

KEL WRIGHT & CO

CERTIFIED PRACTISING ACCOUNTANTS
REGISTERED TAX AGENTS

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NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE, 2022

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Liability limited by a
scheme approved under
Professional Standards
Legislation

INDEPENDENT AUDITOR'S REPORT

The Committee

North Coast Regional Landcare Network Incorporated

C/- PO Box 594

GRAFTON NSW 2460

Opinion

I have audited the accompanying financial report of NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED, which comprises the statement of financial position as at 30 June, 2022 the statement of comprehensive income, statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion the financial report of NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED 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 registered entity's financial position as at 30 June, 2022 and of its financial performance and cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

I conducted our audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's *Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the registered entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the responsible entities, would be in the same terms if given to the directors as at the time of this auditor's report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to the financial report, which describes the basis of accounting. The financial report has been prepared to assist to meet the requirements of the applicable legislation. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsible entities' responsibility for the financial report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNe Act) and for such internal control as the responsible entities 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 responsible entities are responsible for assessing the registered entity'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 responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so. The responsible entities are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

My 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 my 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.



.....
KEL WRIGHT – AUDITOR - Registration No 88527

FIRM: KEL WRIGHT & CO
ADDRESS: 5/44 Forth Street, Kempsey NSW 2440
DATE: 5 September, 2022

NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED

ABN 36 009 209 729

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

<u>INCOME</u>	<u>2022</u>	<u>2021</u>
Regional Projects		
Training	-	8,400
Rising Strong	2,727	-
NSW Landcare Program inc Admin Fee	490,713	504,475
Aboriginal Engagment	40,000	-
Country Care	262,598	-
Partnership Program	62,000	-
Landcare C of Practice	5,000	-
BCT	57,500	-
Habitat Enhancement	240,984	-
TOTAL PROJECT INCOME	1,161,522	512,875
NCRLN General Funds		
NCRLN Project Management and Admin Fees	-	22,443
Bursery For LLS Conference	11,000	-
Interest Received	71	244
Membership Subscriptions	1,100	1,100
NCRLN General Funds ATO Business Stimulus	-	10,000
	12,171	33,787
TOTAL INCOME	1,173,693	546,662
<u>EXPENSES</u>		
RLF/ Regional Project Expcenses		
Professional Services - Contractors	54,370	37,999
Office / Overheads	5,542	2,736
Project Management	11,264	8,557
Wages & On Costs	168,340	56,104
Landcare Network Payment	547,648	493,702
Fleet Car Hire	4,765	-
Network Professional Activities & Travel	9,109	12,454
	801,038	611,552
NCRLN General Expenses		
General Expenses	493	810
Subscriptions	1,309	1,993
Tax Expences	2,510	2,463
Unexpended Funds	-	106,360
TOTAL GENERAL	4,312	101,094
TOTAL EXPENDITURE	805,350	510,458
Net Profit / (Loss)	368,343	36,203

The financial Statements should be read in conjunction with the attached Independent Auditors Report.
The accompanying Notes form part of the Financial Statements.

NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED
ABN 36 009 209 729
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2022

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalent	-	-
Accounts receivable and other debtor	539,635	247,788
	116,288	-
TOTAL CURRENT ASSETS		
TOTAL ASSETS	655,923	247,788
	655,923	247,788
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
GST Collected		
GST Paid	49,973	1,516
PAYG Withholding Payable	- 22,305	- 2,179
Superannuation Payable	9,518	1,912
	4,987	1,132
TOTAL CURRENT LIABILITIES	42,173	2,380
<u>PROJECTS FUNDS LIABILITIES</u>		
Landcare Network Training		
Rising Strong	13,761	13,761
OEM Wage Funding	24,369	46,597
Country Care	117,133	-
Smart Farms	80,307	-
NSW Landcare Program	29,611	32,557
BCT	24,565	20,349
Habitat Enhancement	28,362	-
Partnership Program	62,253	-
	54,500	-
TOTAL PROJECT FUNDS LIABILITIES	434,861	113,264
TOTAL LIABILITIES	477,034	115,644
NET NCRLN ASSETS	178,889	132,144
RETAINED EARNINGS		
Retained Earning Carried Forward		
Net Profit	- 189,454	95,941
	368,343	36,203
TOTAL RETAINED EARNINGS	178,889	132,144
<u>RETAINED EARNINGS /NCRLN GENERAL SPLIT</u>		
#6 NCRLN General Funds		
NCRLN Equity	141,201	93,879
	37,688	38,265

The financial Statements should be read in conjunction with the attached Independent Auditors Report.
The accompanying Notes form part of the Financial Statements.

NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

These financial statements are for North Coast Regional Landcare Network Incorporated as an individual entity.

This financial report is a general-purpose financial report prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board and the Associations Incorporation Act (NSW), and the Associations Rules.

Australian Accounting Standards set out Australian Accounting Policies that the AASB has concluded would result in a financial report containing relevant & reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are set out below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis, and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. **Revenue**

Revenue is measured at the fair value of the consideration or the consideration receivable.

Revenue from the sale of goods is recognized upon delivery to the customer.

Interest revenue is recognized on a proportionate basis taking into account the interest rates applicable to the financial assets at the time.

Revenue from the sale of a service is recognized upon the delivery of the service to the customer.

Grants from State and Commonwealth and Other funding bodies are recognized in the statement of comprehensive income when the Association obtains control over the funds and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the funding can be measured reliably. Control over contributions is normally obtained upon receipt of cash.

All revenue is stated net of the amount of the Goods & Services Tax (GST).

b. **Income Tax**

The Corporation has been granted an exemption from Income Tax under Section 50-20 of the *Income Tax Assessment Act 1997*. The exempt status of the Association applies indefinitely or until such time as a change in circumstances warrants a review of the exemption status.

The financial Statements should be read in conjunction with the attached Independent Auditors Report.

The accompanying Notes form part of the Financial Statements.

NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

c. **Financial Instruments**

Financial assets & liabilities are recognized when the Association becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs, where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at 'fair value through profit or loss' are expensed to profit or loss immediately.

d. **Cash & Cash Equivalents**

Cash & cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

e. **Property, Plant & Equipment**

Each class of property, plant & equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Freehold land & buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms' length transaction.

Plant & Equipment are measured on the cost basis less depreciation & impairment losses. The carrying amount of plant & equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalized leased assets, but excluding freehold land, is depreciated on a straight line basis or diminishing value basis over their useful lives to the Economic Entity commencing from the time the asset is held ready for use.

The depreciation rates for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Buildings	2.5%
Plant & Equipment	15 % - 25%
Motor Vehicles	15%
Furniture & Fittings	25%

f. **Leases**

Finance Leases

The financial Statements should be read in conjunction with the attached Independent Auditors Report.

The accompanying Notes form part of the Financial Statements.

NORTH COAST REGIONAL LANDCARE NETWORK INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Association are classified as finance leases.

Finance leases are capitalized by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis or diminishing value basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset or over the term of the lease.

Operating Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

g. Employee Benefits

Provision is made for the Associations liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Association to the employee superannuation funds and are charged as expenses when incurred.

h. Goods & Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognized as part of the cost of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown as inclusive of GST.

Cash Flows are presented in the cash flow statement on a gross basis, except for the GST component of investing in financing activities, which are disclosed as operating cash flows.

The financial Statements should be read in conjunction with the attached Independent Auditors Report.

The accompanying Notes form part of the Financial Statements.