

# Landcare NSW Limited

ACN: 660 758 770

## Financial Statements

For the year ended 30 June 2023

# Landcare NSW Limited

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For the year ended 30 June 2023

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# Landcare NSW Limited

## Directors' report

30 June 2023

The directors present their report on Landcare NSW Limited for the financial year ended 30 June 2023.

### Information on directors

Stephanie Cameron	Chairperson	
Gareth Johnston	Vice Chairperson	
Hunter White	Treasurer	
Lyn Thomson	Secretary	
Bruce Rolph	Director	
Kathy Kelly	Director	
Stephen Bunnell	Director	
Howard Jones	Director	Appointed 19 October 2022
Rene Woods	Director	Appointed 19 October 2022
Elizabeth Riley	Director	Appointed 19 October 2022

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

### Stephanie Cameron

Qualifications	Bachelor of Applied Science in Biological and Chemical Technologies, M.ASSSI, M.RACI and MAICD.
Experience	A qualified scientist who graduated from the University of Western Sydney Hawkesbury with a Bachelor of Applied Science in Biological and Chemical Technologies in 1996. Steph is a qualified environmental consultant (contamination), internal auditor (ISO) and holds several leadership and membership qualifications. She is the current business operations manager, director and co-owner of East West a local soil testing company with a 27 year history, based in Tamworth. East West is a National Association Testing Authority (ISO) accredited lab for testing soils for geotechnical, environmental and agricultural purposes. Steph has been involved with Landcare at all levels, both grass roots and the associated regional bodies for over fifteen years. Her financial skills and business strategy experience have served her well in her many volunteer roles which include Treasurer Tamworth Urban Landcare, Treasurer Tamworth Regional Landcare Association, former Chair North West Landcarer's, Area 3 Director Zonta District 24 Board (NSW), Treasurer Tamworth Jockey Club, Board Director Australian Soil and Plant Analysis Council, and Vice President of New England North West Business NSW Chamber. Stephanie is an ordinary Director from North West and Northern Tablelands Region.

# Landcare NSW Limited

Directors' report

30 June 2023

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## Stephanie Cameron

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Special responsibilities	Chair of the Landcare NSW Board
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## Gareth Johnston

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Qualifications	Scotvec Certificate in Estate Management (UHI) Grad Cert Applied Science (Sustainability) (Swin) Grad Cert Enterprise Resilience (ACU) Certificate in Governance and Risk Management (TGI) Level 2 Certificate in Executive Coaching Certificate in Climate Science Certificate in Climate Policy both from IGES/UNU
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Experience	Bringing over 30 years management consulting history, Gareth is an experienced company director with service on public company, private company and NGO boards with State and Commonwealth, UN and other sovereign advisory appointments. Prior to his participation with Landcare NSW, he was elected Treasurer then Chair of Murrumbidgee Landcare Inc one of Australia's oldest regional Landcare groups. A pioneer in responding to climate change, Gareth was founding CEO of CSIRO's first cleantech company, formed an international climate adaptation and risk advisory practice and is Lead author of Climate in the Boardroom credited by regulators as the basis of climate governance in Australia. He is Director, Strategic Resilience with Future Ready, a specialist advisory practice with clients including enterprise, sovereign and multilateral agencies. Living off grid in the Southern Tablelands, Gareth sees Landcare as a critical element of community resilience. He believes water security, climate variability, cheap green energy, adaptation and community wellbeing as key challenges for rural Australia. Gareth is an active shaper of corporate governance in climate risk in Australia. Gareth is an ordinary Director from Murray and Riverina region.
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Special responsibilities	Vice Chair of the Landcare NSW Board; Chair of the Landcare NSW Nominations Committee; Landcare NSW delegate to the National Landcare Network (NLN) Board Member Governance Committee, NLN Board
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# Landcare NSW Limited

Directors' report

30 June 2023

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## Hunter White OAM

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Qualifications	Graduate certificate in Business (Agribusiness)
Experience	Hunter has extensive experience as a Not-for-Profit Company Director of organisations involved in agriculture, education, agricultural shows, Landcare and Foundations to support these organisations. Hunter is an Ordinary Director from Central West and Central Tablelands region. Hunter operates a mixed farming enterprise in the Mudgee and Yeoval districts based on sustainable and regenerative land management; and is very involved in local community organisations.
Special responsibilities	Treasurer for Landcare NSW; Chair of the Landcare NSW Finance, Audit and Risk Management Sub-Committee; Committee member of the Landcare NSW Nominations Committee.

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## Lyn Thomson

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Qualifications	Bachelor of Arts; Native Bee Educator.
Experience	Lyn was a Liaison Officer with the Department of Education based at Evans River K-12 School; introducing environmental education into the school. The school went onto win a state prize for their innovative recycling ideas. Lyn worked for the Australian Native Bee Company as their educator, bringing to life her passion for Australian Native Bees. In 2009 Lyn joined Richmond Landcare as their School's Officer, she spent the next ten years educating young people about sustainability and the natural environment. When Lyn retired, she immersed herself in all things Landcare. Today she is the treasurer of Richmond Landcare and an Ordinary Director of Landcare NSW from the North Coast and Hunter regions.
Special responsibilities	Secretary for Landcare NSW; Committee member of the Landcare NSW Nominations Committee.

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# Landcare NSW Limited

Directors' report

30 June 2023

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## Bruce Rolph

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Qualifications	Bachelor of Economics (Hons); Master of Environmental Management (UNSW); Graduate, Australian Institute of Company Directors (GAICD).
Experience	Multi-decade leadership and senior management roles in the public, private and NFP sectors in Australia and internationally, including with The Australian Treasury, Macquarie Bank, Citigroup, UBS and Bahana Indonesia. Deep understanding of, and leadership in, the search for sustainable solutions to contemporary environmental, social, and governance challenges confronting organisations of all persuasions. Governance expertise and credibility with various Not-for-Profit organisations variously as Chair, NED, and governance consultant - incl. as Co-Author of the Australian Council for the Arts' 'Essential governance practices for arts organisations'. Current NFP roles include Chair, Skin Check Champions; Independent Director, Landcare NSW; Independent Director, Mosman Environment Foundation; Deputy Vice President (elected), Headland Preservation Group (NSW).
Special responsibilities	Committee member of Landcare NSW Nominations Committee; Committee member of Landcare NSW Public Fund Management Committee

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## Elizabeth Riley

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Qualifications	Bachelor of Applied Science (Wine); Cert IV TAE; Graduate of the Australian Institute of Company Directors; Nuffield Farming Scholar.
Experience	Liz is based in the Hunter Valley and works across NSW as an independent consulting viticulturist and contract trainer with Tocal College. She has 30 years experience working as a Viticulturist in the Australian Wine Industry with expertise in pest and disease management, agrochemicals, biosecurity, and sustainability. Liz currently sits on the National Wine Biosecurity Committee, is a NED of Freshcare and the CRC SAAFE and has previously served on the board of the NSW Wine Industry Association and the Australian Wine Research Institute. Liz is also an active member and vice president of the Hunter Valley Wine Country Landcare Group.
Special responsibilities	Committee member of Landcare NSW Nomination Committee.

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# Landcare NSW Limited

## Directors' report

30 June 2023

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### Kathy Kelly

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Qualifications	Bachelor of Economics; Fellow of the Institute of Chartered Accountants in Australia and New Zealand; Graduate of the Australian Institute of Company Directors; Registered Company Auditor.
Experience	Kathy has a deep understanding of the agriculture sector over her 30 years as a practising accountant. Her experience has led to a comprehensive practical knowledge of the business, accounting and tax issues in agricultural and related agribusiness entities. Kathy was a Director of Boyce Chartered Accountants, 1989-2019, the largest regional accounting firm in Australia. Based in Cooma, she managed the office and provided specialist audit and tax services predominantly in agriculture and related industries. Kathy is currently a director of the Mulloon Institute Limited Landcare NSW Limited and Plant Health Australia Limited. She also holds the role of Company Secretary for the Mulloon Institute and is a committee member of Cooma Landcare Inc.
Special responsibilities	Committee Member of the Finance Audit and Risk Committee; Chair of the NSW Landcare Public Fund Management Committee.

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### Rene Woods

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Experience	Rene is a strong advocate for First Nations people in the Murray Darling Basin and has worked in communities in both the public and non-government organisation sectors of the Basin. He is currently employed by the Nature Conservancy Australia as Associate Director of Indigenous Peoples and Local Communities (IPLC) Partnerships and has previously held the position of chairperson of the Murray Lower Darling Rivers Indigenous Nations (2018 to 2020) and been vice-chair of the Nari Nari Tribal Council. He works with his Nari Nari Elders to make sure their views are incorporated into Gayini (water) planning within the state and Basin. He has also held several other positions including with New South Wales Department of Primary Industries Aboriginal Water Initiative (2013 to 2016) and Murrumbidgee Valley Water NSW Customer Advisory Group (2018 to 2020).
Special responsibilities	Nil

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# Landcare NSW Limited

## Directors' report

30 June 2023

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### Steve Bunnell

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Qualifications	Tertiary studies in Management, Credit Management and Accounting. Certificate IV in Wool Classing Licenced Commercial Agent
Experience	Steve has held senior management positions in the food manufacturing, entertainment, agribusiness, import/export and the accounting and legal services industries and is currently self employed as a finance, administration and Trust compliance consultant in the legal and accounting services sector where his current and former clients include big 4 accounting firms and boutique to mid tier law firms. Steve also operates a sheep and lamb trading property at Boorowa, NSW and is active in the Boorowa Community Landcare Group Inc. where he is currently Treasurer. He is currently convener of the South East Landcare Regional Landcare Coordinator Steering Committee and has previously held positions with the Legal and Accounting Credit Managers Association (LCMA) and his local football club where he is a Life Member.
Special responsibilities	Committee member of the Landcare NSW Finance Audit and Risk Committee; Committee member of Landcare NSW Nominations Committee; Landcare NSW delegate to National Landcare Network Members Council.

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### Howard Jones OAM

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Qualifications	Medal (OAM) of the order of Australia in the general division; Environmental Award, Wentworth Shire Council.
Experience	Howard Jones is a long-term resident, landowner, and business owner/operator in the Western region and brings experience of the Western Division's issues related to the landscape and waterways. Howard was the Chairman of the Murray-Darling Wetlands Working Group from 1996 – 2017 and a founding Director, Environmental Affairs, Western Murray Irrigation from 1995-2008. He has 35 plus years of industry and environmental leadership experience across Southwest and Western NSW. Howard has a close involvement with Water reform in NSW, and the delivery of change to communities in the Southwest as a leader and member of statutory boards.
Special responsibilities	Committee member of Landcare NSW Nominations Committee

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### Meeting of directors

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

Director	Number of meetings attended	Number of meetings eligible to attend
Stephanie Cameron	6	6
Gareth Johnston	6	6
Hunter White	6	6
Lyn Thomson	6	6
Bruce Rolph	6	6
Kathy Kelly	6	6
Stephen Bunnell	6	6
Howard Jones	2	4
Rene Woods	3	4
Elizabeth Riley	2	4

### Principal activities

The principal activity of Landcare NSW Limited 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 Company's activity occurred during the financial year.

### Short and long term objectives

Landcare NSW has established short and long-term objectives published in our 5 Year Strategic Plan, available on our website. These objectives are:

1. Grow the member base:
  - a) Through broadening the value proposition for members and non-members
  - b) Promoting the One million landcarers by 2040
2. Strengthen our capability through:
  - a) Diversification of revenue streams
  - b) Develop our understanding of Landcare NSW's role in the natural capital supply chain in NSW
3. Strengthen foundations and programs that support the NSW Landcare community
4. Enhance the Landcare NSW position, profile and presence through our projects and programs
5. Develop organisational leadership and cultural awareness through individual and team professional development

# Landcare NSW Limited

Directors' report  
30 June 2023

## Key performance measures

The key performance measures for the organisation are detailed in the 5 year Strategic Plan which is available on the Landcare NSW website. These include revenues received from grants, fee-for-service activities, donations, as well as measuring membership numbers, impact of communications, and participation of Landcare NSW staff in regional Landcare events.

## Operating results

	2023	2022
	\$	\$
The profit/(loss) of the Company after providing for income tax amounted to	(511,917)	(129,920)

## Events after the reporting date

No significant matters or circumstances have arisen since the end of the financial year which 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 future financial years.

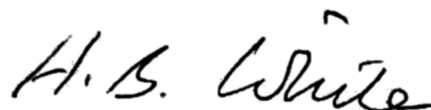
## Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2023 has been received and can be found on page 10 of the financial report.

Signed in accordance with a resolution of the Board by:



Stephanie Cameron  
Chairperson



Hunter White  
Treasurer

Dated: 26 October 2023



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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, 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, 26 October 2023

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BRISBANE  
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MAITLAND  
NARRABRI  
TAMWORTH  
TOWNSVILLE  
+ MORE



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# Landcare NSW Limited

## Statement of profit or loss and other comprehensive income

For the year ended 30 June 2023

Description	Note	2023 \$	2022 \$
<b>Revenue</b>	<b>5</b>		
<b>Organisational Revenue</b>			
Fee for service revenue		144,865	179,146
Activity generated revenue		23,085	15,295
Interest income		10,261	311
Membership		132,278	66,139
Other income		-	129,860
Donations received		36,877	22,081
<b>Total Organisational Revenue</b>		<b>347,366</b>	<b>412,832</b>
Project revenue		3,156,216	2,901,555
<b>Total revenue</b>		<b>3,503,582</b>	<b>3,314,387</b>
<b>Expenditure</b>			
<b>Organisational expenditure</b>			
Administration		(341,415)	(368,409)
Employee costs		(590,305)	(519,609)
<b>Total Organisational expenditure</b>		<b>(931,720)</b>	<b>(888,018)</b>
<b>Project expenditure</b>			
Project expenditure		(2,374,904)	(1,947,874)
Employee expenses		(708,875)	(608,415)
<b>Total project expenditure</b>		<b>(3,083,779)</b>	<b>(2,556,289)</b>
<b>Total Expenditure</b>		<b>(4,015,499)</b>	<b>(3,444,307)</b>
<b>Profit (loss) for the year</b>		<b>(511,917)</b>	<b>(129,920)</b>
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>(511,917)</b>	<b>(129,920)</b>

The accompanying notes form part of these financial statements.

# Landcare NSW Limited

## Statement of financial position

As at 30 June 2023

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,971,969	1,549,071
Trade and other receivables	7	24,954	40,861
Other assets	9	73,649	418,141
<b>Total current assets</b>		<b>2,070,572</b>	<b>2,008,073</b>
<b>Non-current assets</b>			
Trade and other receivables	7	18,631	18,631
Right-of-use assets	10	139,108	195,683
<b>Total non-current assets</b>		<b>157,739</b>	<b>214,314</b>
<b>Total assets</b>		<b>2,228,311</b>	<b>2,222,387</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	843,935	261,585
Employee benefits	13	65,811	59,763
Contract liabilities	8	393,574	426,195
Lease liabilities	10	79,883	80,012
Other liabilities	12	236,700	188,942
<b>Total current liabilities</b>		<b>1,619,903</b>	<b>1,016,497</b>
<b>Non-current liabilities</b>			
Employee benefits	13	9,324	9,532
Lease liabilities	10	41,094	126,451
<b>Total non-current liabilities</b>		<b>50,418</b>	<b>135,983</b>
<b>Total liabilities</b>		<b>1,670,321</b>	<b>1,152,480</b>
<b>Net assets</b>		<b>557,990</b>	<b>1,069,907</b>
<b>Equity</b>			
Retained earnings		557,990	1,069,907

The accompanying notes form part of these financial statements.

# Landcare NSW Limited

## Statement of changes in equity For the year ended 30 June 2023

<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>
<b>2023</b>	<b>Retained earnings \$</b>	<b>Total equity \$</b>
Opening balance	1,069,907	1,069,907
Loss for the year	(511,917)	(511,917)
<b>Closing balance</b>	<b>557,990</b>	<b>557,990</b>

The accompanying notes form part of these financial statements.

# Landcare NSW Limited

## Statement of cash flows

For the year ended 30 June 2023

	2023	2022
	\$	\$
<b>Cash flows from operating activities:</b>		
Payments to suppliers and employees	(4,091,517)	(3,959,461)
Interest received	10,261	311
Receipt from grants	3,177,107	2,781,600
Other receipts	1,435,776	587,011
<b>Net cash flows from/(used in) operating activities</b>	<b>531,627</b>	<b>(590,539)</b>
<b>Cash flows from financing activities:</b>		
Payment of lease liabilities	(108,729)	(75,960)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>422,898</b>	<b>(666,499)</b>
Cash and cash equivalents at beginning of year	1,549,071	2,215,570
<b>Cash and cash equivalents at end of financial year</b>	<b>1,971,969</b>	<b>1,549,071</b>

The accompanying notes form part of these financial statements.

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### 1. Introduction

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

From 27 July 2022 Landcare NSW Incorporated restructured into an incorporated entity limited by guarantee, Landcare NSW Limited. All assets were legally transferred utilising a deed of transfer to the new corporate (Limited by Guarantee) entity and the operations and services of Landcare NSW Limited remain unchanged.

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

The financial report was authorised for issue by those charged with governance on 26 October 2023.

Comparatives represent the results of Landcare NSW Incorporated and 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 Disclosures 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 Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### b. 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.

#### c. Financial instruments

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

On initial recognition, all financial instruments are measured at fair value plus transaction costs.



# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### **i. Financial assets**

#### *Classification*

On initial recognition, the Company classifies its financial assets as measured at amortised cost.

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

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

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

Interest income 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.

#### *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 Company 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 Company 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.

### **ii. Financial liabilities**

The Company 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 Company comprise trade payables and lease liabilities.

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### 4. Critical accounting estimates and judgements

The directors 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 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 company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the company 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 - Determination of 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 Company expects to receive in exchange for those goods or services.

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

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

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

None of the revenue streams of the Company 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 Company 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 company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company:

- 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.

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### Donations

Donations are recognised at the time the funds are received. If conditions are attached to the donation which must be satisfied before the company 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 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 Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company 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 Company presents the contract as a contract liability.

### iv. Other income

Other income is recognised on an accruals basis when the Company 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

	2023	2022
	\$	\$
<b>Revenue from contracts with customers (AASB 15)</b>		
Provision of services	144,865	179,146
Project revenue - State Government	1,945,291	1,510,750
Member subscriptions	132,278	66,139
	2,222,434	1,756,035

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

	2023	2022
	\$	\$
<b>Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)</b>		
Donations	36,877	22,081
Sponsorship	13,813	6,024
Project revenue - Government	1,210,925	1,390,805
Other revenue from other sources	9,272	9,271
	1,270,887	1,428,181
	3,493,321	3,184,216

### c. Other income

	2023	2022
	\$	\$
Covid-19 government subsidies	-	129,860
Interest income	10,261	311
	10,261	130,171

### 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.

	2023	2022
	\$	\$
Risk Reduction Resilience NSW	379,146	-
Creating canopies in Greater Sydney	14,428	426,195
	393,574	426,195

## 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

	2023	2022
	\$	\$
Cash at bank	1,971,969	1,549,071

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### c. Restricted funds

	2023	2022
	\$	\$
Landcare BCT Partnership Project for Biodiversity Conservation	-	423,734
Bushfire Community Recovery & Resilience Fund	-	78,171
Local Streams, Local Communities	-	57,906
Landcare led Bushfire Recovery for Species & Landscapes Program	-	110,286
Landcare Conference Legacy	-	20,200
NSW Landcare Program	475,279	364,472
<b>Total restricted funds</b>	<b>475,279</b>	<b>1,054,769</b>

### 7. Trade and other receivables

Current	2023	2022
	\$	\$
<b>Trade receivables</b>		
Accounts Receivable	19,752	13,999
Other current assets	-	11,970
GST	5,202	14,892
<b>Total Trade receivables</b>	<b>24,954</b>	<b>40,861</b>
<b>Non-current</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Bond receivable - 56 Church Ave Sydney	18,631	18,631

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### 8. Contract balances

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

Current contract liabilities	2023	2022
	\$	\$
Other contract liabilities	393,574	426,195

### Contract liabilities

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

### 9. Other assets

Current	2023	2022
	\$	\$
Other assets		
Prepayments	73,649	418,141

### 10. Leases

#### a. Accounting policy

At inception of a contract, the Company 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 Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company 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.

#### i. Lessee accounting

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

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

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

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

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

### b. Company as a lessee

The company has lease contracts as at 30 June 2023 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

2023	Buildings \$	Total \$
Opening balance	195,683	195,683
Depreciation charge	(79,818)	(79,818)
Adjustments to right-of-use assets	23,243	23,243
<b>Closing balance</b>	<b>139,108</b>	<b>139,108</b>

#### ii. Lease liabilities

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



# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

<b>Undiscounted Lease Liabilities</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
< 1 year	79,883	81,177
1 - 5 years	41,094	127,442
<b>Total undiscounted lease liabilities</b>	<b>120,977</b>	<b>208,619</b>

Lease liabilities included in the statement of financial position	120,977	206,463
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<b>Lease liability movements for the year</b>	<b>Buildings</b>
As at 1 July	206,463
Adjustments to lease liability	(6,067)
Interest Paid	1,250
Payments	(80,669)
<b>Lease liability as at 30 June 2022</b>	<b>120,977</b>

## 11. Trade and other payables

<b>Current</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade payables	808,379	261,585
Superannuation payable	33,536	-
Accrued expenses	2,020	-
	<b>843,935</b>	<b>261,585</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>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Other liabilities</b>		
Auspiced funds in trust	135,728	41,612
Prepaid membership fees	-	57,782
Prepaid Group Insurance Premiums	-	89,548
<b>Total Other liabilities</b>	<b>135,728</b>	<b>188,942</b>

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### 13. Employee benefits

#### a. Accounting policy

Provision is made for the Company'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	2023	2022
	\$	\$
Annual leave	48,455	47,256
Other employee benefits	17,356	12,507
	65,811	59,763
Non-current	2023	2022
	\$	\$
Long service leave	9,324	9,532

### 14. Financial risk management

Financial assets	2023	2022
	\$	\$
Held at amortised cost		
Cash and cash equivalents	1,971,969	1,549,071
Trade and other receivables	43,585	59,492
	2,015,554	1,608,563

### 15. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 2023 (2022: None).

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### 16. Related parties

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

##### Key Management personnel

The key management personnel are the people with authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. They include board members and senior staff.

The total remuneration paid to key management personnel of the Company is \$222,714 (2022: \$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 members

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

The Chairperson receives a nominal fee for services provided. Amounts paid are included in the key management personnel disclosure above.

#### b. Transactions with related parties

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.

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.

Description	2023 \$	2022 \$
Member subscriptions	132,278	66,139

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

The following transactions occurred with related parties:

Related Parties	Payments Received \$	Payments Made \$
Bingman Catchment Landcare Group Inc	-	107,858
Central West Lachlan Landcare Incorporated	-	37,225
Greater Sydney Landcare Network Inc	-	1,032,777
Holbrook Landcare Network	-	16,500
Hunter Region Landcare Network Incorporated	-	2,500
Lithgow Oberon Landcare Association Inc.	-	3,400
Mid Coast 2 Tops Landcare Connection Inc	-	34,929
Murrumbidgee Landcare Association Incorporated	-	59,388
National Landcare Network Ltd	76,115	3,773
North Coast Regional Landcare Network	-	166,400
Pymont Ultimo Landcare Incorporated	-	1,500
Richmond Landcare Inc	3,000	2,700
Shoalhaven Landcare Association Incorporated	-	8,612
South East Landcare Inc.	-	37,112
Southern New England Landcare Ltd	-	1,869
Tamworth Regional Landcare Association Inc	-	91,641
Upper Lachlan Landcare Incorporated	-	71,547
Watershed Landcare Group Incorporated	-	58,536
Western Landcare NSW Incorporated	-	5,000
<b>Total</b>	<b>79,115</b>	<b>1,743,267</b>

## 17. Auditor's remuneration

	2023 \$	2022 \$
Audit and assurance services	7,050	6,950
Assistance with the preparation of the financial statements	1,950	1,950
Other services	250	250
	<b>9,250</b>	<b>9,150</b>

## 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 Company, the results of those operations, or the state of affairs of the Company in future financial years.

# Landcare NSW Limited

## Notes to the financial statements

For the year ended 30 June 2023

### 19. Statutory information

The registered office and principal place of business of the Company is:

Landcare NSW Limited

Unit 7, 56 Church Street

MASCOT NSW 2020

# Landcare NSW Limited

## Responsible persons' declaration

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

1. The Landcare NSW Limited 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 2022, and:
  - (a) comply with Australian Accounting Standards – Simplified Disclosure Standards; and
  - (b) give a true and fair view of the financial position of the Company as at 30 June 2023 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 Limited 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 2022.



Stephanie Cameron  
Chairperson

Dated: 26 October 2023



Hunter White  
Treasurer

# Independent audit report to the members of Landcare NSW Limited

## 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 Limited (the Company), which comprises the statement of financial position as at 30 June 2023, 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 Company 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 Company's financial position as at 30 June 2023 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 2022*.

### 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.



In preparing the financial report, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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.

In preparing the financial report, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 directors 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', written in a cursive style.

Max Elphick

Director

Armidale, NSW, 26 October 2023