

Landcare NSW Limited

Directors Report for the year ended 30 June 2024

The Directors present their report on Landcare NSW Limited for the financial year ended 30 June 2024.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Steve Bunnell	
Stephanie Cameron	<i>Resigned 31 October 2023</i>
Wayne Chaffey	<i>Appointed 16 January 2024</i>
Matilda Fergusson	<i>Appointed 16 January 2024. Deceased 1 February 2024</i>
Gareth Johnston	
Howard Jones	<i>Resigned 28 September 2023</i>
Kathy Kelly	
Bruce Maynard	<i>Appointed 16 January 2024, resigned 2 October 2024</i>
Elizabeth Riley	
Bruce Rolph	
Lyn Thomson	
Hunter White	<i>Resigned 31 October 2023</i>
Rene Woods	<i>Resigned 27 June 2024</i>

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

Information on Directors

Gareth Johnston, Chair

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
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,

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	<p>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.</p> <p>He is a Director at 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.</p> <p>Gareth is an active shaper of corporate governance in climate risk in Australia. Gareth is an ordinary Director from Murray and Riverina region.</p>
Special responsibilities	<p>Vice Chair of the Landcare NSW Board from 1 July 2023 until 31 October; Chair of the Landcare NSW from 1 November 2023 Nominations Committee (1 July 2023 until 10 November 2023 - AGM); Landcare NSW endorsed National Landcare Network (NLN) Board Member (Until 10 November 2023 AGM)</p>

Steve Bunnell, Vice Chair

Qualifications	<p>Tertiary studies in Management, Credit Management and Accounting. Certificate IV in Wool Classing Licensed Commercial Agent</p>
Experience	<p>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.</p> <p>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 has previously held committee positions with the Legal and Accounting Credit Managers Association (LACMA) and his local football club where he is a Life Member.</p>
Special responsibilities	<p>Vice Chair of Landcare NSW (from 10 November 2023);</p> <p>Member of the Landcare NSW Finance Audit and Risk Committee;</p> <p>Member of Landcare NSW Nominations Committee;</p> <p>Landcare NSW endorsed Director to National Landcare Network Board.</p>

Kathy Kelly, Treasurer

Qualifications	<p>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.</p>
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Experience	Kathy is an executive director of the Mulloon Institute Limited, a leading research, education and advocacy charity focused on landscape and water cycle restoration. She is also a director and chair of the Finance and Audit and Committee of Plant Health Australia Limited. Through these companies Kathy has developed an appreciation of natural capital, biodiversity and the relationship to biosecurity. From 1989–2019 she was a Director at Boyce Chartered Accountants, the largest regional accounting firm in Australia. Based in Cooma NSW she managed the office and provided specialist tax and audit services to both corporate and family farms. Kathy has developed an understanding of the agriculture sector and the risks and issues facing boards and has deep and practical knowledge of the accounting and tax issues in agricultural and related agribusiness entities. Kathy also has a strong background in not for profit entities and charities.
Special responsibilities	Treasurer for Landcare NSW (from 1 November 2023) Chair of the Finance Audit and Risk Committee (from 1 November 2023); Member of Finance Audit and Risk Committee (1 July to 31 October 2023); Chair of the NSW Landcare Public Fund Management Committee.

Lyn Thomson, Secretary

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; and introduced environmental education into the school. The school won a state prize for their innovative recycling ideas. Lyn went on to work 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 representing the North Coast and Hunter regions.
Special responsibilities	Secretary for Landcare NSW; Member of the Landcare NSW Nominations Committee.

Wayne Chaffey

Qualifications	Bachelor of Science-Hons (UNE), Master of Science (Macq.U), Diplomas in Education (UNE), Agriculture (RuralBiz) and Holistic Management (TAFENSW).
Experience	Science teacher and Principal of NSW government secondary schools for over forty years. Provider of professional learning experience to teachers, principals and community.

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Directors Report for the year ended 30 June 2024

	<p>Worked on numerous committees in the NSW Education Standards Authority (Curriculum Development, HSC Examinations, Teacher Professional Development). Chair of numerous committees (Hunter New England Central Coast Primary Health Network's Rural Community Advisory Committee, local and regional Landcare committees, local community committees).</p> <p>Previously a member of the Landcare NSW State Advisory Committee (SAC). Currently a partner on a beef cattle enterprise and experimenting with regenerative agricultural practices, while chairing the Upper Namoi Water in the Landscape Initiative (WiLI). Wayne has been involved with Landcare for decades at local, regional and state levels and now represents the North West and Northern Tablelands regions as an Ordinary Director on the Landcare NSW Board.</p>
Special responsibilities	Member of Landcare NSW Nomination Committee;

Elizabeth Riley

Qualifications	Bachelor of Applied Science (Wine); Cert IV TAE; Graduate of the Australian Institute of Company Directors; Nuffield Farming Scholar.
Experience	<p>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.</p> <p>Liz currently sits on the National Wine Biosecurity Committee, is a NED of Freshcare, the CRC SAAFE and Wine Australia 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.</p>
Special responsibilities	Member of Landcare NSW Nomination Committee; Member of Landcare NSW Financial, Audit and Risk Management Committee; Member of Public Fund Committee

Bruce Rolph

Qualifications	Management (UNSW); Graduate of the 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.

Landcare NSW Limited

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	<p>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'.</p> <p>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).</p>
Special responsibilities	<p>Member of Landcare NSW Nominations Committee;</p> <p>Member of Landcare NSW Public Fund Management Committee</p>

Information on Past Directors (who held office during the reporting year)

Stephanie Cameron, Chair

Qualifications	<p>Bachelor of Applied Science in Biological and Chemical Technologies, M.ASSSI, M.RACI and MAICD.</p>
Experience	<p>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.</p> <p>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.</p>
Special responsibilities	<p>Chair of the Landcare NSW (until 31 October 2023)</p>

Hunter White OAM, Treasurer

Qualifications	<p>Graduate Certificate in Business (Agribusiness)</p>
Experience	<p>Hunter has extensive experience as a Not-for-Profit Company Director in organisations involved in agriculture, education, agricultural shows, Landcare and Foundations. Hunter is an Ordinary Director from Central West and Central Tablelands region.</p>

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Directors Report for the year ended 30 June 2024

	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 (until 31 October 2023); Chair of Landcare NSW Finance, Audit and Risk Management Sub-Committee; Member of the Landcare NSW Nominations Committee.

Matilda Ferguson

Qualifications	
Experience	Matilda was the Founder and Director of the Outwest Management Group. She managed a 200,000 acre portfolio of grazing properties across Western NSW. Within her business she was focused on consistently working to improve land management practices. She previously worked for the NSW Department of Primary Industries in agricultural policy, She had previous employment working closely with both the office of the Minister for Agriculture and Western NSW and the NSW Agriculture Commissioner providing strategic policy and legislative advice to inform decision making and investment the State's agricultural sector.
Special responsibilities	Nil

Howard Jones OAM

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	Member of the Landcare NSW Nominations Committee.

Landcare NSW Limited

Directors Report for the year ended 30 June 2024

Bruce Maynard

Qualifications	
Experience	<p>Bruce has multi-level experience in research/development, extension, farming, grazing and public administration from work conducted across Australia. Having an association with Landcare for over 35 years, including on ground works and active involvement in local and regional Landcare group initiatives.</p> <p>He served in a specialist position as Conservation Grazing Officer for the Central West and Lachlan regions and have continued natural resource management extension activities with multiple Landcare groups.</p> <p>In 2022 Bruce was humbled to be awarded Landcare's highest honour with the Bob Hawke award for excellence in sustainable agriculture.</p>
Special responsibilities	Nil

Rene Woods

Qualifications	
Experience	<p>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.</p> <p>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.</p> <p>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).</p>
Special responsibilities	Nil

Meetings of Directors

During the financial year, 14 meetings of directors were held (excludes committee and sub-committee meetings).

Attendances by each director during the year were as follows:

	Number of meetings attended	Number of meetings eligible to attend
Steve Bunnell	14	14
Stephanie Cameron	6	6
Wayne Chaffey	4	6
Matilda Ferguson	1	1
Gareth Johnston	14	14
Howard Jones	1	3
Kathy Kelly	14	14
Bruce Maynard	3	6
Elizabeth Riley	13	14
Bruce Rolph	12	14
Lyn Thomson	14	14
Hunter White	6	6
Rene Woods	3	14

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.

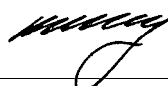
Signed in accordance with a resolution of the Board by:



Gareth Johnston

Chair

Date: 13 November 2024



Kathy Kelly

Treasurer



TREASURERS' REPORT ON THE 2024 ANNUAL FINANCIAL STATEMENTS

Profitability really a breakeven

On the face of the audited financial statements it would appear that Landcare NSW has had a very profitable year – but in fact it was a really tough year both operationally and financially.

The Audited Financial Reports show a profit of \$218,005 compared with a loss of \$511,917 for the 2023 financial year.

Retained earnings at 30 June 2024 of \$775,995 compared to the previous year of \$557,990.

The above numbers are based on accounting standards that require not for profit entities in some instances to take grant revenue to income on receipt and before the corresponding expenses are incurred. This overstates income at the beginning of the project where the project goes over several years. The process for reporting unspent funds may also vary depending upon the contract deliverables specified in the funding contract received by LNSW.

For a number of years now the Board of LNSW has been measuring our profitability and our net assets based on the matching principle that ensures we consider unspent grant funds as a liability – meaning we acknowledge the obligation to carry out the works required by the grant.

In the 2024 financial year LNSW had a management loss of \$8,013 compared with a profit in 2023 of \$39,819. The retained earnings in our management accounts was \$70,291 compared with the previous year of \$78,304.

To more accurately report this risk, LNSW reports unspent grant funds at 30 June which are not tied to contract deliverables as a note to the accounts. This is called Restricted Funds. This amount acknowledges funds held by LNSW to deliver projects which are not tied to specified deliverables in the funding contract received by LNSW.

The management accounting reporting tracks project and organisation transactions and matches timing of income and expenses so that project managers can deliver outputs and outcome and organisational support staff can be confident that financial resources are available to deliver to the end of the project.

We take a more conservative approach to Equity (Retained Earnings) in management reporting. The difference is we take income when it is earned, that is the project is delivered rather than when the income is received as required by Accounting Standards.

NSW Government funding

Along with all other Landcare groups in NSW the 2024 year was a difficult and stressful one with delays in the funding for the Landcare Enabling Program. Whilst the increased funding is now in place and is greatly appreciated, there is an increase in administrative requirements regarding this grant.

Landcare NSW is a going concern

Whilst LNSW is considered to be a going concern both by the Board and our Auditors, it is not without the need to make tough decisions. The 2025 year is already shaping up to be tough and to require more input from our volunteer board members who already give so much of their time to the Landcare family.

Thank you

I would like to thank the LNSW team members for their incredible support during the last year: Jasmin Rea who is thoughtful, dependable and extremely competent. She has been well supported by Terry Harkness (Finance Manager) who left us in May and then by Amy Holman who has taken on the CFO role for LNSW at a time when we need her expertise and skill.

I would also like to thank Jodie Lovell for her dedicated and skilled management of the new LEP program. Her qualifications in accounting and finance were greatly appreciated in the development of the LEP proposal and ongoing program management.

Finally of our LNSW team I must mention Marni Holden whose loyalty and support are unquestioned. She goes above and beyond and I thank her wholeheartedly. I know all the team including our outgoing CEO, Turlough Guerin have put so much to LNSW and I thank you all.

I would also like to thank my fellow committee members of our FARM (Finance, Audit and Risk Management) Committee: Steve Bunnell and Liz Riley.

Kathy Kelly

Landcare NSW Treasurer

13 November 2024

Landcare NSW Limited

ACN: 660 758 770

Financial Statements

For the year ended 30 June 2024

Landcare NSW Limited

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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 2024, 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, 12 November 2024



Landcare NSW Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

Description	Note	2024 \$	2023 \$
Revenue	5		
Organisational Revenue			
Fee for service revenue		83,279	144,865
Activity generated revenue		2,701	23,085
Interest income		19,714	10,261
Membership		187,143	132,278
Donations received		19,065	36,877
Total Organisational Revenue		311,902	347,366
Project revenue		4,783,784	3,156,216
Total revenue		5,095,686	3,503,582
Expenditure			
Organisational expenditure			
Administration		(274,158)	(341,415)
Employee costs		(726,841)	(590,305)
Total Organisational expenditure		(1,000,999)	(931,720)
Project expenditure			
Project expenditure		(3,126,356)	(2,374,904)
Employee expenses		(750,326)	(708,875)
Total project expenditure		(3,876,682)	(3,083,779)
Total Expenditure		(4,877,681)	(4,015,499)
Profit (loss) for the year		218,005	(511,917)
Other comprehensive income, net of income tax		-	-
Total comprehensive income for the year		218,005	(511,917)

The accompanying notes form part of these financial statements.

Landcare NSW Limited

Statement of financial position

As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	6	2,181,466	1,971,969
Trade and other receivables	7	74,725	43,585
Other assets	9	137,975	73,649
Total current assets		2,394,166	2,089,203
Non-current assets			
Trade and other receivables	7	18,631	18,631
Right-of-use assets	10	45,038	120,477
Total non-current assets		63,669	139,108
Total assets		2,457,835	2,228,311
Liabilities			
Current liabilities			
Trade and other payables	11	643,076	843,935
Employee benefits	13	88,110	65,811
Contract liabilities	8	777,868	393,574
Lease liabilities	10	47,783	79,883
Other liabilities	12	103,608	236,700
Total current liabilities		1,660,445	1,619,903
Non-current liabilities			
Employee benefits	13	21,395	9,324
Lease liabilities	10	-	41,094
Total non-current liabilities		21,395	50,418
Total liabilities		1,681,840	1,670,321
Net assets		775,995	557,990
Equity			
Retained earnings		775,995	557,990

The accompanying notes form part of these financial statements.

Landcare NSW Limited

Statement of changes in equity For the year ended 30 June 2024

	Retained earnings \$	Total equity \$
2023		
Opening balance	1,069,907	1,069,907
Loss for the year	(511,917)	(511,917)
Closing balance	557,990	557,990
	Retained earnings \$	Total equity \$
2024		
Opening balance	557,990	557,990
Profit for the year	218,005	218,005
Closing balance	775,995	775,995

The accompanying notes form part of these financial statements.

Landcare NSW Limited

Statement of cash flows For the year ended 30 June 2024

	2024	2023
	\$	\$
Cash flows from operating activities:		
Payments to suppliers and employees	(5,581,438)	(4,091,517)
Interest received	19,714	10,261
Receipt from grants	5,554,806	3,177,107
Other receipts	290,267	1,435,776
Net cash flows from/(used in) operating activities	283,349	531,627
Cash flows from financing activities:		
Payment of lease liabilities	(73,852)	(108,729)
Net increase/(decrease) in cash and cash equivalents	209,497	422,898
Cash and cash equivalents at beginning of year	1,971,969	1,549,071
Cash and cash equivalents at end of financial year	2,181,466	1,971,969

The accompanying notes form part of these financial statements.

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

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).

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 12 November 2024.

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. Material accounting policy information

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.

3. Material accounting policy information (continued)

c. Financial instruments (continued)

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.

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 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.

5. Revenue and other income (continued)

a. Accounting policy (continued)

i. Revenue from contracts with customers (continued)

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

5. Revenue and other income (continued)

a. Accounting policy (continued)

ii. Specific revenue streams (continued)

- 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 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.

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

5. Revenue and other income (continued)

b. Revenue from continuing operations

	2024 \$	2023 \$
Revenue from contracts with customers (AASB 15)		
Provision of services	83,279	144,865
Project revenue - State Government	3,209,794	1,945,291
Member subscriptions and insurance	187,143	132,278
	3,480,216	2,222,434
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
Donations	19,065	36,877
Sponsorship	2,701	13,813
Project revenue - Government	1,573,990	1,210,925
Other revenue from other sources	-	9,272
	1,595,756	1,270,887
	5,075,972	3,493,321

c. Other income

	2024 \$	2023 \$
Interest income	19,714	10,261
	19,714	10,261

d. Performance obligation information

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

	2024 \$	2023 \$
Risk Reduction Resilience NSW	39,578	379,146
Creating canopies in Greater Sydney	163,273	14,428
Biodiversity Conservation Trust of NSW	575,017	-
	777,868	393,574

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

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 subject to an insignificant risk of change in value.

b. Cash and cash equivalent details

	2024	2023
	\$	\$
Cash at bank	1,081,466	1,971,969
Short-term deposits	1,100,000	-
	2,181,466	1,971,969

c. Restricted funds

	2024	2023
	\$	\$
Landcare Enabling Program	741,861	-
National Landcare Network	11,983	-
NSW Landcare Program	20,112	475,279
Total restricted funds	773,956	475,279

7. Trade and other receivables

Current	2024	2023
	\$	\$
Trade receivables		
Accounts Receivable	5,500	38,383
GST	69,225	5,202
Total Trade receivables	74,725	43,585
Non-current	2024	2023
	\$	\$
Bond receivable - 56 Church Ave Sydney	18,631	18,631

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

8. Contract balances

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

Current contract liabilities	2024	2023
	\$	\$
Other contract liabilities	777,868	393,574

Contract liabilities

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

9. Other assets

Current	2024	2023
	\$	\$
Other assets		
Prepayments	137,975	73,649

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 2024

10. Leases (continued)

a. Accounting policy (continued)

i. Lessee accounting (continued)

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

Exceptions to lease accounting

The Company 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 Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

b. Company as a lessee

i. Terms and conditions of leases

The company has lease contracts as at 30 June 2024 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.

ii. Right-of-use assets

2024	Buildings	Motor vehicles	Total
	\$	\$	\$
Opening balance	117,275	3,201	120,476
Depreciation charge	(72,237)	(3,201)	(75,438)
Closing balance	45,038	-	45,038

iii. Lease liabilities

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

Undiscounted Lease Liabilities	2024	2023
	\$	\$
< 1 year	47,783	79,883
1 - 5 years	-	41,094
Total undiscounted lease liabilities	47,783	120,977
Lease liabilities included in the statement of financial position	47,783	120,977

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

10. Leases (continued)

b. Company as a lessee (continued)

iii. Lease liabilities (continued)

Lease liability movements for the year	Buildings
As at 1 July	120,977
Interest Paid	657
Payments	(73,851)
Lease liability as at 30 June 2024	47,783

11. Trade and other payables

Current	2024 \$	2023 \$
Trade payables	603,509	808,379
Superannuation payable	38,448	33,536
Accrued expenses	1,119	2,020
	643,076	843,935

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

Current	2024 \$	2023 \$
Other liabilities		
Auspice Funds	16,546	135,728
Prepaid Membership Fees	87,062	100,972
Total Other liabilities	103,608	236,700

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

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	2024	2023
	\$	\$
Annual leave	76,867	48,455
Other employee benefits	11,243	17,356
	88,110	65,811
Non-current	2024	2023
	\$	\$
Long service leave	21,395	9,324

14. Financial risk management

Financial assets	2024	2023
	\$	\$
Held at amortised cost		
Cash and cash equivalents	2,181,466	1,971,969
Trade and other receivables	93,356	62,216
	2,274,822	2,034,185
Financial liabilities	2024	2023
	\$	\$
Financial liabilities measured at amortised cost	690,859	964,912

15. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 2024 (2023: None).

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

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 \$229,351 (2023: \$222,714).

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 and insurance 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	2024	2023
	\$	\$
Member subscriptions and insurance	187,143	132,278

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

16. Related parties (continued)

b. Transactions with related parties (continued)

The following transactions occurred with related parties:

Related Parties	Payments Received \$	Payments Made \$
Central West Lachlan Landcare Incorporated	-	(188,058)
Corowa District Landcare Incorporated	-	(1,587)
Granite Borders Landcare Committee	-	(1,587)
Greater Sydney Landcare Network Inc	-	(1,118,061)
Holbrook Landcare Network	-	(66,557)
Hunter Region Landcare Network Incorporated	-	(57,575)
Landcare Illawarra Inc	-	(46,505)
Mid Coast 2 Tops Landcare Connection Inc	-	(174,122)
Murrumbidgee Landcare Association Incorporated	-	(174,941)
National Landcare Network Ltd	78,279	(2,545)
North Coast Regional Landcare Network	-	(108,743)
North West Regional Landcarers Incorporated	-	(12,140)
Richmond Landcare Inc	-	(805)
South East Landcare Inc.	-	(186,060)
Southern New England Landcare Ltd	-	(7,151)
Tamworth Regional Landcare Association Inc	-	(28,878)
Watershed Landcare Group Incorporated	-	(36,000)
Western Hume Landcare Group	-	(1,587)
Western Landcare NSW Incorporated	-	(60,907)
Total	78,279	(2,273,809)

17. Auditor's remuneration

	2024 \$	2023 \$
Audit and assurance services	7,700	7,050
Assistance with the preparation of the financial statements	1,950	1,950
Other services	-	250
	9,650	9,250

Landcare NSW Limited

Notes to the financial statements

For the year ended 30 June 2024

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.

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 2024 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.



Gareth Johnston
Chairperson

Dated: 12 November 2024



Kathy Kelly
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 2024, 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 2024 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.



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.

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 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 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 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, light blue circular stamp.

Max Elphick

Director

Armidale, NSW, 12 November 2024