exhibition Booth Award (by popular vote) was Tubemakers from Fiji.
- The runner-up award was granted to PPUC/JICA joint display.



Outstanding Recognition Awards

The PWWA recognized the outstanding performance and contribution made by Mr Ian Gooden, former Chairman of PWWA and former CEO of Solomon Island Water Authority and awarded him the PWWA Water Professional of the Year Award.



The PWWA Young Water Professional award for 2023 was granted to Mr David Bai of the Palau Public Utilities Corporation.



Priority 2: Training

- Develop technical capacity and capability-building programmes in collaboration with other industry organisations.
- Build expertise through the creation of a knowledge hub in collaboration with members and other industry organisations.
- Leverage YWP & intermediate expertise.
- Work with water sector professional bodies to include Pacific experience as part of engineer's professional development.

During the 2nd half of the year, PWWA partnered with PRIF to strengthen institutional capacity in the Pacific water sector for asset maintenance management, planning and execution through a project with five participating utilities, and involved delivery of basic modules for asset management by Apopo (formerly IPWEA) New Zealand. The project outputs included the preparation of asset management maturity assessment by participating utilities, developing tactical asset management improvement plans, strengthened asset registers and overall strengthened workforce capabilities with training and mentoring support by the project team.

Attendees who completed the training received digital badge credentials. Information was shared across all the utilities and an asset management manual was developed and made available to all utility members.

Feedback from participants was very positive on the practical usefulness of the project and the learning retained by operations and management. Participants also requested follow-up and advanced training as an important opportunity.

Workshops for all utilities on the new IBNET were also held for utilities' understanding of the new IBNET toolkits that included management practices data input and analysis. The project aimed at strengthening data analytics for decision-making and building capacities of utilities to input their data onto the wider IBNET.



Priority 3: Agility

- Develop an effective Communication Strategy that includes specialist resources within the Secretariat.
- Changes to the Constitution to have an enabling Board and Sub-committee structure, including provision for independent professional Board members.

The Board during the year reviewed the constitutional amendments initially discussed at the drafting of the Strategic Plan and decided that for the time being, this was no longer a priority as had been foreseen. The changes to the Board structure and governance framework of the Association were consequentially set aside for this Plan period.

Communications and the need for the skills and expertise within the Association was recognised early on and given the resources available to it, PWWA sought voluntary assistance from the Volunteer Services Abroad NZ (VSA NZ) for a communications person for 2 years. The request to VSA NZ was successful and a volunteer Communications Advisor was made available in December 2023. The development of a communications strategy and advocacy plan was delayed until this person was on board.



Priority 4: Funding

- Innovate to create a diversity of funding to support initiatives.
- Grow core funding through a review of membership, conference fees and sponsorships.

With the completion of the AWP Phase 2 assistance to PWWA, the Board worked hard to support any initiatives that would provide stop-gap funding for the Association. In particular, the program for young water professionals was a concern as this was a flagship program that relied on funding under the AWP program. However, the AWP stepped in with additional funding of AUD\$400,000 to fund this core program. Furthermore, AWP also provided additional funding for the operations of the Secretariat.

The Board during the year reviewed membership fees, conference fees and conference sponsorships with the view to grow core funding for the Association whilst making sure the membership gets value for their money invested in PWWA.

A proposal for AWP Phase 3 and DFAT direct funding was developed and submitted to both organisations but it remains to be seen whether funding will be made available.

In the meantime, the Association continued with other ongoing programs with in-kind support provided by its partners such as the Benchmarking Survey supported by the World Bank IBNET; the PRIF-assisted asset management program; the AWA-assisted program for climate change response for selected utilities with twinning between Australian utilities and selected PWWA utilities. PWWA received funding for the coordination work done by the Secretariat for this program.

Last but not least, PWWA received financial support for the conference from the Asian Development Bank; without this assistance, it would not have been viable for the conference to be held.





Financial Performance

The financial year ended 31 December 2023 has been a challenging year for the Association and it resulted in a loss of \$45,231. While the Association has historically demonstrated financial resilience, it is essential to address the factors contributing to the operational challenges.

Our membership income decreased by 15% when compared to the previous year. Our conference income also dropped significantly by 31% when compared to the previous year. The bulk of this drop is attributed to the very low number of our allied members attending to exhibit at the Conference in Palau. Even though Palau hosted a superb Conference in 2023, the distance limited direct travel routes and subsequent high transport and travel costs were a major factor challenging factor for Allied members.

In addition, contributing to the year-end results was the increase in expenditures due to higher costs of airfares and others for the conference.

Despite the unfavourable result we faced in 2023, the Association managed to stay afloat with its excellent cash position at year-end.

A summary of the financial performance of the Association for the year ended 31 December 2023 includes:

- Operating loss of \$45,231
- Total revenue of \$516,976 from \$519,754 in 2022
- Total expenses of \$562,207 compared to \$469,265 in 2022

Our 5-year financial performance summary is detailed below:

USD	2023	2022	2021	2020	2019
Revenue	\$516,976	\$519,754	\$186,072	\$246,164	\$449,446
Operating expenses	\$562,207	\$469,265	\$244,146	\$242,071	\$442,970
Operating surplus / (deficit)	(\$45,231)	\$50,489	(\$58,073)	\$8,733	\$(10,838)



Our balance sheet continues to showcase a strong position with our net worth of \$241,888 from total assets of \$334,655 less our total liabilities of \$92,767. The total equity for the Association decreased by 16% when compared to the prior year. However, the accumulation of funds over the past five years enabled the Association to manage its operational costs as well as maintain decent cash at the bank.

Revenue Summary

Total revenue for the year ended 31 December 2023 was \$516,976 which is comprised of membership fees 18%, Conference income 11%, ADB funding for the conference 56%, AWP funding 6%, Government of Samoa 7% and other revenue 2%.

Operating Expenditure Summary

The operating expenses for the year ended 31 December 2023 was \$562,207 an increase of 20% when compared to the previous year. This is due to the costs of the Conference preparation which at 51% were quite high. Personnel costs make up 34% of total expenses while administrative expenses make up 15%.

Key Performance Measures

Our financial performance and financial sustainability are presented through the following industry-accepted ratios.

Key performance measures	Type	2023	2022
Return on assets	Profitability	13%	15%
Fixed asset to net worth ratio	Financial solvency	0.02	0.00
Current ratio	Liquidity	3.43	8.16

1. Return on assets is an indicator of how profitable our Association is relative to our total assets.

2. The fixed assets to net worth ratio is an indicator of the extent to which our Association's cash is frozen in the form of fixed assets. Current ratio indicates the extent to which current liabilities can be paid off through current assets.



Financial Statements

Financial Statements

Pacific Water and Wastewater Association Inc.
For the year ended 31 December 2023



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
CORPORATE DIRECTORY
FOR THE YEAR ENDED 31 DECEMBER 2023**

NATURE OF BUSINESS

The Pacific Water and Wastewater Association Incorporated (PWWA) is a regional association of organisations operating in the water and wastewater sectors whose mission is the delivery of quality water related services that enhances the wellbeing of people throughout the region. PWWA is incorporated in Samoa as a not for profit organisation under the Incorporated Society's Ordinance 1952.

Address and registered office

FMFM II Building,
Level 4, Room 3
Apia
Samoa

Board of Directors

Fuimaono Dominic Schwalger (Chairperson)
Elizabeth Wright Koteka (Deputy Chairperson)
Marc Mocellin (Treasurer)
Paul Cobbin (Secretary)
Erikson Sammy (Director)
Dr Amit Chanan (Director)
Abraham Aremwa (Director)
James Logan (Director)
Frank Kyota (Director)
Richard Ashley (Director)

Management

Pitolau Lusie Sefo Leau
(*Chief Executive Officer*)
Vaipa Tafeamaalii-Lui
(*Finance & Corporate Administrator*)

Auditor

BDO
Chartered Accountants

Banker

ANZ Bank (Samoa) Limited



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
MANAGEMENT RESPONSIBILITY STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Association's financial statements are the responsibility of management. The financial statements have been prepared according to International Financial Reporting Standards and include amounts based on management's best estimates and judgments.

Management has established and maintains accounting and internal control systems that include written policies and procedures. These systems are designed to provide reasonable assurance that our financial records are reliable and form a proper basis for the timely and accurate preparation of financial statements, and that our assets are properly safeguarded.

The Board of Directors oversee management's responsibilities for financial reporting. The financial statements have been reviewed and approved by the Board of Directors on recommendation from management.

Our independent auditors, BDO, have audited our financial statements.

Pitolau Lusia Sefo Leau
Chief Executive Officer

Valpa Tafeamaalii-Lui
Finance and Corporate Administrator

Dated: 6/03/2024

Dated: 6/03/2024



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
DIRECTORS REPORT AND CERTIFICATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Directors present their report together with the financial statements of the Pacific Water and Wastewater Association Inc. (PWWA) for the year ended 31 December 2023 and the Auditors report thereon in accordance with a resolution of the board of directors and signed on behalf of the board.

Directors

The following persons were directors of the Association during the financial year and up to date of this report:

Fuimaono Dominic Schwalger (Chairperson)
Elizabeth Wright Koteka (Deputy Chairperson)
Marc Mocellin (Treasurer)
Paul Cobbin (Secretary)
Erikson Sammy (Director)
Dr Amit Chanan (Director)
Abraham Aremwa (Director)
James Logan (Director)
Frank Kyota (Director)
Richard Ashley (Director)

Significant events during the year

The Annual Pacific Water & Wastewater Conference remains the significant event for PWWA. The 14th Pacific Water & Wastewater Conference and the 7th Ministerial Forum was hosted in Palau for the year 2023.

During the Conference, we were able to convene our 7th Ministerial Forum along with our usual program for the Young Water Professionals. We were also able to run the Exhibition despite the little turn up from our Allied Members. This is due to the high costs of shipment of materials and equipments to the expo. The Asian Development Bank remained our biggest donor that funded the airfares, accommodations and per diems for the Ministers, CEOs, Secretariat staff and other miscellaneous expenses.

The Pacific Water Conference 2023 was a success and our members, donors and suppliers were able to network and enjoy some face to face interactions during the Conference. Despite the distance and costs to members given how far Palau is, the Conference had a good turnout and the Secretariat was able to generate income from this event.

Being able to host the Annual Conference continues to be a very important event for the Association due to the income that is able to generate to assist with our operation.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
DIRECTORS REPORT AND CERTIFICATION
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

Going concern

The financial statements of the Association have been prepared on a going concern basis. We consider the application of the going concern principle to be appropriate in the preparation of these financial statements as we believe that the Association has adequate funds to meet its liabilities when they fall due over the next 12 months from the date of the Directors report.

Events subsequent to balance date

No matters or circumstances have arisen since the end of the financial year which would require adjustment to or disclosure in the financial statements.

Other circumstances

As at the date of this report:

- no charge on the assets of the Association has been given since the end of the financial year to secure the liabilities of any other person;
- no contingent liabilities have arisen since the end of the financial year for which the Association could become liable;
- no contingent liabilities or other liabilities of the Association have become or are likely to become enforceable within period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Association to meet its obligations as and when they fall due.

As at the date of this report, the directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Association or the Association's financial statements, which would make adherence to the existing method of assets or liabilities of the Association misleading or inappropriate.

Unusual transactions

The result of the Association's operations during the financial year and up to the date of this report, has not in the opinion of the directors, been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
DIRECTORS REPORT AND CERTIFICATION
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

Directors certification

We certify that the attached financial statements for the Pacific Water and Wastewater Association Inc. (PWWA) comprising of the Statement of Income and Expenditure, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes forming part of the financial statements for the year ended 31 December 2023:

- a) give a true and fair view of the matters to which they relate; and
- b) have been prepared in accordance with International Financial Reporting Standards; and
- c) comply with the requirements of the Incorporated Societies Ordinance 1952.

We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 06/03/24 on behalf of the directors of the Pacific Water and Wastewater Association Inc. (PWWA).

Signed by:

Signed by:

Signed on:

06/03/24

Signed on:

06 March 2024

At:

Sydney Australia.

At:

Sydney Australia.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$ USD	2022 \$ USD
Income			
Grants	7	357,256	319,079
Membership fees	8	92,650	108,666
Conference income	6	58,450	85,213
Other revenue		8,620	6,796
Total Income		516,976	519,754
Expenses			
Administrative expenses	9	315,331	254,474
Depreciation	11	3,245	1,330
Doubtful debts		16,517	9,690
Personnel costs	10	193,251	175,282
Amortisation on ROU	15	15,619	15,817
Total Expenses		543,963	456,593
Operating (deficit)/surplus		(26,987)	63,161
Other income and expenses			
Foreign currency (losses)/gain		(15,350)	(11,302)
Interest on lease	15	(2,894)	(1,370)
Net surplus/(deficit) for the year		(45,231)	50,489

The accompanying notes form part of these financial statement.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	2023 \$ USD	2022 \$ USD
ASSETS			
Non-current assets			
Property, plant and equipment	11	9,590	1,864
Right-of-use asset	15	54,152	7,909
Total non-current assets		63,742	9,773
Current assets			
Cash at bank	12	244,826	276,902
Accounts receivable	13	26,086	40,895
Total current assets		270,912	317,797
Total assets		334,655	327,571
LIABILITIES			
Non-current liabilities			
Lease liability	15	35,271	1,515
Total non-current liabilities		35,271	1,515
Current liabilities			
Other payables & accruals		6,022	13,210
Membership fees received in advance		38,057	16,780
Lease liability	15	13,417	8,947
Total current liabilities		57,496	38,937
Total liabilities		92,767	40,452
Net assets		241,888	287,119
EQUITY			
Accumulated funds		241,888	287,119
Total equity		241,888	287,119

The accompanying notes form part of these financial statements



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
	USD	USD
Accumulated funds		
Opening balance add:	287,119	236,631
Net (deficit)/surplus for the year	(45,231)	50,489
Closing balance	241,888	287,119
Total equity	241,888	287,119

The accompanying notes form part of these financial statements



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$ USD	2022 \$ USD
Cash flows from operating activities			
Cash receipts from membership		92,650	108,666
Cash receipts from donors		357,256	319,079
Other receipts		67,070	92,009
Cash paid for expenses		(538,045)	(469,754)
Total cash flows from operating activities		(21,069)	50,000
Cash flows from investing activities			
Purchases of Property and Equipment	11	(11,007)	(1,319)
Total cash flows from investing activities		(11,007)	(1,319)
Net cash flows		(32,076)	48,681
Cash and cash equivalents at beginning of year		276,902	228,221
Cash at bank at end of year	12	244,826	276,902
Represented by:			
ANZ Bank Samoa – Tala account		219,669	274,388
ANZ Bank Samoa – AUD account		25,157	2,514
Total		244,826	276,902

The accompanying notes form part of these financial statements



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. General

At the 10th Pacific Conference, the signing of the Host Agreement between the Government of Samoa and PWWA promulgates international status to PWWA under Samoa laws, and established Samoa as the headquarters of PWWA in 2017. The Host Agreement was signed on 8 August 2017. PWWA is incorporated as not-for-profit organisation under the Incorporated Societies Ordinance 1952.

2. Adoption of new and revised Accounting Standard

a) New standards, interpretations and amendments adopted from 1 January 2023:

The following new standards and amendments are effective for the period beginning 1 January 2023.

- IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Tax)

The Association carried out an assessment of the new standards, interpretations and amendments and concluded that the adoption of the above new standards, interpretations and amendments has had no effect on the financial statements.

b) New standards, interpretations and amendments effective from 1 January 2024:

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Association has decided not to adopt early as some of them may not be applicable. The Association is still reviewing the effect of these new standards for applicability and impact on its financial statements for the next financial year.

The following amendments are effective for the period beginning 1 January 2024:

- Lease Liability in a Sale and Leaseback (Amendment to IFRS 16)
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants)
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendment – Supplier Finance Arrangements).



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Adoption of new and revised Accounting Standard (continued)

c) New standards, interpretations and amendments effective from 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21)

The Association is currently assessing the impact of these new accounting standards and amendments. The Association will assess the impact of the final amendments to IAS 1 on classification of its liabilities once the those are issued by the IASB. The Association does not believe that the amendments to IAS 1, in their present form, will have a significant impact on the classification of its liabilities.

Other

The Association does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Association.

3. Statement of significant accounting policies

a. Basis of preparation

The financial statements of the Pacific Water and Wastewater Association Inc. (PWWA) ("Association") have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Association takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

b. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Association operates (the "functional currency") which is the United States Dollar (USD).



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Statement of significant accounting policies (continued)

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transactions at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss. Monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transactions.

Foreign exchange gains and losses that related to borrowings and cash equivalents are presented in profit or loss together with all other foreign exchange gains and losses and are presented in profit or loss at a net amount.

c. Grants

Government and Donor grants are not recognised until there is reasonable assurance that the Association will comply with the conditions attaching to them and that the grants will be received.

The fair value of government and donor grants is recognised in profit or loss on a systematic basis over the periods in which the Association recognises as expenses the related costs for which the grants are intended to compensate.

Government or Donor grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Association with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government and Donor grants relating to the acquisition of property, plant and equipment are treated as deferred income and released to profit or loss over the expected useful lives of the assets concerned.

d. Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and measurement of financial assets

Classification and initial measurement

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Statement of significant accounting policies (continued)

Financial assets of the Association are classified into the amortised cost category only and consist of cash, bank term deposits and trade receivables. The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

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.

Subsequent measurement of financial assets at amortised cost

Assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in 'interest income' using the effective interest rate method.

Impairment of financial assets

For trade receivables, the Association applies the simplified approach due to the short-term nature of the financial assets, which requires expected lifetime losses to be recognized from the initial recognition of the receivables.

Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Association or the counterparty.

Classification and measurement of financial liabilities

The Association's financial liabilities include trade and other payables and are classified into the amortised cost category.

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

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

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.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Statement of significant accounting policies (continued)

e. Employee entitlements obligations

Salaries and wages, annual leave and sick leave

Liabilities for employees' entitlements to salaries and wages, annual leave, sick leave and other current employee entitlements (that are expected to be paid within twelve months) are accrued at undiscounted amounts and calculated at amounts expected to be paid as at reporting date. Liabilities for other employee entitlements, which are not expected to be paid or settled within twelve months of reporting date, are accrued in respect of all employees at the present value of future amounts expected to be paid.

Superannuation contributions

The Association contributes towards the Samoa National Provident Fund, a defined contribution plan in accordance with local legislation and to which it has no commitment beyond the payment of contribution. Obligations for contributions to the defined contribution plan are recognised immediately in the income statement.

f. Income Tax

For the purposes of Section 17 of the Income Tax Act 2012, the Association is deemed an institution established exclusively for charitable purposes.

g. Leases

The Association as a lessee

For any new contracts entered into on or after 1 January 2019, the Association considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Association assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association
- the Association has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

Measurement and recognition of leases as a lessee

At lease commencement date, the Association recognises a right-of-use asset and a lease liability 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 by the Association, 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 Association depreciates the right-of-use assets 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. The Association also assesses the right-of-use asset for impairment when such indicators exist.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Statement of significant accounting policies (continued)

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

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 Association has elected to account for short-term leases and 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.

The Association as a lessor

The Association does not lease any property as a lessor.

h. Value Added Goods and Services Tax (VAGST)

The Association does not lodge VAGST returns. Hence, all amounts in the income statement are shown inclusive of VAGST, as well as accounts receivables and payables are shown inclusive of VAGST, as well as accounts receivables and payables which are also stated inclusive of VAGST (where applicable).

i. Cash balances

Cash balances include cash on hand, term deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are disclosed as a current liability in the statement of financial position.

j. Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Depreciation on assets under construction or capital works in progress does not commence until they are complete and available for use. Capital works in progress are stated at historical costs and is not depreciated.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. Statement of significant accounting policies (continued)

Depreciation is provided on the following items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates and methods:

Office equipment	33.33% Straight line
Computer equipment	33.33% Straight line
Office furniture	33.33% Straight line

An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

k. Going Concern

The going concern of the Association is assured by the Directors based on the grounds that the Association will be able to pay its debts as and when they fall due. However, this is dependent upon the continued availability of grants from the Government of Samoa and Donors.

l. Comparative figures

Where necessary, comparative figures have been adjusted to conform with presentations adopted in the current year.

4. Financial risk management

Financial risk factors

The Association's activities expose it to financial risks such as market risks related to cash flow interest risk, credit risk and liquidity risk. Risk management is carried out by management and the board of directors. They evaluate and monitor financial risks in all areas of the business.

Cash flow interest risk

Cash flows interest rate risk is the potential for a change in interest rates to change net interest costs and earnings in the current reporting period and in future years. The risk is managed closely by the management and the directors within approved policy parameters.

The Association has interest-bearing asset in the form of term deposits. This is at fixed interest rate and hence, there are no interest rate risks during the period of investment.

For re-investment of term deposits, the Association negotiates an appropriate interest rate with the banks and invests with the bank which offers the highest interest return. Given the fixed nature of interest rates, the Association has a high level of certainty over the impact on cash flows arising from interest income derived from these term deposits.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Financial risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Association if a customer or counter-party to a financial instrument fails to meet its contractual obligations and arises principally from the Association's receivables from customers. The Association's exposure to credit risk is influenced mainly by individual characteristics of each customer.

The Association is not exposed to any significant credit risks except as disclosed in the note to accounts receivables which are primarily comprised of short term receivables. Lifetime credit losses are assessed at initial recognition and updated when conditions indicate an increase in credit risk.

Foreign currency risk

The Association operates internationally and is exposed to the foreign exchange risk arising from various exposures, primarily with respect to Australian dollar and Samoan Tala. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are dominated in foreign currency.

Foreign Currency sensitivity

The sensitivity analysis below discloses the impact on profit and equity from the changes in the exchange rates of the Australian dollar and Samoan Tala to the United States Dollar (USD) which the Association has exposure to.

As at 31 December 2023, the AUD and the WST has strengthened by 10% against the USD with all other variables held constant, deficit for the year would have been USD29,629 without the foreign exchange loss on translation.

Liquidity risk

Liquidity risk is the risk that the Association will not be able to meet its financial obligations as they fall due. The Association's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Association's reputation. The Association carries out cash flow projections taking into account cash inflows and outflows annually which assist it in monitoring cash flow requirements and optimizing its cash returns on investments. Typically, the Association ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. Cash position is monitored on a daily basis.

Other risks

Operational risk

Operational risk is the risk of loss arising from systems failure, human error and fraud. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The Association cannot eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the Association is able to manage risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Critical accounting estimates and judgement

In application of the Association's accounting policies, which are described in Note 3, the directors and management 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.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Management has included in the lease liability the option to renew for a further 5 years from the date of expiry which was 1st July, 2028. The lease liability is calculated based on the existing annual lease amount of \$15,619 USD. The lease agreement specifies that the rent for the next 5 years shall be agreed upon but not less than the existing annual lease amount. The lease liability will be subsequently modified for any significant changes to the future lease amounts.

6. Conference income

	2023	2022
	\$	\$
	USD	USD
Conference fee	38,450	41,513
Expo booth fee	4,000	13,700
Sponsorship	16,000	30,000
Total Conference Fees	58,450	85,213

7. Grants

Asia Development Bank	(i)	288,127	230,073
Australian Water Partnership	(ii)	32,473	52,179
Government of Samoa	(ii)	36,656	36,827
Total Grants		357,256	319,079

i) Asia Development Bank Funding

The term of the funding agreement between Asia Development Bank and PWWA states that any unused funds at the end of the event are to be returned. The funding term is only for one year which was signed on 13 June 2023. The total funding is USD288,127.

(ii) Australian Water Partnership

The funding agreement between Australian Water Partnership and PWWA has now completed the Phase 2 of the Funding Assistance to PWWA. The AUD50,000 as disclosed for the year 2023 is part of the remaining funds from other activities under Phase 2 that remained unused. Therefore the AUD50,000 was given to the Secretariat as part of its support for the year 2023.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
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7. Grants (continued)

(iii) Government of Samoa

Upon signing of the Host Agreement during the Conference in August 2017, the Government of Samoa granted SAT100,000 to the Association. This financial support is to assist with establishment costs and rental space currently occupied by PWWA Office at the FMFM II Building. Funding is disbursed directly from MNRE and is accounted for in the accounts when received.

The same grant has been approved for the Association for the financial year July 2022- June 2023 under a new Funding Agreement with MNRE which allocate funds directly to PWWA to utilise fully in accordance to the contract. Utilisation reports are to be submitted at the end of each milestones.

8. Membership fees

Allied membership fee	57,040	72,410
Individual membership fee	1,297	1,793
Pacific utility membership fee	34,313	34,463
Total Membership fees	92,650	108,666

9. Administrative expenses

	2023	2022
	\$	\$
	USD	USD
Accounting software maintenance	771	661
Audit fee	2,799	3,000
Bank charges	164	186
Board - (Governance workshop/Strategic Plan)	4,706	4,884
General expenses	2,165	2,231
Pacific Water Conference costs	285,084	234,446
Printing and stationeries	2,446	2,564
Telephone and internet	3,053	3,281
Travel – international	14,143	3,221
Total Administrative expenses	315,331	254,474

10. Personnel costs

ACC levy	3,408	3,139
NPF contribution	40,246	37,485
PAYE	39,351	35,364
Salaries and wages	110,246	99,294
Total Personnel costs	193,251	175,282



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11. Property, plant and equipment

	Computer equipment \$	Office equipment \$	Office furniture \$	Total \$
Cost				
Balance as at 31/12/22	16,577	7,219	6,768	30,564
Additions	11,007	-	-	11,007
Disposal	(11,787)	(2,691)	(570.34)	(15,048)
Balance as at 31/12/23	15,797	4,528	6,198	26,523
Accumulated Depreciation				
Balance as at 31/12/22	15,077	7,087	6,535	28,699
Depreciation	3,059	111	112	3,282
Disposal	(11,787)	(2,691)	(570)	(15,048)
Balance as at 31/12/23	6,349	4,507	6,077	16,933
Written down value:				
As at 31/12/22	1,500	132	232	1,864
As at 31/12/23	9,448	21	121	9,590

12. Cash at Bank

ANZ Bank Samoa – Tala account	219,669	274,388
ANZ Bank Samoa – AUD account	25,157	2,514
Total cash at bank	244,826	276,902

The Tala bank account had a balance of SAT \$573,689.09t at 31 December 2023 which was converted at an exchange rate of 2.6576 while the AUD Dollars bank account had a balance of AUD\$36,925.50 at 31 December 2023 which was converted at an exchange rate of 1.46780 AUD as at 31 December 2023.

13. Accounts Receivable

	2023 \$ USD	2022 \$ USD
Accounts receivables	63,426	62,865
Provision for doubtful debts	(37,070)	(21,970)
Total accounts receivables	26,356	40,895
Movement		
Opening balance	21,970	49,784
Provision for the year	16,517	9,690
Add/(less): Adjusted provision	(1,417)	(37,504)
Closing balance	37,070	21,970

The provision is on the basis of expected credit losses.



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
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FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Related parties

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Association during the financial period were:

Fuimaono Dominic Schwalger (Chairperson)
Elizabeth Wright Koteka (Deputy Chairperson)
Marc Mocellin (Treasurer)
Paul Cobbin (Secretary)
Erikson Sammy (Director)
Dr Amit Chanan (Director)
Abraham Aremwa (Director)
James Logan (Director)
Frank Kyota (Director)
Richard Ashley (Director)

15. Lease

The Association has a lease for its office and parking space for a term of 5 years. The lease agreement contains an extension option for another 5 years. The Association has not included the extension option as part of the initial recognition of the lease liability. The lease has been renewed on 1 July 2023 for another 5 years.

Right-of-use asset

The movement in the right-of-use asset as presented in the statement of financial position is as follows:

	Building	
	2023	2022
At 1 January	69,771	71,177
Right-of-use asset	(15,619)	(63,268)
Less accumulated amortisation	<u>54,152</u>	<u>7,909</u>
At 31 December		

Lease Liabilities

Lease Liabilities are presented in the statement of financial position as follows:

Current	13,417	8,947
Non-Current	35,271	1,515
Total lease liabilities	<u>48,688</u>	<u>10,462</u>

The movement in lease liability for the year is as follows:

At 1 January		
Interest expense	2,894	1,370
Lease payment	15,619	15,817
At 31 December	<u>18,513</u>	<u>24,753</u>



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.
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15. Lease (continued)

At 31 December

	Current	Between 1 and 2 years	Between 2 and 5 years
Lease Liability	13,417	20,536	61,663

16. Provisions and contingencies

The Directors are not aware of any contingent liabilities as at 31 December 2023.

17. Approval of financial statements

These financial statements were approved by the board of directors and authorized for issue on the date the accounts were signed.



Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Pacific Water and Wastewater Association Inc. Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pacific Water and Wastewater Association Inc. (the Association), which comprise:

- the statement of financial position as at December 31 2023;
- the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year ended 31 December 2023; and
- notes to the financial statements, including a material accounting policy information.

In our opinion the accompanying financial statements present fairly, in all material respects, *(or give a true and fair view of)* the financial position of Pacific Water and Wastewater Association Inc. as at December 31, 2023, and *(of)* its financial performance and its cash flows for the year ended 31 December 2023 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards)

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of Pacific Water and Wastewater Association Inc. in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Samoa, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the director's report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, 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 Management and Those Charged with Governance for the Financial Statements

The board and the management are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable,

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matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

BDO

BDO

Chartered Accountants

Hanalei Betham
Partner

Apia,
SAMOA

Date: 6th March 2024



Our Mission: To strengthen advocacy, collaboration and capacity building for sustainable and resilient water and sanitation.

PACIFIC WATER AND WASTEWATER ASSOCIATION

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Pacific Water and Wastewater Association



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