

Cumberland Land Conservancy Inc.

ABN 26 841 371 334

Financial Statements

For the Year Ended 30 June 2023

Cumberland Land Conservancy Inc.

ABN 26 841 371 334

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For the Year Ended 30 June 2023

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Auditor's Independence Declaration to the Members of the Committee of Cumberland Land Conservancy Inc.

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Cumberland Land Conservancy Inc. for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

Nexia Sydney Audit Pty Ltd



Vishal Modi

Director

Dated this 5th day of September 2023

Cumberland Land Conservancy Inc.

ABN 26 841 371 334

Statement of Surplus or Deficit and Other Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue and other income	2	170,437	212,905
Other expenses			
Depreciation		(6,417)	(2,000)
Non grant related - administration expenses		(3,733)	(629)
Public fund administration expenses		(2,865)	(514)
Other grant expenses			
Local land services grant expense - Mulgoa pest management		-	(9,999)
Environmental restoration fund grant expenses		(55,624)	(139,748)
BCT conservation grant expenses		(26,142)	-
SoS Thornbill grant expenses		(9,440)	-
Marsdenia and Wallaroo expenses		(19,161)	-
Surplus for the year		<u>47,055</u>	<u>60,015</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive income for the year		<u>47,055</u>	<u>60,015</u>

The accompanying notes form part of these financial statements.

Cumberland Land Conservancy Inc.

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	142,398	115,695
Trade and other receivables	4	-	1,075
TOTAL CURRENT ASSETS		142,398	116,770
NON-CURRENT ASSETS			
Property, plant and equipment	5	44,913	1,836
TOTAL NON-CURRENT ASSETS		44,913	1,836
TOTAL ASSETS		187,311	118,606
LIABILITIES			
CURRENT LIABILITIES			
Contract liabilities	6	48,418	27,482
GST payable		714	-
TOTAL LIABILITIES		49,132	27,482
NET ASSETS		138,179	91,124
EQUITY			
Retained earnings		138,179	91,124
TOTAL EQUITY		138,179	91,124

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2022	91,124	91,124
Surplus for the year	47,055	47,055
Balance at 30 June 2023	138,179	138,179

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	31,109	31,109
Surplus for the year	60,015	60,015
Balance at 30 June 2022	91,124	91,124

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from membership fees and other income		4,989	1,667
Donations received		74,700	71,614
Interest received		138	106
Receipt from grants		123,798	183,700
Payments to suppliers		(127,428)	(165,661)
Net cash provided by operating activities	7	<u>76,197</u>	<u>91,426</u>
CASH FLOWS FROM AN INVESTING ACTIVITY:			
Acquisition of property, plant and equipment		<u>(49,494)</u>	-
Net cash used in investing activity		<u>(49,494)</u>	-
Net increase in cash and cash equivalents held		26,703	91,426
Cash and cash equivalents at beginning of year		<u>115,695</u>	<u>24,269</u>
Cash and cash equivalents at end of financial year	3	<u><u>142,398</u></u>	<u><u>115,695</u></u>

Cumberland Land Conservancy Inc.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Cumberland Land Conservancy Inc. as an individual entity. Cumberland Land Conservancy Inc. is a not-for-profit Association, registered and domiciled in Australia.

Its registered office is U 26 19-21 Fitzroy St, Leura NSW, 2780, Australia.

The financial statements were authorised for issue on 5 September 2023.

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

In the opinion of the committee members, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, and associated regulations. The committee members have determined that the accounting policies adopted are appropriate to meet the needs of the members of the association.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Revenue recognition

The incorporated association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Donations

Donations are recognised when received.

Grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Tractor	10 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the incorporated association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the incorporated association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the incorporated association has transferred the goods or services to the customer.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Revenue and Other Income

	2023	2022
	\$	\$
Membership, donations and interest		
- Membership fees	673	1,294
- Donations	74,700	71,614
- Interest income	138	106
- Other income	3,862	373
Grants income		
- Environmental Restoration Fund	55,482	139,518
- BCT conservation grant	26,142	-
- SoS Thornbill grant	9,440	-
	170,437	212,905

3 Cash and Cash Equivalents

Cash at bank and in hand	92,398	115,695
Term deposit	50,000	-
	142,398	115,695

4 Trade and Other Receivables

CURRENT		
GST receivable	-	531
Other receivables	-	544
	-	1,075

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Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Property, plant and equipment

LAND AND BUILDINGS

Land

At cost

Wallaroo reserve

Thornbill reserve

Marsdenia reserve

Wombat reserve

Total Land

2023

\$

2022

\$

1

1

1

1

1

1

-

-

3

3

PLANT AND EQUIPMENT

Tractor

At cost

Accumulated depreciation

Total tractor

Total plant and equipment

59,442

10,000

(14,532)

(8,167)

44,910

1,833

44,910

1,833

44,913

1,836

Total property, plant and equipment

6 Contract liabilities

CURRENT

Unspent grants

Biodiversity Conservation Trust grant

NSW Planning, Industry & Environment –SoS nutans education grant

Environment Restoration Fund grant

33,858

15,000

14,560

12,000

-

482

48,418

27,482

7 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Surplus for the year

- depreciation

Changes in assets and liabilities:

- decrease in trade and other receivables

- increase in GST payable

- increase in deferred income

Cashflows from operations

47,055

60,015

6,417

2,000

1,075

1,929

714

-

20,936

27,482

76,197

91,426

Cumberland Land Conservancy Inc.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
8 Remuneration of auditors		
During the financial year the following fees were paid or payable for services provided by Nexia Sydney Audit Pty Ltd, the auditor of the incorporated association:		
Audit of the financial statements	<u>1,000</u>	<u>1,400</u>
9 Contingent liabilities		
The incorporated association had no contingent liabilities as at 30 June 2023 and 30 June 2022.		
10 Events after the reporting period		
No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.		
11 Related party transactions		
<i>Key management personnel</i>		
No compensation was made to committee members and other members of key management personnel of the incorporated association.		
<i>Transactions with related parties</i>		
There were no transactions with related parties during the current and previous financial year.		
<i>Receivable from and payable to related parties</i>		
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.		
<i>Loans to/from related parties</i>		
There were no loans to or from related parties at the current and previous reporting date.		

Cumberland Land Conservancy Inc.

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Statement by Members of the Committee

The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 2 to 11:

- 1. Presents fairly the financial position of Cumberland Land Conservancy Inc. as at 30 June 2023 and its performance for the year ended on that date.
- 2. At the date of this statement, there are reasonable grounds to believe that Cumberland Land Conservancy Inc. will be able to pay its debts as and when they fall due.
- 3. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2022*.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



Committee member



Committee member

Dated thisFifth..... day of ..September..... 2023

Independent Auditor's Report to the Members of Cumberland Land Conservancy Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report, of Cumberland Land Conservancy Inc. (the Entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee members' declaration.

In our opinion, the accompanying financial report of the Entity is 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 Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards to the extent described in Note 1, 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 ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Emphasis of matter regarding basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee members' financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Committee members' responsibility for the financial report

The Committee members of the Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The Committee members are also responsible for such internal control as the Committee members determine is necessary to enable the

preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Nexia Sydney Audit Pty Ltd



Vishal Modi

Director

Dated this 5th day of September 2023

Sydney