



# SERCUL

## ANNUAL REPORT

### 2018/2019

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**Financial Report**  
for the year ended 30 June 2019

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## Statement by the Executive Committee

The Executive Committee has determined that South East Regional Centre for Urban Landcare Inc. (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 Notes 1 & 2 to the financial statements.

In the opinion of the Executive Committee, the financial statements and notes, as set out on pages 6 to 22 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, Associations Incorporation Act 2015 and:

1. Comply with the Australian Accounting Standards applicable to South East Regional Centre for Urban Landcare Inc.
2. Gives a true and fair view of the financial position of the Association as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Notes 1 & 2; and
3. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due and payable.

This statement is made in accordance with the Australian Charities and Not-for-profits Commission Regulation 2013 and is signed for and on behalf of the Executive Committee by:



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Patricia Hart  
Chairperson

Dated this 23<sup>rd</sup> day of September 2019



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Felicity Bairstow  
Treasurer

Dated this 23<sup>rd</sup> day of September 2019

**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE MEMBERS OF SOUTH EAST REGIONAL CENTRE  
FOR URBAN LANDCARE INC**

Suite 4, 1st Floor  
63 Shepperton Road  
Victoria Park  
Western Australia 6100

**Telephone:** (08) 9362 5855

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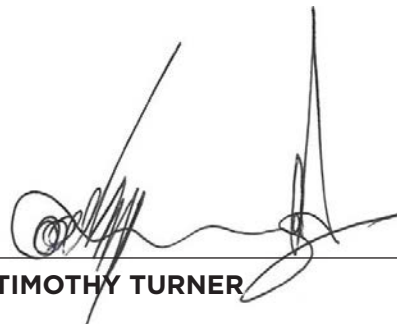
**ABN:** 78 607 011 001

**PO Box 199**  
Victoria Park  
Western Australia 6979

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there has been:

- (i) no contraventions of the independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**HTG PARTNERS**

  
**TIMOTHY TURNER**

Dated this 23<sup>rd</sup> day of September 2019



**PARTNERS**

**Timothy Turner**  
BBus (Acc), FCPA, CTA  
Registered Company Auditor

**Vick Gelevitis**  
BBus (Acc), FCPA, CTA

**Darryl Rodrigues**  
BSc, BBus (Acc), CPA

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approved under Professional  
Standards Legislation



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SOUTH EAST REGIONAL CENTRE FOR URBAN LANDCARE INC

Suite 4, 1st Floor  
63 Shepperton Road  
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Victoria Park  
Western Australia 6979



#### Report on the Audit of the Financial Report

##### Opinion

We have audited the accompanying financial report being a special purpose financial report of South East Regional Centre for Urban Landcare Inc (the 'Association'), which comprises the statement of financial position as at 30 June 2019, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Association Committee.

In our opinion, the accompanying financial report of South East Regional Centre for Urban Landcare Inc has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2015, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance and its cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Notes 1 & 2 and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

##### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to 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.

##### PARTNERS

**Timothy Turner**  
BBus (Acc), FCPA, CTA  
Registered Company Auditor

**Vick Gelevitis**  
BBus (Acc), FCPA, CTA

**Darryl Rodrigues**  
BSc, BBus (Acc), CPA

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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SOUTH EAST REGIONAL CENTRE FOR URBAN LANDCARE INC**

#### **Report on the Audit of the Financial Report**

##### **Emphasis of Matter - Basis of Accounting**

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 Association's financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2015. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

##### **Responsibilities of the Executive Committee for the Financial Report**

The Executive Committee is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Notes 1 & 2 to the financial report is appropriate to meet the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012, Associations Incorporation Act 2015, the Rules of Association and is appropriate to meet the needs of the members. The Committee of Management's responsibility also includes such internal control as management determines is necessary to enable the preparation of a 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 Executive Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Executive Committee is responsible for overseeing the Association's financial reporting process.

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

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

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF SOUTH EAST REGIONAL CENTRE FOR URBAN  
LANDCARE INC**

**Auditor's Responsibilities for the Audit of the Financial Report (continued)**

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

**HTG PARTNERS**



**TIMOTHY TURNER**  
**Partner**

Signed at Perth on the 24<sup>th</sup> day of September 2019

South East Regional Centre for Urban Landcare  
Financial Report  
For the year ended 30 June 2019

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**Statement of Profit or Loss and Other Comprehensive Income**  
*for the year ended 30 June 2019*

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
Revenue	3	1,974,543	1,693,312
Other income	3	83,086	12,047
Direct costs	4	(1,450,798)	(1,289,894)
Administration and general expenses	5	(543,297)	(549,151)
Property and communications expenses		(20,205)	(50,060)
Governance expenses		(18,634)	(29,453)
Interest expenses		-	(90)
Loss on sale of fixed asset		-	(9,925)
Other expenses		(2,985)	-
<b>Net surplus/(loss) for the year before income tax</b>		<b>21,710</b>	<b>(223,214)</b>
Income Tax Expense	2(d)	0	0
<b>Net surplus/(loss) for the year</b>		<b>21,710</b>	<b>(223,214)</b>
Other comprehensive income		0	0
<b>Total profit or loss and other comprehensive income for the year</b>		<b>21,710</b>	<b>(223,214)</b>



**Statement of Financial Position**  
*for the year ended 30 June 2019*

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	1,906,851	1,334,560
Trade receivables	7	202,708	255,897
Other assets	8	84,883	101,798
<b>TOTAL CURRENT ASSETS</b>		<b>2,194,442</b>	<b>1,692,255</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and equipment	9	139,205	51,396
<b>TOTAL NON-CURRENT ASSETS</b>		<b>139,205</b>	<b>51,396</b>
<b>TOTAL ASSETS</b>		<b>2,333,647</b>	<b>1,743,651</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	267,305	136,467
Provisions	11	157,690	148,641
Other liabilities	12	1,185,222	768,984
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,610,217</b>	<b>1,054,092</b>
<b>NON - CURRENT LIABILITIES</b>			
Provisions	11	12,161	0
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>12,161</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>		<b>1,622,378</b>	<b>1,054,092</b>
<b>NET ASSETS</b>		<b>711,269</b>	<b>689,559</b>
<b>EQUITY</b>			
Retained earnings		711,269	689,559
<b>TOTAL EQUITY</b>		<b>711,269</b>	<b>689,559</b>

**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

**2019**

	Retained earnings	Total
	\$	\$
<b>Balance at 1 July 2018</b>	689,559	689,559
Surplus for the year	21,710	21,710
<b>Balance at 30 June 2019</b>	<b>711,269</b>	<b>711,269</b>

**2018**

	Retained earnings	Total
	\$	\$
<b>Balance at 1 July 2017</b>	912,773	912,773
Loss for the year	(223,214)	(223,214)
<b>Balance at 30 June 2018</b>	<b>689,559</b>	<b>689,559</b>

## Statement of Cash Flows

*for the year ended 30 June 2019*

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers, government and grants		2,443,547	1,786,722
Payments to suppliers and employees		(1,843,494)	(1,922,128)
Other receipts		19,488	13,787
Interest received		29,557	29,075
<b>Net cash provided by / (used in) operating activities</b>	13(a)	<b>649,098</b>	<b>(92,544)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		(131,738)	(25,278)
Proceeds from disposal of property, plant and equipment		54,931	909
<b>Net cash (used in) / provided by investing activities</b>		<b>(76,807)</b>	<b>(24,369)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
		-	-
Net increase / (decrease) in cash and cash equivalents held		572,291	(116,913)
Cash and cash equivalents at beginning of year		1,334,560	1,451,473
<b>Cash and cash equivalents at end of financial year</b>	6	<b>1,906,851</b>	<b>1,334,560</b>

## **Notes to the Financial Statements**

*For the Year Ended 30 June 2019*

### **1. Basis of Preparation**

The financial statements cover South East Regional Centre for Urban Landcare Inc (the 'Association') as an individual entity. South East Regional Centre for Urban Landcare Inc is an association incorporated in Western Australia and operating pursuant to the Associations Incorporation Act 2015.

The Executive Committee has prepared the financial statements on the basis that the Association is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2015. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements for the year ended 30 June 2019 were approved and authorised for issue by the Executive Committee on the date their report on Page 1 was signed.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to large entities under the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements. The amounts presented in the financial statements have been rounded to the nearest dollar.

### **2. Summary of Significant Accounting Policies**

#### **(a) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

## **Notes to the Financial Statements**

*For the Year Ended 30 June 2019*

### **2. Summary of Significant Accounting Policies (continued)**

#### **(b) Plant and Equipment (PE)**

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment loss.

The depreciable amount of all PE is depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

The depreciation rates used are as follows:

- Computers: 40%
- Motor Vehicles: 25%
- Office Equipment: 10% - 40%
- Plant and Equipment: 20% - 40%
- Leasehold Improvement: over the remaining life of the lease

#### **(c) Financial Liabilities – including trade and other payables**

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Association during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### **(d) Income Tax**

No provision for income tax has been recognised as the Association is exempt from income tax under section 50-5 of the Income Tax Assessment Act 1997 as amended.

#### **(e) Employee benefits**

Short term employee benefits are benefits that are expected to be settled wholly within 12 months after the employees render the related service and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. Long term employee benefits are benefits not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the expected future payments to be made to employees based on the current rates of remuneration. The Association presents employee obligations as current when there is no right to defer settlement for 12 months irrespective of when settlement is expected.

## Notes to the Financial Statements

*For the Year Ended 30 June 2019*

### 2. Summary of Significant Accounting Policies (continued)

#### (e) Employee benefits (continued)

Contributions are made to employee nominated superannuation funds and are charged as expenses when incurred. The Association has no other legal obligations to provide other benefits to employees on retirement.

#### (f) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

#### (g) Trade and other receivables

Trade receivables are initially recognised at the transaction price. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Association assesses impairment of trade receivables at the amount equal to the expected lifetime credit losses based upon historical experience, external indicators and forward looking information.

#### (h) Revenue and other income

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

Revenue is measured by reference to the fair value of consideration received or receivable for goods supplied and services provided, excluding taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Association's different activities have been met. Details of the activity-specific recognition criteria are described below.

##### Service Provision

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.



## Notes to the Financial Statements

*For the Year Ended 30 June 2019*

### 2. Summary of Significant Accounting Policies (continued)

#### (h) Revenue and other income (continued)

##### Government Grants

A number of the Association's programs are supported by grants received from government.

The conditions are attached to a grant which must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Association obtains control of the funds, economic benefits are probable, and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

##### Donations and Bequests

Donations collected are recognised as revenue when the Association gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received.

##### Interest Income

Interest is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

## **Notes to the Financial Statements**

*For the Year Ended 30 June 2019*

### **2. Summary of Significant Accounting Policies (continued)**

#### **(i) Goods and services tax (GST)**

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

Trade receivables and trade payables in the statement of financial position are stated inclusive of the amount of GST receivable or payable. Other current assets and other current liabilities are stated exclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### **(j) New standards adopted as at 1 July 2019**

- AASB 9 Financial Instruments.  
AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement.

Addition of this standard did not have a material impact on the financial statements.

#### **(k) Comparative figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Australian Accounting Standards or as a result of a change in accounting policy.

## Notes to the Financial Statements

*For the Year Ended 30 June 2019*

### 2. Summary of Significant Accounting Policies (continued)

#### (I) New accounting standards for application in future periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Association, together with an assessment of the potential impact of such pronouncements on the Association when adopted in future periods, are discussed below:

**AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 January 2019 as deferred by AASB 2015-8: Amendments to Australian Accounting Standards - Effective Date of AASB 15).**

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five- step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

## Notes to the Financial Statements

*For the Year Ended 30 June 2019*

### 2. Summary of Significant Accounting Policies (continued)

#### (I) New accounting standards for application in future periods (continued)

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

Although the Executive Committee anticipates that the adoption of AASB 15 may have an impact on the Association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

#### **AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).**

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

## Notes to the Financial Statements

*For the Year Ended 30 June 2019*

### 2. Summary of Significant Accounting Policies (continued)

#### (I) New accounting standards for application in future periods (continued)

Rent expense will no longer be shown; the profit and loss impact of the leases will be through amortisation and interest charges.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Given the Association has only short term and peppercorn leases the Executive Committee does not anticipate the adoption of AASB 16 will impact the Association's financial statements.

#### **AASB 1058: Income for Not for Profit Entities**

This Standard is applicable to annual reporting periods beginning on or after 1 January 2019. It clarifies and simplifies the income recognition requirements that apply to not for profit ("NFP") entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. AASB 1058 applies when a NFP entity receives volunteer services or enters into other transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment). Upon initial recognition of the asset, this Standard requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised in accordance with the applicable Accounting Standard, such as:

- (a) contributions by owners;
- (b) revenue, or a contract liability arising from a contract with a customer;
- (c) a lease liability;
- (d) a financial instrument; or
- (e) a provision.

## **Notes to the Financial Statements**

*For the Year Ended 30 June 2019*

### **2. Summary of Significant Accounting Policies (continued)**

#### **(l) New accounting standards for application in future periods (Continued)**

If the transaction is a transfer of a financial asset to enable an entity to acquire or construct a recognisable nonfinancial asset to be controlled by the entity (i.e. an in-substance acquisition of a nonfinancial asset), the entity recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. The entity recognises income as it satisfies its obligations under the transfer similarly to income recognition in relation to the performance obligations under AASB 15. If the transaction does not enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income.

Each revenue stream, including grant agreements is currently being reviewed to determine the impact of AASB 1058.

#### **(m) Significant management judgement in applying accounting policies**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

##### **Useful lives of depreciable assets**

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain equipment.

##### **Long service leave**

The liability for long service leave is recognised and measured at the estimated cash flows to be made in respect of all employees at the reporting date. In determining the estimated cashflows, we have used current pay rates.



## Notes to the Financial Statements

for the year ended 30 June 2019

	2019 \$	2018 \$
<b>3. Revenue and Other Income</b>		
<b>Revenue</b>		
Grants	412,067	317,861
Partners	849,101	832,028
Services delivery landcare	685,170	492,974
Services delivery others	28,205	50,449
<b>Total Revenue</b>	<b>1,974,543</b>	<b>1,693,312</b>
<b>Other income</b>		
Donations	0	830
Interest revenue	29,557	29,075
Gain on sale or disposal PPE	34,041	908
Correction of income	(3,112)	(32,553)
Other income	22,600	13,787
<b>Total other income</b>	<b>83,086</b>	<b>12,047</b>
<b>4. Direct Costs</b>		
Landcare P/G delivery	460,517	0
Landcare services delivery	421,303	678,148
Vehicle Operations	58,566	69,962
Education delivery	202,713	208,219
Monitoring & research delivery	101,642	88,601
Community capacity delivery	206,057	244,963
<b>Total Direct Costs</b>	<b>1,450,798</b>	<b>1,289,894</b>
<b>5. Surplus / (deficit) includes the following specific expenses</b>		
Depreciation	23,040	26,357
	<b>23,040</b>	<b>26,357</b>
<b>6. Cash and Cash Equivalents</b>		
Cash on hand	269	266
Cash at bank	577,635	319,220
Short-term investments	1,328,947	1,015,074
	<b>1,906,851</b>	<b>1,334,560</b>

## Notes to the Financial Statements

for the year ended 30 June 2019

	2019 \$	2018 \$
<b>7. Trade Receivables</b>		
CURRENT		
Trade receivables	202,708	255,897
Less provision for impairment	0	0
	<b>202,708</b>	<b>255,897</b>
<b>8. Other Assets</b>		
CURRENT		
Accrued income	424	0
Prepaid project expenses	35,645	36,471
Prepaid insurance/rego expenses	48,514	65,327
Deferred expense - WWAG	300	0
	<b>84,883</b>	<b>101,798</b>
<b>9. Property, Plant and equipment</b>		
Computer Equipment		
At cost	7,520	7,520
Accumulated depreciation	(7,520)	(7,518)
<b>Total computer equipment</b>	<b>0</b>	<b>2</b>
Office equipment		
At cost	7,500	7,500
Accumulated depreciation	(7,500)	(7,499)
<b>Total office equipment</b>	<b>0</b>	<b>1</b>
Plant and equipment		
At cost	77,537	76,460
Accumulated depreciation	(59,010)	(63,251)
<b>Total plant and equipment</b>	<b>18,527</b>	<b>13,209</b>
Motor vehicles		
At cost	168,924	184,699
Accumulated depreciation	(105,377)	(146,515)
<b>Total motor vehicles</b>	<b>63,547</b>	<b>38,184</b>
Leasehold Improvement		
At cost	59,690	0
Accumulated depreciation	(2,560)	0
<b>Total leasehold improvement</b>	<b>57,130</b>	<b>0</b>
	<b>139,205</b>	<b>51,396</b>

## Notes to the Financial Statements

*for the year ended 30 June 2019*

	2019 \$	2018 \$
<b>10. Trade and Other Payables</b>		
<b>CURRENT</b>		
Trade payables	7,348	13,508
Accrued expenses	75,334	0
Credit cards	4,473	2,731
PAYG withholdings payable	20,228	15,682
Superannuation payable	31,853	27,714
Parental leave funds	0	1,414
GST/BAS payable	88,847	50,444
Accrued wages	39,222	24,974
	<b>267,305</b>	<b>136,467</b>
<b>11. Provisions</b>		
<b>CURRENT</b>		
Provision for annual leave	86,556	55,598
Provision for personal leave	7,000	0
Provision for LSL	64,134	93,043
	<b>157,690</b>	<b>148,641</b>
<b>NON - CURRENT</b>		
Provision for LSL	12,161	0
	<b>12,161</b>	<b>0</b>
<b>12. Other Liabilities</b>		
<b>CURRENT</b>		
Unearned revenue	28,532	3,275
Unearned grants received	1,155,345	765,709
Donation liability (Public Environment Fund)	1,345	0
	<b>1,185,222</b>	<b>768,984</b>

## Notes to the Financial Statements

*for the year ended 30 June 2019*

### 13. Cash Flow Information

#### (a) Reconciliation of result for the year to cashflows from operating activities

	2019	2018
	\$	\$
Surplus/(deficit) for the year		
Cash flows/(deficit) excluded from surplus attributable to operating activities	21,710	(223,214)
Non-cash flows in surplus:		
- depreciation	23,040	26,357
- (profit)/loss on sale of fixed assets	(34,041)	9,018
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	53,189	(87,814)
- (increase)/decrease in other assets	16,915	(15,636)
- increase/(decrease) in trade and other payables	130,836	3,444
- increase/(decrease) in employee benefits	21,210	(17,645)
- increase/(decrease) in other liabilities	416,239	212,946
Cashflows from operations	<b>649,098</b>	<b>(92,544)</b>

#### (b) Non-cash financing and investing activities

Donations in-kind	-	-
	-	-

### 14. Events Occurring After the Reporting Date

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

### 15. Association Details

The principal place of business is 1 Horley Road, Beckenham, WA 6107.

### 16. Economic dependence

The Association is dependent on various government agencies for the majority of its revenue used to operate the business. At the date of this report the Executive Committee has no reason to believe the agencies will not continue to support the Association.





South East Regional Centre for Urban Landcare

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Annual Report designed by Melinda Snowball.