



BUSH HERITAGE
AUSTRALIA

Bush Heritage Australia

ABN 78 053 639 115

Consolidated Financial Statements

Year ended 31 March 2021

Bush Heritage Australia
Consolidated Financial Statements
for the year ended 31 March 2021

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Directors' Report

Bush Heritage is a not-for-profit public company limited by guarantee incorporated under the *Corporations Act 2001* and a registered charity with the Australian Charities and Not-for-Profit Commission (ACNC) under the *Australian Charities and Not-for-Profits Commission Act 2012*.

Bush Heritage's board is responsible for the governance of the company and for ensuring that business activities are directed towards achieving the company's purpose and vision.

Your directors present their report for the 12 months ended 31 March 2021.

Short and long-term strategy and objectives

Bush Heritage's vision is for *healthy Country, protected forever* and its purpose is *to return the bush to good health*.

The 2020-21 financial year was the fourth year under the five-year 2017-22 strategic plan, which is guiding our investment and reporting over this period. Arranged under four themes, the objectives of *Our Plan 2017-22* are:

1. Landscape-scale conservation management
 - Threats to species, culturally significant species, habitats and cultural values are managed, reduced or eliminated.
 - Impact is expanded through our priority landscapes across land and sea country.
 - Traditional Owner connection with Country is acknowledged and integrated across our projects.
2. Science and knowledge
 - Positive outcomes for conservation and right way approaches to science have been influenced nationally.
 - Traditional Owner, academic and community knowledge and approaches are brought together to improve land and water management activities.
3. Engage and inspire
 - Support for the conservation of Australia's environment and recognition of Aboriginal connection to Country has grown.
4. Resilience and capability
 - Our annual revenue has grown significantly to support additional conservation activities and is sustainable and poised for further growth.
 - Our people are highly engaged and safe, our technology is evolved and secure, our governance is effective and our Capital Fund is strong.

Principal activities

Bush Heritage's principal activities, consistent with its constitution, are to:

- Protect and enhance the natural environment, or significant parts of it, for the long term by acquiring and preserving, restoring or maintaining land or water that is of high conservation value or environmental significance.
- Obtain funds or other property through donations, bequests, public appeals, special events and sponsorships.
- Work with, provide assistance to, or engage others to protect and enhance the natural environment.
- Advise and educate others about how to protect and enhance the natural environment.
- Buy or sell, for the benefit of the company, any trading credits, sequestration rights or other similar property or interests in land, air, water or carbon.
- Pursue strategic, operational, business and other appropriate relationships with the public and private sector to achieve the objects of the company.

Performance measures

Bush Heritage recognises the importance of key performance measures in monitoring organisational performance and this is reflected in our annual reporting.

Our peak organisational performance measure is our conservation impact. To measure and report this, we have adopted the Global Impact Investing Network 'Impact Reporting and Investment Standards'.

Bush Heritage has also adopted the Open Standards for the Practice of Conservation as our core business process. Our adapted version, the Bush Heritage Conservation Management Process, is used to guide our conservation strategy, planning, implementation, monitoring and reporting. Bush Heritage uses 'conservation scorecards' as a key tool for monitoring and reporting on the conservation outcomes we have achieved on our reserves or partnership properties.

Goals or targets are set against our five-year strategic plan and annual business plan and are reported upon quarterly to the board, and externally within our Impact Report. These goals or targets relate to both our core conservation work and our supporting business activities, including marketing, fundraising, and financial and human resource management.

Board of Directors

The board sets the strategic direction of the company and oversees its systems of accountability and control. The following people have served as directors on the board during the year and to the date of this report:

Sue O'Connor – President BAppSc (RMIT), GDipBus Mgt, FAICD.

Joined the board in 2019, elected President from August 2020.

Sue has served as a chairman, director and senior business leader with ASXTop10, global unlisted companies and high profile statutory authorities. She brings to the board her commercial acumen and deep expertise in technology, climate change, capital management and risk. Sue is currently Chair of Yarra Valley Water, a director of Mercer Superannuation, Kordia Ltd and ClimateWorks Australia and she is an Advisory Council member of the Monash Sustainable Development Institute.

Nicholas Burton Taylor AM – Vice President and Treasurer BEc (Syd), F Fin, FCA, FAICD, FCPA.

Joined the board in 2013, elected Vice President from August 2017.

Nick has a longstanding commitment to rural communities and extensive experience in the Australian agricultural sector. He owns Hillgrove Pastoral, the operator of properties in Tasmania, Southern NSW and Cape York and the genetic operation Kenny's Creek Angus. Nick is currently the Chancellor of Southern Cross University, Chair of the Country Education Foundation of Australia and has served on the boards of several listed companies including Rural Press, Australian Agricultural Company, CSR and GrainCorp.

Christopher Grubb B.A, B.Comm.

Joined the board in 2011, elected President from August 2017, retired August 2020.

Chris is a non-executive director of several investment management companies, Chairman of Boardroom Pty Ltd and a business coach. He was Managing Director of Hong Kong based investment bank Jardine Fleming in Australia, Japan and Singapore, Director of Ord Minnett and Chairman of ASX listed companies InvestorWeb and So Natural Foods. He has served as a director of several public and not-for-profit organisations including Odyssey House and the Australian Museum Foundation. He is a keen birdwatcher and pastoralist.

Prof Sarah Bekessy PhD, BSc (Hons).

Joined the board in 2017.

Sarah leads ICON Science at RMIT University (Interdisciplinary Conservation Science), which seeks to engage in high-impact, interdisciplinary and collaborative research to find solutions to applied environmental problems. She's involved in a range of research projects, including an ARC Future Fellowship titled 'Socio-ecological models for environmental decision making', an H2020 grant on nature-based solutions for cities and a project on conservation message framing with the National Environment Science Programme Threatened Species Recovery Hub.

Phillip Cornwell BA LLB (Hons).

Joined the board in 2015.

Phillip is a Senior Finance Counsel at the commercial law firm Allens. Previously a partner there, Phillip headed its Project Finance practice and chaired its Pro Bono and Footprint Committees. Phillip is also a director of the Midlands Conservation Fund, a director and deputy chair of Suicide Prevention Australia and chairs its governance committee, and he is a director and chair of the Australian Pro Bono Centre. Phillip is a long-term Bush Heritage supporter.

Dr Alexander Gosling AM FTSE FIEAust DEng MA(Hons) MAICD

Joined the board in 2016.

Alexander was the founding director of Invetech and worked in the field of product development and technology commercialisation. He received an Order of Australia for services to industry, technology and the community, and has an honorary Doctorate of Engineering. Alexander sits on a number of boards and is an active supporter of Zoos Victoria's 'Fighting Extinction' program.

Distinguished Professor Michelle Leishman BSc (Hons), PhD.

Joined the board in 2015.

Michelle is a plant ecologist with extensive research experience on invasive plants, climate change adaptation, restoration ecology, plant conservation and urban greening. She leads a research group in the Department of Biological Sciences at Macquarie University. Michelle is a Trustee of the Royal Botanic Gardens and Domain Trust and Chair of the Australian Institute of Botanical Science Advisory Group. She was awarded the 2020 NSW Royal Society Clarke Medal for distinguished research in botany.

Dr Rebecca Nelson J.S.D., J.S.M., B.E. (Env.Eng.)/LL.B.

Joined the board in 2014.

Rebecca is a lawyer who researches, teaches and advises on environmental and water management, regulation and policy. She is an Associate Professor at the Melbourne Law School at the University of Melbourne, and a Fellow (Non-Resident) of the Woods Institute for the Environment at Stanford University. Rebecca combines this work with independent consulting. In 2014, she was named the Australian Young Environmental Lawyer of the Year for her significant contributions to environmental law.

Avelina Tarrago LLB.

Joined the board in 2019.

Avelina is a Wangkamadla woman from central-west Queensland. She holds a Bachelor of Laws and Graduate Diploma in Legal Practice and has been admitted in the Supreme Court of Queensland since 2009. Avelina was a Federal Prosecutor for the Commonwealth Director of Public Prosecutions and for the Queensland Office of the Health Ombudsman. Avelina is President of the Indigenous Lawyers Association of Queensland, a member of the Queensland Great Artesian Basin Advisory Council and the Mental Health Review Tribunal.

Company Secretary

Heather Campbell BA, BEng(Hons), MEngSc(Env), TGMP, GAICD

March 2021 - present

Heather is Company Secretary, Chief Executive Officer. With support from legal advisors, the Company Secretary manages the company's systems of governance and advises the board on appropriate procedures for the conduct of the company's affairs, as required by the company's Constitution and by charity and company law. Heather is not a Director of the company.

Robert Pratt BAcc MEnt CA GAICD

November 2018 – March 2021

Robert was Company Secretary and Chief Financial Officer and Executive Manager Corporate Services. Robert was not a Director of the company.

Board meetings

Seven board meetings were held during 2020-21. Details of the directors' meeting attendance are outlined in the table below. Where the director was not in office for the whole of the financial year, the number of meetings held during the part-year period of office is shown in the first column. The Bush Heritage Constitution (Section 50) permits decisions to be taken by the board in written resolution form. In 2020-21, the board made no decisions using this alternative method.

	Board meetings held during the period that each Director was in office	Board meetings attended
Sue O'Connor	7	7
Nick Burton Taylor	7	6
Chris Grubb	3	3
Sarah Bekessy	7	7
Phillip Cornwell	7	7
Alexander Gosling	7	6
Michelle Leishman	7	7
Rebecca Nelson	7	7
Avelina Tarrago	7	4

Responsibilities of management

The board has formally delegated responsibility for the day-to-day management of Bush Heritage's operations to the Chief Executive Officer (CEO). The CEO provides leadership to the organisation and is responsible for achieving the targeted results set out in the annual business plan and budget. The CEO is authorised by the board to put in place certain policies and procedures, take decisions and actions and initiate activities to achieve those results in line with the delegations of authority.

Our Senior Leadership Team includes the CEO and all executive managers with direct reporting responsibility to the CEO. This includes both managers who are and who are not included within Key Management Personnel as defined in the Notes to the Full Consolidated Financial Report. As at the date of this report, the Senior Leadership Team comprised Heather Campbell (CEO and Company Secretary) and executive managers with the following areas of responsibility:

- Dr Rebecca Spindler, Science & Conservation.
- Robert Pratt, Company Secretary, Corporate Services, Chief Financial Officer (to March 2021).
- Mark Dwyer, Corporate Services, Chief Financial Officer (from May 2021).
- Melinda Warnecke, Fundraising & Engagement.
- Dr Jody Gunn, South East region conservation operations (to February 2021).
- Elisabeth McClellan, Acting South East region conservation operations (from February 2021).
- Robert Murphy, North region conservation operations and National Fire Management.
- Luke Bayley, West region conservation operations.
- Cissy Gore-Birch, Aboriginal Engagement.
- Nick Mogford, Strategy, Innovation and Business Development.

Board oversight and board committee structure

The board meets at least quarterly to oversee and monitor the organisation's performance and compliance. During these meetings it receives detailed reports from management and provides direction on key matters. Further to this, committees of the board have been established to review, provide advice and make recommendations to the board and management on particular aspects of Bush Heritage's operations and administration. Each committee operates under a charter approved by the board that sets out the committee's purpose, membership and responsibilities. Several committees currently support the board, with membership consisting of directors and non-directors who are external specialists in their field.

All director and committee roles are non-executive positions and no remuneration is payable. However, out-of-pocket expenses such as travel may be paid to enable fulfilment of duties. As at 31 March 2021, the committee structures and duties were as follows:

Aboriginal Engagement Committee

Chair: Avelina Tarrago

Members: Nick Burton Taylor, Phillip Cornwell, Trent Nelson*, Wynston Shovellor-Sesar*

Provides strategic guidance on Aboriginal engagement strategy and policy and monitors the development and performance of on-Country programs.

Capital Fund Committee

Chair: David Rickards*

Members: Nick Burton Taylor, Sue O'Connor

Provides strategic guidance on the Bush Heritage Capital Fund's management and investment objectives and performance, including appointment and review of the Investment Manager.

Finance, Audit and Risk Committee

Chair: Nick Burton Taylor

Members: Chris Barter*, Rebecca Nelson, Sue O'Connor, Bill Starr*

Provides strategic review and oversight on overall financial management, annual and longer-term budgets and financial results, investment strategies and business modelling and management of financial assets. Monitors auditing, risk management policy and procedures, and legislative and regulatory responsibilities.

Gift Fund Committee

Chair: Nick Burton Taylor

Members: Sue O'Connor, Chris Schulz*

Monitors compliance with the rules of the Bush Heritage Australia Fund and those of the Register of Environmental Organisations to ensure deductible gift recipient status is retained.

Governance Committee

Chair: Sue O'Connor

Members: Phillip Cornwell, Michelle Leishman

Provides strategic advice on matters relating to the effectiveness of the board, its committees, the role of the Chief Executive and Company Secretary and oversees the membership register.

Marketing & Fundraising Committee

Chair: Sue O'Connor

Members: Alexander Gosling, Graham Lowe*, Kate Macgregor*, Christine Sather*, Avelina Tarrago

Provides strategic advice and monitors the performance of Bush Heritage's marketing and fundraising strategies including engagement, and fundraising growth and development.

Operations and Safety Committee

Chair: Sarah Bekessy

Members: Alexander Gosling, Trevor Heldt*, Allan Holmes*, Angus Holden*, Michelle Leishman, Ewan Waller*

Provides strategic advice on and monitors Bush Heritage's operational and people management, including its Health, Safety and Environment strategy and performance and the management of its fire-related operations.

Science & Conservation Committee

Chair: Michelle Leishman

Members: Sarah Bekessy, Alexander Gosling, Rebecca Nelson, James Watson*, Stephen van Leeuwen*

Provides strategic advice on science and conservation strategies and policies, including land acquisition proposals, reserve and partnership planning, scientific research, and conservation outcomes and impact.

**Denotes a non-director member of the committee during the reporting period*

Risk management

Bush Heritage manages its organisational risks in line with Australian Standard AS ISO 31000:2018. Each risk is assigned a 'risk owner' who is responsible for identifying and implementing appropriate treatment strategies to mitigate the risk, realise related opportunities and report on that risk to the relevant committee(s) and board.

The Finance, Audit and Risk Committee oversees the execution of the Risk Management Policy across the organisation. The board is responsible for ensuring that risks and opportunities are identified in a timely manner and considered against the organisation's objectives, operations and appetite for risk.

Health, Safety & Environment

Bush Heritage operates in a variety of working environments, including some of the most remote parts of Australia, and the safety of all people who come into contact with our operations is paramount. Bush Heritage's Health and Safety Management System promotes a positive health and safety culture in which participation, consultation and shared responsibility are intrinsic to the way we work. The System is reviewed by a staff-based Health and Safety Committee representing each team, location and level within Bush Heritage to ensure systems of work and required resources are in place to allow safe and controlled work practices. Our Senior Leadership Team and our board's Operations and Safety Committee provide strategic advice on, and monitor, Bush Heritage's Health and Safety strategy and performance, and review incidents arising from our operations. The board also reviews and addresses Health and Safety matters at each board meeting.

Workplace Gender Equality

Bush Heritage recognises the importance of supporting diversity within its workforce, including with regard to gender. In accordance with the requirements of the *Workplace Gender Equality Act 2012*, Bush Heritage has lodged its 2019-2020 Workplace Gender Equality public report, which may be accessed on the Workplace Gender Equality Agency website.

Members' guarantee

As at 31 March 2021 the number of members was 71. In accordance with the company's constitution, each member is liable to contribute a maximum of \$10 in the event that the company is wound up. Therefore, based on this number the total amount that members of the company would be liable to contribute if the company is wound up is \$710.

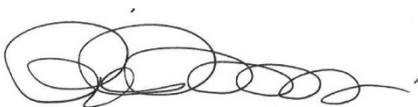
Auditor's independence

The Auditor's Declaration of Independence appears on page 8 and forms part of the Directors' Report for the year ended 31 March 2021.

Rounding

The company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order, amounts in the Financial Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 298(2) of the *Corporations Act 2001*.



Sue O'Connor
President



Nick Burton Taylor
Vice President and Treasurer

10 June 2021

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT FOR PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF BUSH HERITAGE AUSTRALIA

I declare that, to the best of my knowledge and belief during the year ended 31 March 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



A. P. Marks
Director

Melbourne, 10 June 2021

ACCOUNTANTS & ADVISORS

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Bush Heritage Australia
Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 March 2021

	Notes	2021	2020
		\$'000	\$'000
Revenue			
Supporter contributions and grants	3(a)	24,819	25,208
Interest and investment revenue	3(b)	240	560
Conservation enterprises revenue		618	953
Volunteer services revenue	3(c)	1,289	1,485
Federal Government assistance	3(d)	2,107	-
Other income		17	46
Total Revenue		29,090	28,252
Expenses			
Conservation management activities	4(a)	14,266	14,883
Conservation communities, events & education	4(b)	2,086	2,191
Fundraising activities	4(c)	1,948	2,316
Investment in new supporters	4(d)	2,519	2,752
Organisational support	4(e)	2,349	2,502
Total Expenses		23,168	24,644
Surplus before Tax		5,922	3,608
Income tax		-	-
Net Surplus after Tax		5,922	3,608
Other Comprehensive Income			
Realisation of net fair value (gains)/losses previously brought to account		6	(395)
Net fair value gains/(losses) brought to account during the financial year		846	(159)
Income tax on items of Other Comprehensive Income		-	-
Other Comprehensive Income for the period after tax		852	(554)
Total Comprehensive Income for the period		6,774	3,054

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Bush Heritage Australia
Consolidated Statement of Financial Position
as at 31 March 2021

	Notes	2021 \$'000	2020 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	6	9,817	5,223
Trade and other receivables	7	456	180
Assets held for sale	8	-	423
Other assets	9	287	394
Total Current Assets		10,560	6,220
Non-Current Assets			
Investments	10	11,409	10,898
Property, plant and equipment	11	35,766	33,737
Right-of-use assets	12	1,097	1,362
Intangibles - computer software	13	191	413
Other assets	9	599	599
Total Non-Current Assets		49,062	47,009
TOTAL ASSETS		59,622	53,229
LIABILITIES			
Current Liabilities			
Trade and other payables	14	866	1,235
Provisions	15	1,425	1,263
Interest bearing liabilities	16	1,100	1,257
Leases	17	593	572
Other liabilities	18	603	241
Total Current Liabilities		4,587	4,568
Non-Current Liabilities			
Provisions	15	234	217
Leases	17	455	872
Total Non-Current Liabilities		689	1,089
TOTAL LIABILITIES		5,276	5,657
NET ASSETS		54,346	47,572
EQUITY			
Equity funds and reserves	19	54,346	47,572
TOTAL EQUITY		54,346	47,572

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Bush Heritage Australia
Consolidated Statement of Changes in Equity
for year ended 31 March 2021

	Accumulated Surplus	Equity Funds	Total
	2021	2021	2021
Notes	\$'000	\$'000	\$'000
At 1 April 2020	-	47,572	47,572
Surplus for the period	5,922	-	5,922
Other Comprehensive Income	-	852	852
Total Comprehensive Income for the period	5,922	852	6,774
Net transfer to Bush Heritage General Fund	(5,940)	5,940	-
Net transfer from Midlands Conservation Fund	18	(18)	-
At 31 March 2021	-	54,346	54,346
19			
	2020	2020	2020
	\$'000	\$'000	\$'000
At 1 April 2019	-	44,518	44,518
Surplus for the period	3,608	-	3,608
Other Comprehensive Income	-	(554)	(554)
Total Comprehensive Income / (Loss) for the period	3,608	(554)	3,054
Net transfer to Bush Heritage General Fund	(3,660)	3,660	-
Net transfer from Midlands Conservation Fund	52	(52)	-
At 31 March 2020	-	47,572	47,572
19			

The above statement of Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Bush Heritage Australia
Consolidated Statement of Cash Flows
for year ended 31 March 2021

	2021	2020
Notes	\$'000	\$'000
Operating Activities		
Receipts from supporter contributions, grants and other sources	26,955	25,645
Payments to suppliers and employees	(21,094)	(20,306)
Proceeds from the sale of donated assets held for sale	1,015	263
Interest paid	(42)	(67)
Interest and dividends received	350	399
Net cash from operating activities	7,184	5,934
Investing Activities		
Purchase of investments	-	(3,140)
Purchase of buildings, plant and equipment	(1,673)	(481)
Purchase of software	(32)	(35)
Purchase of land	(403)	(44)
Proceeds from the sale of investments	319	1,510
Proceeds from the sale of buildings, plant and equipment	5	1
Net cash to investing activities	(1,784)	(2,189)
Financing Activities		
Payment of finance lease liabilities	(647)	(678)
Repayment of borrowings	(159)	(634)
Net cash to financing activities	(806)	(1,312)
Net increase in cash and cash equivalents	4,594	2,433
Cash and cash equivalents at beginning of period	5,223	2,790
Cash and cash equivalents at end of period	9,817	5,223
6		

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Note 1. Corporate Information

Bush Heritage Australia (ABN 78 053 639 115) ("the Company") is a company limited by guarantee. Members are nominated and determined in accordance with the constitution. Every member of the Company undertakes to contribute to the property of the Company if the Company is wound up whilst still a member, or within one year after ceasing to be a member, for the payment of the Company's debts and liabilities (contracted before ceasing to be a member) and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors amongst themselves. In any such case each member's contribution will be limited to a maximum of \$10.

Bush Heritage Australia is a company incorporated in Australia, and its registered office address is Level 1, 395 Collins Street, Melbourne Victoria 3000.

The principal activities of Bush Heritage Australia are aimed at returning Australia's bush to good health. This is achieved through the careful selection, purchase and direct management of land of outstanding conservation value. We also work in partnership with others on their land, including with Aboriginal groups, pastoralists, private land owners, non-government and government organisations to assist the conservation management of their lands. We raise funds for our work principally through attracting philanthropic and charitable donations. There have been no significant changes to the nature of these activities during the year.

Note 2. Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements (RDR).

The financial report has been prepared on the historical cost basis, except for available-for-sale investments which have been measured at market value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated, using the option available to Bush Heritage Australia under ASIC Class Order 2016/191. Bush Heritage Australia is an entity to which the class order applies.

The current financial period is the financial year ended 31 March 2021. The comparative period is the financial year ended 31 March 2020.

(b) Abbreviations

The following abbreviations have been used in these notes:

ABN	Australian Business Number
AASB	Australian Accounting Standard Board
IFRS	International Financial Reporting Standards
ASIC	Australian Securities & Investments Commission
Bush Heritage	Bush Heritage Australia (ABN 78 053 639 115)
GST	Goods and Services Tax

(c) New or amended Accounting Standards and interpretations adopted

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

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

(d) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgements

Treatment of leasehold properties and property assets

Refer full details under Note 11(b).

Valuation of property assets

The valuation of property assets involves judgement as there is often no active market for the assets. The carrying values of the property assets have been reviewed at balance date. The Directors consider that the property asset values are appropriate at 31 March 2021 and that the assets are not impaired.

(ii) Significant accounting estimates and assumptions

Trade and other receivables

All trade debtors were individually reviewed and, if appropriate, provision for bad or doubtful debts has been made for the year ended 31 March 2021.

Plant and equipment useful lives

Estimates are applied for the useful life of depreciable/amortised assets, based on those published by the Australian Taxation Office (Tax Ruling 2000/18C8), adjusted if necessary after considering the asset's planned usage by Bush Heritage.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

(e) Basis of consolidation

The consolidated financial statements comprise the financial statements of Bush Heritage Australia and its subsidiary, the Midlands Conservation Fund Ltd (MCF).

- MCF is a separate public company limited by guarantee, jointly managed by Bush Heritage and the Tasmanian Land Conservancy. MCF has its own Board of Directors and constitutional objectives.
- Under the MCF Constitution, Bush Heritage has the capacity to control MCF and therefore is required by Accounting Standards to consolidate MCF into these consolidated financial statements.
- Under the Accounting Standards, control is said to exist because Bush Heritage has the right to direct the activities of MCF and through that right has the ability to affect the returns it derives from MCF. The returns to Bush Heritage are indirect, non-financial returns that arise because MCF's conservation objectives contribute directly to Bush Heritage's conservation objectives. Under the MCF Constitution, MCF cannot pay financial dividends to Bush Heritage or to any other member.

In preparing the consolidated financial statements, any intercompany balances, transactions, income and expenses and profit and losses resulting from any intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is obtained by Bush Heritage and cease to be consolidated from the date on which control is transferred out of the Group.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. All revenue is stated net of the amount of GST.

(i) Donations and Grants Received

- Revenue from donations, gifts and bequests is recognised upon Bush Heritage establishing the right to entitlement.
- Grant revenue is recognised in profit and loss when the company satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

(ii) Conservation enterprises revenue

Revenue from conservation-related enterprises including fee-for-service, sustainable commodities and visitor services is recognised when the services are rendered.

(iii) Interest Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets or upon receipt for fixed interest securities.

(iv) Dividends

Dividend revenue is recognised when the right to receive a dividend has been established.

(g) Leases

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to the profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(h) Cash and cash equivalents

Cash on hand and in banks and short term deposits are stated at nominal value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, term deposits and money market investments readily convertible to cash within 90 days, net of any outstanding bank overdrafts.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

(i) Receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. A simplified approach to measuring expected credit losses using a lifetime expected loss allowance is used.

(j) Assets held for sale

Assets held for sale are recognised and measured at the lower of its carrying amount and fair value less costs to sell. Bush Heritage will cease to classify the asset as held for sale if there is sufficient evidence that the asset is no longer available for sale and/or there is no committed plan to sell the asset.

(k) Taxes

Bush Heritage is certified as an Income Tax Exempt Charity, and consequently no income tax is reported and accounting for income tax is not applicable. Bush Heritage is also certified as a Deductible Gift Recipient, and accordingly issues tax deductible receipts for donations received over \$2.

Bush Heritage is registered for GST. Revenues, expenses and assets are recognised net of the amount of GST except:

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

The net amount of GST recoverable from, or payable to the Australian Tax Office is included as part of receivables or payables in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Tax Office are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

(l) Property, plant and equipment

Items costing less than \$1,000 each are expensed during the year of acquisition.

Freehold and leasehold land is stated at cost.

Buildings, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Where an item of property, plant and equipment is acquired at no cost, or for nominal cost, the initial carrying value is its fair value as at the date of acquisition.

The carrying amounts of assets are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying values may be impaired.

An impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

The recoverable amount is the higher of fair value less costs to sell and value in use. For a not-for-profit entity such as Bush Heritage, value in use is the depreciated replacement cost when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where Bush Heritage would, if deprived of the asset, replace its remaining future economic benefits.

The depreciated replacement cost is the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Any gain or loss on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the surplus or deficit in the year the asset is derecognised.

(m) Intangibles - computer software

Items costing less than \$1,000 each are expensed during the year of acquisition.

Computer software is stated at cost.

For items costing \$1,000 or more, computer software is recognised at cost and then amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period for the computer software assets is reviewed at least once at each financial year-end. Changes in the expected useful life of the assets are accounted for by changing the amortisation period as appropriate, which is a change in accounting estimate. The amortisation expense is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

(n) Depreciation and amortisation

Fixed assets and intangibles are depreciated/amortised over their estimated useful lives, commencing in the year of acquisition. Useful life estimates are based on those published by the Australian Taxation Office (Tax Ruling 2000/18C8), adjusted if necessary after considering the asset's planned usage by Bush Heritage. Depreciation is provided on a straight line basis on all property, plant and equipment other than land. Land assets have an unlimited useful life and are not depreciated. Amortisation is provided on a straight line basis on all computer software.

Depreciation periods for major asset classes are as follows:-

Buildings and Infrastructure	20 years
Plant and Equipment	5 - 20 years

Amortisation periods for major asset classes are as follows:-

Computer Software	3 - 5 years
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(o) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(p) Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to Bush Heritage prior to the end of the financial year that are unpaid and arise when Bush Heritage becomes obliged to make future payments in respect of the purchase of these goods and services.

(q) Provisions

Provisions are recognised when Bush Heritage has a legal or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

(r) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

(i) Wages, salaries and annual leave

Liabilities arising in respect of salaries, wages and annual leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

(ii) Long Service Leave

The liability for long service leave is recognised in provisions in the Consolidated Statement of Financial Position, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on federal government bonds with terms to maturity to match, as closely as possible, the estimated future cash outflows.

(s) Comparatives

Where necessary, comparatives have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Note 3.	Revenue	2021	2020
		\$'000	\$'000
Revenue includes the following major categories:			
	Supporter contributions and grants (refer note 3(a))	24,819	25,208
	Interest and investment revenue (refer note 3(b))	240	560
	Conservation enterprises revenue	618	953
	Volunteer services revenue (refer to Note 3(c))	1,289	1,485
	Federal Government assistance (refer to Note 3(d))	2,107	-
	Other revenue	17	46
	Total Revenue	29,090	28,252

(a) Supporter contributions and grants

Donations and Gifts	20,222	19,220
Grants	597	794
Bequests	4,000	5,194
Total Supporter Contributions and Grants	24,819	25,208

(b) Interest and investment income

Dividends	226	284
Interest	146	134
Net realised gains/(losses) on disposal	(132)	142
Total Interest and Investment Income	240	560

(c) Volunteer services revenue

	1,289	1,485
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Volunteer services revenue reflects the recognition of the fair value of work provided by volunteers to Bush Heritage in accordance with AASB 1058 Income of Not-for-Profit Entities. A corresponding expense of the same value has been brought to account, primarily under the Conservation Management Activities expense category.

(d) Federal Government assistance

JobKeeper Payment scheme, to 27 September 2021	2,007	-
Boosting Cash Flow for Employers scheme	100	-
Total Federal Government assistance	2,107	-

Note 4. Expenses

(a) Conservation management activities

Conservation management expenses include the following key items:-

On-reserve costs, including for practical conservation purposes such as fire management, feral animal control, weed control, revegetation, species recovery and protection; expenses related to ecological survey, monitoring and evaluation, cultural values assessment and protection, staff costs, managing conflicting land use proposals and external rights, associated ownership costs such as rates and taxes, expenses associated with operating each reserve's infrastructure, preparing management plans for reserves; organising volunteer support, organising field trips to reserves, building and managing relations with other land owners.

Development of conservation science, policy and strategy including staff costs; expenses relating to assessment of potential new reserves and partnerships; and expenses relating to development and maintenance of landscape scale plans and partnerships.

Supporting land management partnerships including staff costs, expenses associated with preparing management plans, and expenses associated with conservation actions such as fire management, feral animal control, weed control, revegetation, species recovery and protection; and expenses related to ecological surveys, monitoring and evaluation and cultural values assessment and protection.

(b) Conservation communities, events & education

Covers expenses associated with building conservation communities, including via online and newsletter communications, media engagement and the management of the website, bequestor and other events, management of the supporter database, customer service and other conservation-related communications.

(c) Fundraising activities

Covers expenses incurred in establishing the case for and then asking existing supporters for donations and gifts to support Bush Heritage's conservation activities. Includes fundraising staff and other associated costs.

(d) Investment in new supporters

Covers the cost of recruiting new financial supporters to ensure the ongoing viability of Bush Heritage's conservation activities.

(e) Organisational support

Covers activities that ensure the Company is viable and well-operated. This includes in the areas of governance and compliance, finance, information technology, employee development, worker safety and day to day administration of Bush Heritage. All Bush Heritage Board Directors provide their time on a volunteer basis, however some costs are incurred in travel and communications expenses to facilitate meetings of the Board.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Note 4. Expenses (continued)	2021	2020
	\$'000	\$'000
(f) Remuneration Expense		
Salaries and Wages	9,667	9,156
Superannuation	871	842
Workers Compensation Insurance	118	124
Total Remuneration Expense	10,656	10,122

The relevant portion of remuneration expense is included in all expense category line items in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Salaries and Wages include salaries, wages, salary sacrifice fringe benefits, annual leave and long service leave.

(g) Depreciation and Amortisation		
Depreciation of Property, Plant and Equipment:		
Reserve Plant and Equipment	279	301
Reserve Buildings and Infrastructure	481	478
Office Plant and Equipment	45	128
	805	907
Amortisation of Right-of-Use Assets:		
Buildings and Infrastructure	203	189
Reserve Plant and Equipment	314	359
	517	548
Amortisation of Intangibles:		
Computer Software	222	227
Total Depreciation and Amortisation	1,544	1,682
(h) Other Expenses		
Short-term Leases - Minimum Lease Payments	47	23
	47	23

Note 5. Capital Expenditure not included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income

In addition to the operating expenses recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Bush Heritage directs donated funds toward items of capital expenditure, the most significant of which being the purchase of freehold and leasehold properties for the establishment of Bush Heritage's conservation reserves. Plant & equipment and building & infrastructure is also purchased by Bush Heritage for use in its conservation operations, which represents further capital expenditure not included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Note 6. Cash and Cash Equivalents	2021	2020
	\$'000	\$'000
Cash at bank	3,017	2,623
Short term deposits	6,800	2,600
Total Cash and Cash Equivalents	9,817	5,223

Note 7. Trade and Other Receivables	2020	2020
	\$'000	\$'000
Trade Debtors	269	53
Net GST Receivable	183	123
Accrued income	4	4
Total Trade and Other Receivables	456	180

Trade debtors are non interest bearing and are normally settled within 30 days and therefore it is not material to perform an age analysis. Trade debtor balances are monitored on an ongoing basis in order to minimise credit risk.

Note 8. Assets Held for Sale	2021	2020
	\$'000	\$'000
Freehold properties	-	423
Equity and managed funds securities	-	-
Total Assets Held for Sale	-	423

As at 31 March 2020, assets held for sale comprise one donated property in respect of which it has been determined that it will be sold in accordance with Clause 5.1(f) of the Bush Heritage Constitution and equity securities in listed companies and managed funds received via donations.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Note 9.	Other Assets	2021	2020
		\$'000	\$'000
	Prepayments	287	394
	Security deposit (a)	599	599
	Total Other Assets	886	993
	Current	287	394
	Non-current (a)	599	599
	Total Other Assets	886	993

(a) Assets Pledged as Security

Cash Deposit Account Funds	599	599
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Security deposit is funds held as security over the corporate credit card facility, a bank guarantee relating to office lease rental commitments and a bank overdraft facility.

Note 10.	Investments	2021	2020
		\$'000	\$'000

(a) Investments held by company

Bush Heritage Australia			
- Bush Heritage Capital Fund	7,874	7,187	
- Other Investments	95	104	
	7,969	7,291	
Midlands Conservation Fund	3,440	3,607	
Total Investments	11,409	10,898	

(b) Reconciliation of Movement in Investments

Opening balance	10,898	9,585
Additions	3,949	10,174
Disposals	(4,290)	(8,307)
Realisation of net fair value (gains)/losses previously brought to account	6	(395)
Net fair value gains / (losses) brought to account during the financial year	846	(159)
Closing balance	11,409	10,898

Bush Heritage actively raises funds in addition to the purchase price and operating costs of our conservation reserves in order to create an endowment for the long term financial security and independence of the properties we manage. This fundamental strategy has led to the creation of the significant investment portfolio currently held.

The Bush Heritage Capital Fund was established by Board Resolution on 27 February 2015, with the opening balance being drawn from Bush Heritage's existing investment portfolio. The Capital Fund has been established with the aim of further enhancing the long term financial security of our properties. Investments of the Capital Fund are professionally managed by an external manager, overseen by the Capital Fund Committee of the Bush Heritage Board and subject to the Capital Fund Charter. The equity in the Capital Fund is included within the Bush Heritage General Fund in Note 19.

Investments held in the Midlands Conservation Fund are directly overseen by the Midlands Conservation Fund Board of Directors and as at 31 March 2021 were held in an Australian managed investment fund and a portfolio of Australian investments managed by a professional external fund manager.

Note 11. Property, Plant and Equipment

	Freehold Land \$'000	Leasehold Land \$'000	Buildings and Infrastructure \$'000	Office Plant and Equipment \$'000	Reserve Plant and Equipment \$'000	Capital Work in Progress \$'000	Total \$'000
2021							
At 1 April 2020 (Net of accumulated depreciation)	8,175	18,970	5,666	102	626	198	33,737
Additions	505	-	297	91	558	1,383	2,834
Disposals	-	-	-	-	-	-	-
Transfers from Work in Progress	457	-	166	-	22	(645)	-
Depreciation charge for the year	-	-	(481)	(45)	(279)	-	(805)
At 31 March 2021 (Net of accumulated depreciation)	9,137	18,970	5,648	148	927	936	35,766
2020							
At 1 April 2019 (Net of accumulated depreciation)	8,271	18,970	6,033	186	737	3	34,200
Additions	-	-	119	44	190	195	548
Disposals	(96)	-	(8)	-	-	-	(104)
Transfers from Work in Progress	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	(478)	(128)	(301)	-	(907)
At 31 March 2020 (Net of accumulated depreciation)	8,175	18,970	5,666	102	626	198	33,737

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Note 11. Property, Plant and Equipment (continued)	2021	2020
	\$'000	\$'000
(a) Freehold Land		
Brogo Reserve, NSW	172	172
Burrin Burrin Reserve, NSW	102	102
Chereninup Creek Reserve, WA	145	145
Coalmine Creek Reserve, Tas	22	22
Currumbin Reserve, Qld	111	111
Dalyenong, Vic - Basso Rd Block	140	140
Dalyenong, Vic - Lille Block	115	115
Dalyenong, Vic - Whyte Rd Block	322	322
Drys Bluff Reserve, Tas	173	173
Fan Palms Reserve, Daintree, Qld	88	88
Friendly Beaches Reserve, Coles Bay, Tas	255	255
Goonderoo Reserve, Qld	173	173
Kojonup Reserve, WA	85	85
Liffey Reserve, Tas	103	103
Monjebup Reserve, WA	222	222
Monjebup North Reserve, WA	761	761
"Nameless" Sylvan Reserve, NSW	550	550
Nardoo Hills, Vic - Donaldson Block	98	98
Nardoo Hills, Vic - Judith Eardley Reserve	105	105
Nardoo Hills, Vic - Patterson Block	95	95
Nardoo Hills, Vic - Barnett Block	127	127
Nardoo Hills, Vic - Lawan Block	180	180
Oura Oura Reserve - Tas	255	255
Peniup Reserve, WA	293	293
Red Moort Reserve, WA	400	400
Reedy Creek Reserve, Qld	1,300	1,300
Round House, Vic	505	-
Scottsdale Reserve, NSW	1,440	1,440
South Esk Pine Reserve, Coles Bay, Tas	29	29
Tarcutta Hills Reserve, NSW	314	314
Woodleigh, NSW	457	-
Total Freehold Land	9,137	8,175
(b) Leasehold Land		
Bon Bon Reserve, SA	1,694	1,694
Boolcoomatta Reserve, SA	1,288	1,288
Carnarvon Station Reserve, Qld	1,500	1,500
Charles Darwin Reserve, WA	251	251
Cravens Peak Reserve, Qld	2,486	2,486
Edgbaston Reserve, Qld	1,760	1,760
Ethabuka Reserve, Qld	1,302	1,302
Eurardy Reserve, WA	877	877
Hamelin Station Reserve, WA	1,750	1,750
Naree Station Reserve, NSW	878	878
Pullen Pullen Reserve, Qld	2,439	2,439
Yourka Reserve, Qld	2,745	2,745
Total Leasehold Land	18,970	18,970

Bush Heritage's leasehold properties in Queensland are, pursuant to the Land Act (Qld) 1994, treated as "Term Leases". Each lease has its own expiry date as follows: Yourka 30/09/2025, Ethabuka 30/06/2031, Cravens Peak 30/06/2032, Edgbaston 10/06/2038, Pullen Pullen 30/10/2045 and Carnarvon 31/03/2047. Each lease contains a covenant that the existing lessee will, on or before the expiry date, be offered a new Term Lease for a maximum of a further 50 years.

Bush Heritage's leasehold properties in South Australia are fixed term leases, both of 42 years duration. The Bon Bon pastoral lease expires 2032 and the Boolcoomatta lease (being for conservation purposes) expires 2038.

Bush Heritage's leasehold properties in Western Australia are all fixed term leases. Eurardy Reserve pastoral lease will expire 19/08/2062 and Hamelin Station will expire 31/05/2063. Charles Darwin Reserve pastoral lease expires 24/05/2064.

Pursuant to the Western Lands Act (NSW) 1901 the legal status of the ongoing leasehold title to Naree Station Reserve equates to freehold.

The Directors' view on the longevity of leasehold land is consistent with the views of other large owners of leasehold lands, such as pastoral companies, in that leasehold land is under the long term control of Bush Heritage and thus classified as an asset. This view is supported by the relevant lease provisions and legislation in each jurisdiction.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
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Note 12. Right-of-Use Assets

	Buildings and Infrastructure \$'000	Reserve Plant and Equipment \$'000	Total \$'000
2021			
At 1 April 2020 (Net of accumulated amortisation)	541	821	1,362
Additions	-	252	252
Amortisation charge for the year	(203)	(314)	(517)
At 31 March 2021 (Net of accumulated amortisation)	338	759	1,097
2020			
At 1 April 2019 (Net of accumulated amortisation)	669	1,029	1,698
Additions	61	151	212
Amortisation charge for the year	(189)	(359)	(548)
At 31 March 2020 (Net of accumulated amortisation)	541	821	1,362

Bush Heritage holds a lease on its head office space in Collins Street, Melbourne, Victoria. Under AASB 16 Leases, a Right-of-Use Asset is recognised in the Consolidated Statement of Financial Position, along with a corresponding lease liability to reflect the future lease payments (refer Note 17).

Bush Heritage had 17 leased vehicles as at 31 March 2021 (2020: 18). Under AASB 16 Leases, Right-of-Use Assets are recognised in the Consolidated Statement of Financial Position, along with corresponding lease liabilities to reflect the future lease payments (refer Note 17).

Note 13. Intangibles - Computer Software

	2021 \$'000	2020 \$'000
Balance at the start of the period, net of accumulated amortisation and impairment	413	640
Additions	-	-
Amortisation charge for the year	(222)	(227)
Balance at the end of the period, net of accumulated amortisation	<u>191</u>	<u>413</u>
Cost	1,494	1,494
Accumulated amortisation	<u>(1,303)</u>	<u>(1,081)</u>
	<u>191</u>	<u>413</u>

Note 14. Trade and Other Payables

	2021 \$'000	2020 \$'000
Trade Creditors	517	796
Payroll Related Accruals	338	358
Other Accrued Expenses	11	81
Total Trade and Other Payables	<u>866</u>	<u>1,235</u>

Trade creditors are non-interest bearing and are normally settled within 30 days. Payroll related accruals includes salaries and wages relating to the portion of the pay period overlapping the end of the financial year and employee superannuation. Superannuation is paid to each employee's choice of superannuation fund.

Note 15. Provisions

	Annual Leave \$'000	Long Service Leave \$'000	Total \$'000
At 31 March 2021			
Current	786	639	1,425
Non-current	-	234	234
	<u>786</u>	<u>873</u>	<u>1,659</u>
At 31 March 2020			
Current	670	593	1,263
Non-current	-	217	217
	<u>670</u>	<u>810</u>	<u>1,480</u>

Note 16. Interest Bearing Liabilities

	2021 \$'000	2020 \$'000
Loans		
Repayable within one year	1,100	1,257
Total loan payments	<u>1,100</u>	<u>1,257</u>
Total Interest Bearing Liabilities	<u>1,100</u>	<u>1,257</u>
Included in the financial statements as:		
Current	<u>1,100</u>	<u>1,257</u>
	<u>1,100</u>	<u>1,257</u>

One loan was owing by Bush Heritage as at 31 March 2021. An initial \$1,500,000 loan with National Australia Bank (NAB) was taken out in January 2016 for the purpose of acquiring the Pullen Pullen, Queensland conservation reserve. To 31 March 2021 early repayments of principal of \$84,000 in January 2017, \$300,000 in March 2020 and \$16,000 in August 2020 have been made. Interest was charged on the loan at variable market rates and NAB held a registered mortgage over the Pullen Pullen property as security for the loan. The balance of \$1,100,000 was due in December 2023, however in May 2021 Bush Heritage repaid the balance in full and the registered mortgage over the Pullen Pullen property will be subsequently removed.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
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Note 17. Leases	2021	2020
	\$'000	\$'000
Payable within one year	628	631
Payable after one year but not more than five years	465	902
Total minimum lease payments	<u>1,093</u>	<u>1,533</u>
Less amounts representing finance charges	(45)	(89)
Present value of minimum lease payments	<u>1,048</u>	<u>1,444</u>
Included in the financial statements as:		
Current	593	572
Non-current	455	872
	<u>1,048</u>	<u>1,444</u>

Bush Heritage holds a lease on its head office space in Collins Street, Melbourne, Victoria. Under AASB 16 Leases, the future payments for the lease liability are recognised in the Consolidated Statement of Financial Position, along with a corresponding Right-of-Use Asset (refer Note 12).

Bush Heritage had 17 leased vehicles as at 31 March 2021 (2020: 18). Interest on the leases is fixed and each vehicle acts as security for the lessor. Currently held lease contracts expire within periods of two months after 31 March 2021 and up to four years. At the end of the term, ownership is retained by Bush Heritage if all obligations under the contract have been met. Under AASB 16 Leases, the future payments for the lease liabilities are recognised in the Consolidated Statement of Financial Position, along with corresponding Right-of-Use Assets (refer Note 12).

Note 18. Other Liabilities	2021	2020
	\$'000	\$'000
Revenue received in advance	603	241
Total Other Liabilities	<u>603</u>	<u>241</u>

Note 19. Equity Funds and Reserves	2021	2020
	\$'000	\$'000
Bush Heritage General Fund (i)		
Balance at the start of the period	43,636	39,976
Net surplus attributable to Bush Heritage	5,940	3,660
Balance at the end of the period	<u>49,576</u>	<u>43,636</u>
Midlands Conservation Fund (ii)		
Balance at the start of the period	3,939	3,991
Net deficit attributable to Midlands Conservation Fund	(18)	(52)
Balance at the end of the period	<u>3,921</u>	<u>3,939</u>
Net Unrealised Gains / (Losses) Reserve (iii)		
Balance at the start of the period	(3)	551
Realisation of net fair value (gains)/losses previously brought to account	6	(395)
Net fair value gains / (losses) brought to account during the financial year	846	(159)
Balance at the end of the period	<u>849</u>	<u>(3)</u>
Total Equity Funds and Reserves	<u>54,346</u>	<u>47,572</u>

- (i) The balance of Bush Heritage General Fund represents the accumulated supporter contributions and other net earnings that Bush Heritage Australia has received since inception which have been applied to the acquisition of land and other capital assets for conservation purposes.
- (ii) The Midlands Conservation Fund (MCF) is held separately within MCF Ltd as a capital fund, the earnings from which are to provide for annual stewardship payments to landholders for long term protection and management of the Tasmanian Midlands.
- (iii) The Net Unrealised Gains / (Losses) Reserve records net movements in the investment portfolio arising from ongoing revaluations of the portfolio assets to market values.

Note 20. Commitments	2021	2020
	\$'000	\$'000
(a) Lease Commitments		
Future minimum rentals payable under non-cancellable short-term leases as at 31 March 2021 are as follows:		
Not Later than One Year	47	23
Total Lease Commitments	<u>47</u>	<u>23</u>

Lease commitments relate to a number of minor, short term office leases throughout Australia.

(b) Capital Expenditure Commitments		
Not Later than One Year	-	-
	<u>-</u>	<u>-</u>

Note 21. Contingent Liabilities

As described in Note 9, a security deposit of \$599,000 (2020: \$599,000) is held by third parties over the corporate credit card facility, a bank guarantee relating to office lease rental commitments and a bank overdraft facility. If Bush Heritage breaches certain terms of these arrangements then those third parties can draw upon this security deposit as required.

Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Note 22. Related Parties

Directors' Transactions

Other than donations received from Directors or from Directors Related Parties and minor expense reimbursements made to Directors, during the financial year no transactions were conducted with parties related to any Directors' interests (2020: Nil). Should such transactions occur, they would be conducted on terms no more favourable than those which it is reasonable to expect Bush Heritage would adopt in dealing with the related party at arm's length in similar circumstances.

Key Management Personnel Transactions

During the financial year no transactions were conducted with parties related to any Key Management Personnel interests (2020: Nil). Should such transactions occur, they would be conducted on terms no more favourable than those which it is reasonable to expect Bush Heritage would adopt in dealing with the related party at arm's length in similar circumstances.

Subsidiary

The Midlands Conservation Fund (MCF) Ltd is a subsidiary of Bush Heritage. Refer to Note 2(e).

Other Related Party Transactions

No other related party transactions were conducted during the financial year.

Note 23. Director and Executive Disclosures

(a) Directors

The names of persons who were directors of Bush Heritage at any time during the year are as follows:

Sue O'Connor	President (elected President from August 2020)
Nick Burton Taylor	Vice President and Treasurer
Chris Grubb	President to and retired August 2020
Rebecca Nelson	
Michelle Leishman	
Phillip Cornwell	
Alexander Gosling	
Sarah Bekessy	
Avelina Tarrago	

(b) Compensation of Key Management Personnel

	2021	2020
	\$'000	\$'000
Executives		
Short Term Employee Benefits	905	829
Post Employment Benefits	82	83
Total Compensation	987	912

Key Management Personnel (KMP) comprises our Board of Directors (all of whom provide their services on a volunteer basis), the Company Secretary, CEO and members of the senior leadership team with central oversight responsibilities (this includes four full time management positions (2020: 4)).

Directors

The Directors of Bush Heritage Australia provide their services on a volunteer basis and as a consequence receive no financial compensation.

Note 24. Information relating to Bush Heritage Australia ("Parent Entity")

	2021	2020
	\$'000	\$'000
Current assets	10,104	6,015
Total assets	55,727	49,417
Current liabilities	4,586	4,567
Total liabilities	5,275	5,656
General fund	49,576	43,636
Net unrealised gains reserve	876	124
	50,452	43,761
Surplus of the parent entity	5,940	3,660
Total comprehensive income of the parent entity	6,692	3,137

Refer to Note 20(b) for capital expenditure commitments of the parent entity.

Note 25. Events After the Reporting Period

Bush Heritage has been advised it has been named a beneficiary in two significant bequests, with an estimated entitlement of approximately \$23 million in total. The distributions from these bequests, to be received during the course of the financial year ending 31 March 2022, will be mainly in the form of cash and ASX listed securities and applied to Bush Heritage's ongoing conservation work over the coming years.

No other matters or circumstances have arisen since the end of the financial year which are not otherwise dealt with in this Report or in the Financial Statements, that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial periods.

Note 26. State and Territory Government Fundraising Legislation Requirements

As a national organisation, Bush Heritage Australia conducts fundraising operations in all states and territories. Several State and Territory governments have specific licensing and reporting requirements aimed at informing and protecting the interests of donors. Bush Heritage holds the following licences:

Australian Capital Territory	Charitable Collections Act 2003, Licence not required as Bush Heritage Australia is registered with Australian Charities and Not-for-profits Commission
New South Wales	Charitable Fundraising Act 1991, Charitable Fundraising Authority 17412
Queensland	Collections Act 1966, Certificate of Sanction No. CP 4954
Tasmania	Collections for Charities Act 2001, File number F1A-320
Victoria	Fundraising Act 1998, Registration Number 9971-18
South Australia	Collections for Charitable Purposes Act 1939, Licence not required under this Act
Western Australia	Charitable Collections Act 1946, Licence No: 21446
Northern Territory	There are no applicable fundraising licensing requirements in the Northern Territory.

Declaration consistent with the Charitable Fundraising Act 1991 (NSW)

We, Sue O'Connor and Nick Burton Taylor, being directors of Bush Heritage Australia, declare that the company is the holder of an authority under the Charitable Fundraising Act 1991 (NSW), registration number CFN 17412.

We further declare that in our opinion:

- a) the Consolidated Statement of Profit or Loss and Other Comprehensive Income gives a true and fair view of all income and expenditure of the organisation with respect to fundraising appeals;
- b) the Consolidated Statement of Financial Position gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals conducted by the organisation;
- c) the provisions of the Act, the regulations under the Act and the conditions attached to the authority have been complied with by the organisation;
- d) The internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals; and
- e) the forms of fundraising appeals conducted in NSW during the period ended 31 March 2021 were:
 - (i) direct mail
 - (ii) printed inserts in selected magazines
 - (iii) organised functions for supporters by invitation only
 - (iv) applications to philanthropic foundations
 - (v) telephone contact with Bush Heritage supporters
 - (vi) face to face meetings with donors
 - (vii) donations via workplace 'giving' programs
 - (viii) website, digital and social media campaigns supported by promotional activities

On behalf of the Board of Directors



Sue O'Connor
President



Nick Burton Taylor
Vice President & Treasurer

Melbourne,
10 June 2021

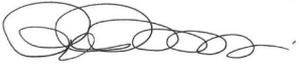
Bush Heritage Australia
Notes to the Consolidated Financial Statements
for year ended 31 March 2021

Directors' Declaration

In accordance with a resolution of the directors of Bush Heritage Australia, the directors of the company declare that:

- (a) the attached financial statements and notes comply with the Australian Charities and Not-for-Profits Commission Act 2012, the Australian Accounting Standards - Reduced Disclosure Requirements, and other mandatory professional reporting requirements;
- (b) the attached financial statements and notes give a true and fair view of the group's financial position as at 31 March 2021 and of its performance for the financial year ended on that date; and
- (c) there are reasonable grounds to believe that the company will be able to pay their debts as and when they become due and payable.

On behalf of the Board



Sue O'Connor
President



Nick Burton Taylor
Vice President and Treasurer

Melbourne,
10 June 2021

Bush Heritage Australia

Independent auditor's report to members

Report on the Audit of the Financial Statements

Opinion

We have audited the financial report of Bush Heritage Australia (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 March 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Bush Heritage Australia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Group's financial position as at 31 March 2021 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Regime and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The directors are responsible for other information. The other information comprises the information included in the Company's annual report for the year ended 31 March 2021 but does not include the financial report and our auditor's report thereon.

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

ACCOUNTANTS & ADVISORS

Level 20, 181 William Street
Melbourne VIC 3000

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williambuck.com

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

<http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx>

This description forms part of our independent auditor's report.



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



A. P. Marks

Director

Melbourne, 10 June 2021