

# Landcare NSW Incorporated

ABN: 24 958 819 359

## Financial Statements

For the year ended 30 June 2022

# Landcare NSW Incorporated

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# Landcare NSW Incorporated

## Directors' report

30 June 2022

The responsible persons present their report on Landcare NSW Incorporated for the financial year ended 30 June 2022.

### Information on directors

Stephanie Cameron	Chairperson	
Hunter White	Treasurer	
Lyn Thomson	Secretary	Appointed 30/11/2021
Adrian Wells	Director	
Bruce Rolph	Director	
Gareth Johnston	Director	
Georgia Rivers	Director	
Kathy Kelly	Director	
Stephen Bunnell	Director	Appointed 30/11/2021
Beverley Debricat	Committee Member	Resigned 30/11/2021
Margaret Applebee	Previous Secretary	Resigned 30/11/2021

Responsible persons have been in office since the start of the financial year to the date of the report unless otherwise stated.

### Principal activities

The principal activity of Landcare NSW Incorporated during the financial year was to represent, promote and advocate on behalf of community-based land care and community driven sustainable resource management in New South Wales.

No significant changes in the nature of the Association's activity occurred during the financial year.

### Operating results

The profit/(loss) of the Association after providing for income tax amounted to (\$129,920) (2021: \$40,711 )

### Events after the reporting date

The members of the Association passed a special resolution on 30 November 2021 that the Association apply to become a Company Limited by Guarantee within the meaning of the Corporations Act 2001. The assets and liabilities of the Association are to be transitioned to the Company upon its registration. The Board members of the Company are to be drawn from the members of the Executive Committee of Landcare NSW Inc as elected/continued at the 2021 Annual General Meeting. Landcare NSW Limited was subsequently registered 27 July 2022.

# Landcare NSW Incorporated

## Directors' report

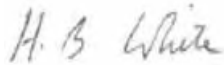
30 June 2022

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association/Company, the results of those operations or the state of affairs of the Association/Company in future financial years.

Signed in accordance with a resolution of the Board by:



Stephanie Cameron  
Chairperson



Hunter White  
Treasurer

Dated: 09 September 2022



## Auditor's independence declaration to the responsible persons of Landcare NSW Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- no contraventions of the auditor independence requirements as set out in section 60-40 of 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.

Roberts & Morrow Audit Services Pty Ltd

Authorised Audit Company Number 517597

Max Elphick

Director

Armidale, NSW, 09 September 2022

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# Landcare NSW Incorporated

## Statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Revenue</b>			
<b>Organisational Revenue</b>	<b>5.b</b>		
Fee for service revenue		179,146	477,247
Activity generated revenue		6,024	10,831
Membership		66,139	31,902
Donations received		22,081	31,002
Other revenue		9,271	-
		282,661	550,982
Project revenue	5.b, 5.e	2,901,555	2,218,641
<b>Total revenue</b>		<b>3,184,216</b>	<b>2,769,623</b>
Other income	5.c	130,171	335,459
		<b>3,314,387</b>	<b>3,105,082</b>
<b>Expenditure</b>			
<b>Organisational expenditure</b>			
Administration		(294,671)	(214,695)
Donations		-	(16,650)
Employee costs		(112,719)	(109,318)
Impairment of Asset		-	(20,000)
<b>Total organisational expenditure</b>		<b>(407,390)</b>	<b>(360,663)</b>
<b>Project expenditure</b>			
Project expenditure		(2,021,612)	(1,401,211)
Employee Expenses		(1,015,305)	(1,302,497)
<b>Total project expenditure</b>		<b>(3,036,917)</b>	<b>(2,703,708)</b>
<b>Total expenditure</b>		<b>(3,444,307)</b>	<b>(3,064,371)</b>
<b>Profit (loss) for the year</b>		<b>(129,920)</b>	<b>40,711</b>
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>(129,920)</b>	<b>40,711</b>

The accompanying notes form part of these financial statements.

# Landcare NSW Incorporated

## Statement of financial position

As at 30 June 2022

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,549,071	2,215,570
Trade and other receivables	7	25,969	32,040
Other assets	9	418,141	-
<b>Total current assets</b>		<b>1,993,181</b>	<b>2,247,610</b>
<b>Non-current assets</b>			
Trade and other receivables	7	18,631	17,050
Right-of-use assets	10	195,683	300,005
<b>Total non-current assets</b>		<b>214,314</b>	<b>317,055</b>
<b>Total assets</b>		<b>2,207,495</b>	<b>2,564,665</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	246,693	126,596
Employee benefits	13	59,763	124,925
Contract liabilities	8	426,195	581,250
Lease liabilities	10	80,012	60,632
Other liabilities	12	188,942	221,572
<b>Total current liabilities</b>		<b>1,001,605</b>	<b>1,114,975</b>
<b>Non-current liabilities</b>			
Employee benefits	13	9,532	8,809
Lease liabilities	10	126,451	241,054
<b>Total non-current liabilities</b>		<b>135,983</b>	<b>249,863</b>
<b>Total liabilities</b>		<b>1,137,588</b>	<b>1,364,838</b>
<b>Net assets</b>		<b>1,069,907</b>	<b>1,199,827</b>
<b>Equity</b>			
Retained earnings		1,069,907	1,199,827

The accompanying notes form part of these financial statements.

# Landcare NSW Incorporated

## Statement of changes in equity For the year ended 30 June 2022

<b>2021</b>	<b>Retained earnings \$</b>	<b>Total equity \$</b>
Opening balance	1,159,116	1,159,116
Profit for the year	40,711	40,711
<b>Closing balance</b>	<b>1,199,827</b>	<b>1,199,827</b>
<b>2022</b>	<b>Retained earnings \$</b>	<b>Total equity \$</b>
Opening balance	1,199,827	1,199,827
Loss for the year	(129,920)	(129,920)
<b>Closing balance</b>	<b>1,069,907</b>	<b>1,069,907</b>

The accompanying notes form part of these financial statements.



# Landcare NSW Incorporated

## Statement of cash flows

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>Cash flows from operating activities:</b>		
Payments to suppliers and employees	(3,959,461)	(3,209,383)
Interest received	311	627
Receipt from grants	2,781,600	2,660,780
Other receipts	587,011	1,311,289
<b>Net cash flows from/(used in) operating activities</b>	<b>(590,539)</b>	<b>763,313</b>
<b>Cash flows from financing activities:</b>		
Payment of lease liabilities	(75,960)	(65,670)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(666,499)</b>	<b>697,643</b>
Cash and cash equivalents at beginning of year	2,215,570	1,517,927
<b>Cash and cash equivalents at end of financial year</b>	<b>1,549,071</b>	<b>2,215,570</b>

The accompanying notes form part of these financial statements.

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### 1. Introduction

The financial report covers Landcare NSW Incorporated (the Association) as an individual entity. Landcare NSW Incorporated is a not-for-profit entity registered charity with the *Australian Charities and Not-for-profits Commission* (ACNC).

The functional and presentation currency of Landcare NSW Incorporated is Australian dollars.

The financial report was authorised for issue by those charged with governance on 05 September 2022.

Comparatives are consistent with prior years, unless otherwise stated.

### 2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure Standard and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

### 3. Summary of significant accounting policies

#### a. Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### b. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

#### c. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the Statement of cash flows are included 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 taxation authority is classified as operating cash flows.

#### d. Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

#### e. Financial instruments

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

#### *Amortised cost*

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

#### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

### *Trade receivables and contract assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

## **ii. Financial liabilities**

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

## **4. Critical accounting estimates and judgements**

The responsible persons make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

### **a. Key estimates - revenue recognition**

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the Association, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the Association have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

### **b. Leases - Determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

### **c. Provision for employee benefits**

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service. The amount of these provisions would change should any of these factors change in the next 12 months.

## **5. Revenue and other income**

### **a. Accounting policy**

#### **i. Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, the timing of the payment for sale of goods and rendering of services

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

### ii. Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

#### Interest Income

Investment income comprises interest. Interest income is recognised as it accrues, using the effective interest method.

#### Membership

The membership year runs from 1 July to 30 June. Membership income is recognised on an accruals basis. Membership/Blanket insurance income received for a future membership year is recorded as income in advance at balance date.

#### Revenue from Government contracts and Corporate Partnerships

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association:

- Identifies the contract with a customer;
- Identifies the performance obligations in the contract;
- Determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- Allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- Recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

#### Donations

Donations are recognised at the time the funds are received. If conditions are attached to the donation which must be satisfied before the Association is eligible to retain the donation, the donation will be recognised in the statement of financial position as a liability until those conditions are satisfied.

### iii. Statement of financial position balances relating to revenue recognition

#### Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Association presents the contract as a contract asset, unless the Association's rights to that amount of consideration are unconditional, in which case the Association recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Association presents the contract as a contract liability.

### iv. Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

### v. Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

## b. Revenue from continuing operations

	2022 \$	2021 \$
<b>Revenue from contracts with customers (AASB 15)</b>		
Provision of services	179,146	477,247
Project revenue - State Government	1,510,750	234,750
Member subscriptions	66,139	31,902
	1,756,035	743,899
<b>Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)</b>		
Donations	22,081	31,002
Grants	6,024	10,781
Project revenue - Government	1,390,805	1,983,891
Other revenue from other sources	9,271	50
	1,428,181	2,025,724
	3,184,216	2,769,623

## c. Other income

	2022 \$	2021 \$
Covid-19 government subsidies	129,860	334,832
Interest income	311	627
	130,171	335,459

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### d. Unsatisfied performance obligations

The following table shows the amount of funding recognised as a contract liabilities due to unsatisfied (or partially unsatisfied) performance obligations.

	2022	2021
	\$	\$
Creating canopies in Greater Sydney	426,195	581,250

### e. Government grants and other assistance

	2022	2021
	\$	\$
<b>State Government</b>		
Grant Income (State) - AASB 1058	1,070,000	1,356,891
Project revenue - AASB 1058	320,805	627,000
Fee for Service - AASB 15	1,510,750	234,750
	2,901,555	2,218,641

## 6. Cash and cash equivalents

### a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### b. Cash and cash equivalent details

	2022	2021
	\$	\$
Cash at bank	1,549,071	2,215,570



# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### c. Restricted funds

	2022	2021
	\$	\$
Landcare BCT Partnership Project for Biodiversity Conservation	423,734	484,472
Bushfire Community Recovery & Resilience Fund	78,171	200,491
Local Streams, Local Communities	57,906	122,906
Landcare led Bushfire Recovery for Species & Landscapes Program	110,286	134,792
Landcare Conference Legacy	20,200	20,200
NSW Landcare Program	364,472	445,618
Regional Landcare Coordinator	-	55,517
National Landcare program	-	27,490
<b>Total restricted funds</b>	<b>1,054,769</b>	<b>1,491,486</b>

The company has identified restricted funds associated with grant revenue recognised in the financial statements with unperformed obligations at balance date. The restricted funds have been recognised in the financial statements in accordance with AASB 1058 Income of Not-for-Profit Entities.

### 7. Trade and other receivables

Current	2022	2021
	\$	\$
<b>Trade receivables</b>		
Accounts Receivable	13,999	2,640
GST Receivable	11,970	-
Sundry Debtor	-	29,400
<b>Total Trade receivables</b>	<b>25,969</b>	<b>32,040</b>
<b>Non-current</b>	<b>2022</b>	<b>2021</b>
	\$	\$
Bond receivable - 56 Church Ave Sydney	18,631	17,050

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### 8. Contract balances

The Association has recognised the following contract assets and liabilities from contracts with customers:

Current contract liabilities	2022	2021
	\$	\$
Other contract liabilities	426,195	581,250

### Contract liabilities

Contract liabilities represent payment received from customers in excess of services rendered by the Association.

### 9. Other assets

Current	2022	2021
	\$	\$
Other assets		
Prepayments	418,141	-

### 10. Leases

#### a. Accounting policy

At inception of a contract, the Association assesses whether a lease exists.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

#### b. Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The Association has chosen not to apply AASB 16 to leases of intangible assets.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### *Exceptions to lease accounting*

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

## **b. Association as a lessee**

The Association has lease contracts as at 30 June 2022 for use of premises to conduct its operations until March 2025 (Sydney office).

Information relating to the leases in place and associated balances and transactions are provided below.

### **i. Right-of-use assets**

<b>2022</b>	<b>Buildings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
Opening balance	300,005	300,005
Depreciation charge	(74,941)	(74,941)
Additions	25,608	25,608
Adjustments to right-of-use assets	(54,989)	(54,989)
<b>Closing balance</b>	<b>195,683</b>	<b>195,683</b>

### **ii. Lease liabilities**

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

<b>Lease liability movements for the year</b>	<b>Buildings</b>
As at 1 July 2021	301,686
Additions	25,608
Adjustments to lease liability	(46,694)
Interest Paid	1,822
Payments	(75,959)
<b>Lease liability as at 30 June 2022</b>	<b>206,463</b>

<b>Undiscounted Lease Liabilities</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
< 1 year	81,177	60,632
1 - 5 years	127,442	241,054
<b>Total undiscounted lease liabilities</b>	<b>208,619</b>	<b>301,686</b>
Lease liabilities included in the statement of financial position	206,463	301,686

### 11. Trade and other payables

<b>Current</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Trade payables	261,585	103,750
GST payable	(14,892)	22,846
	<b>246,693</b>	<b>126,596</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 12. Other liabilities

<b>Current</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Other liabilities</b>		
Auspiced funds in trust	41,612	182,675
Prepaid membership fees	57,782	38,897
Prepaid Group Insurance Premiums	89,548	-
<b>Total Other liabilities</b>	<b>188,942</b>	<b>221,572</b>

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### 13. Employee benefits

#### a. Accounting policy

Provision is made for the Association's liability for employee benefits, those benefits that are expected to be wholly 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 expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### b. Employee benefit details

Current	2022	2021
	\$	\$
Annual leave	47,256	88,167
Other employee benefits	12,507	36,758
	59,763	124,925
Non-current	2022	2021
	\$	\$
Long service leave	9,532	8,809

### 14. Financial risk management

Financial assets	2022	2021
	\$	\$
Held at amortised cost		
Cash and cash equivalents	1,549,071	2,215,570
Trade and other receivables	44,600	49,090
	1,593,671	2,264,660

### 15. Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 2022 (2021: None).

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### 16. Related parties

#### a. The Association's main related parties are as follows:

##### Key Management personnel

The total remuneration paid to key management personnel of the Association is \$273,079 (2021: \$363,120).

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

##### Board/Committee members

Board/Committee members in office during the year are disclosed in the Directors' Report that accompanies these financial statements. No board/committee members were remunerated for their services to the association during the year, other than for the reimbursement of travel and administration on normal arm's length terms and conditions.

#### b. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Landcare NSW funds Landcare groups operating in NSW on a fee for service basis to hold workshops for funded projects, provide project assistance and undertake contract work for fee for service income.

Membership Fees are charged to Landcare groups on Normal Arms length terms. These have been excluded from the detailed related parties table but are disclosed below. All membership fees are paid on arms-length terms.

Description	2022 \$	2021 \$
Member subscriptions	66,139	31,902

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

The following transactions occurred with related parties:

Related Parties	Payments Received \$	Payments Made \$
Bellingen Urban Landcare	-	50,000
Brunswick Valley Landcare	-	3,400
Central Tablelands Landcare Inc	-	3,400
Central West Lachlan Landcare Incorporated	-	66,625
Coffs Harbour Regional Landcare Incorporated	-	3,400
Corowa District Landcare Incorporated	-	3,400
Dunedoo Area Community Group T/a Dunedoo Coolah Landcare	-	3,400
Far South Coast Landcare Association Incorporated	-	12,800
Granite Boarders Landcare Committee Inc	2,268	-
Greater Sydney Landcare Network Inc	-	905,296
Holbrook Landcare Network	-	97,637
Hovells Creek Landcare Group Incorporated	-	3,400
Hunter Region Landcare Network Incorporated	-	26,400
Little River Landcare Group Incorporated	-	3,400
Macleay Landcare Network Incorporated	-	3,400
Manning Landcare Incorporated	-	3,400
Mid Coast 2 Tops Landcare Connection Inc	-	86,629
Murrumbidgee Landcare Association Incorporated	-	132,500
National Landcare Network Ltd	141,708	33,130
North Coast Regional Landcare Network	-	112,900
Northern Slopes Landcare Association	-	6,800
Richmond Landcare Inc	-	4,100
Shoalhaven Landcare Association Incorporated	-	5,035
South East Landcare Inc.	-	74,892
South Lismore Duck Pond Landcare	-	2,000
Southern New England Landcare Ltd	-	9,232
Tamworth Regional Landcare Association Inc	-	80,641
Tweed Landcare Incorporated	-	3,400
Upper Murrumbidgee Landcare Committee Incorporated	-	3,400
Upper Shoalhaven Landcare Council Incorporated	-	3,400
Watershed Landcare Group Incorporated	-	80,349
Weddin Landcare Steering Committee Incorporated	-	3,400
Western Landcare NSW Incorporated	-	95,895
<b>Total</b>	<b>143,976</b>	<b>1,927,061</b>

# Landcare NSW Incorporated

## Notes to the financial statements

For the year ended 30 June 2022

### 17. Auditor's remuneration

	2022	2021
	\$	\$
- Audit and assurance services	6,950	6,950
- Assistance with the preparation of the financial statements	1,950	2,950
- Other services	250	2,500
	9,150	12,400

### 18. Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association/Company, the results of those operations, or the state of affairs of the Association/Company in future financial years.

The members of the Association passed a special resolution on 30 November 2021 that the Association apply to become a Company Limited by Guarantee within the meaning of the Corporations Act 2001. The assets and liabilities of the Association are to be transitioned to the Company upon its registration. The Board members of the Company are to be drawn from the members of the Executive Committee of Landcare NSW Inc as elected/continued at the 2021 Annual General Meeting. Landcare NSW Limited was subsequently registered 27 July 2022.



# Landcare NSW Incorporated

## Responsible persons' declaration

In accordance with a resolution of the Board of Landcare NSW Ltd, the Director's declare that in their opinion:

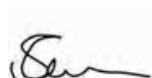
1. The Landcare NSW Incorporated financial statements and notes are in accordance with the Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Regulations 2013, and:

(a) comply with Australian Accounting Standards – Simplified Disclosure Standards; and

(b) give a true and fair view of the financial position of the association as at 30 June 2022 and its performance and cash flows for the year ending on that date.

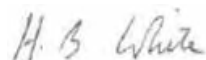
2. In the Director's opinion there are reasonable grounds to believe that Landcare NSW Incorporated will be able to pay all of its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



Stephanie Cameron  
Chairperson

Dated: 09 September 2022



Hunter White  
Treasurer



# Independent audit report to the members of Landcare NSW Incorporated

## Report on the Audit of the Financial Report

### Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Landcare NSW Incorporated (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the Responsible persons' declaration.

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

(i) giving a true and fair view of the Association's financial position as at 30 June 2022

and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Simplified Disclosures 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 Entity in accordance with the auditor independence requirements of the ethical requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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.

### Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, and the ACNC Act, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

ACCOUNTING  
AUDIT SERVICES  
FINANCIAL PLANNING  
SMSF SPECIALISTS  
BUSINESS INTEL  
TAX + LEGAL  
INFO TECH  
+ MORE

ARMIDALE  
BRISBANE  
GLEN INNES  
MAITLAND  
NARRABRI  
TAMWORTH  
TOWNSVILLE  
+ MORE



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Standards Legislation.  
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In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Roberts & Morrow Audit Services Pty Ltd

Authorised Audit Company Number 517597

A handwritten signature in dark ink, appearing to read 'M Elphick', is written over a faint, circular embossed seal.

Max Elphick

Director

Armidale, NSW, 09 September 2022