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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 19 are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, Associations Incorporation Act 2015 and:

- 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 2021 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:

Stephen Johnston

Chairperson

Dated 21st September 2021

Kobi Bradshaw-Chen Deputy Chairperson

Dated 21st September 2021

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I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there has been:

(i) no contraventions of the independence requirements in relation to the audit, and

AUDITOR'S INDEPENDENCE DECLARATION

TO THE MEMBERS OF SOUTH EAST REGIONAL CENTRE

FOR URBAN LANDCARE INC

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

HTG PARTNERS

TIMOTHY TURNER

Dated this 21st day of September 2021



PARTNERS

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

Vick Gelevitis BBus (Acc), FCPA, CTA

Darryl Rodrigues BSc, BBus (Acc), CPA

HTG Partners is a CPA Practice





INDEPENDENT AUDITOR'S REPORT

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

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 2021, 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 2021 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 Notfor-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.

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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 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 based on 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.

TIMOTHY TURNER

Partner

HTG PARTNERS

Signed at Perth on the 21st day of September 2021

Statement of Profit or Loss and Other Comprehensive Income *for the year ended 30 June 2021*

	Note	2021	2020
		\$	\$
Revenue	3	2,784,046	2,608,913
Other income	3	18,894	153,553
Direct costs	4	(2,173,419)	(1,783,384)
Administration and general expenses	5	(650,614)	(642,118)
Property and communications expenses		(32,830)	(17,009)
Governance expenses		(12,817)	(17,163)
Interest expenses		-	-
Loss on sale of fixed asset		-	=
Other expenses		(7,707)	(2,391)
Net surplus /(loss) for the year before income tax		(74,446)	300,401
Income Tax Expense	2(d)	0	0
Net surplus /(loss) for the year	_	(74,446)	300,401
Other comprehensive income		0	0
Total profit or loss and other comprehensive income for th	e year	(74,446)	300,401

Statement of Financial Position

for the year ended 30 June 2021

	Note	2021 \$	2020 \$
ASSETS		Ψ	Ψ
CURRENT ASSETS			
Cash and cash equivalents	6	1,691,699	1,980,430
Trade receivables	7	418,925	74,701
Other assets	8	95,546	170,907
TOTAL CURRENT ASSETS	_	2,206,169	2,226,038
NON-CURRENT ASSETS			
Property, Plant and equipment	9	164,575	171,055
TOTAL NON-CURRENT ASSETS	_	164,575	171,055
TOTAL ASSETS		2,370,744	2,397,093
		,,	, ,
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	367,313	245,073
Provisions	11	187,841	161,704
Other liabilities	12	867,477	974,653
TOTAL CURRENT LIABILITIES		1,422,631	1,381,430
NON - CURRENT LIABILITIES			
Provisions	11	10,887	3,992
TOTAL NON-CURRENT LIABILITIES		10,887	3,992
TOTAL LIABILITIES		1,433,519	1,385,422
NET ASSETS	_	937,225	1,011,671
EQUITY			
Retained earnings		937,225	1,011,671
TOTAL EQUITY	_	937,225	1,011,671

Statement of Changes in Equity *for the year ended 30 June 2021*

2021		
	Retained earnings	Total
	\$	\$
Balance at 1 July 2020	1,011,671	1,011,671
Loss for the year	(74,446)	(74,446)
Balance at 30 June 2021	937,225	937,225
2020		
	Retained earnings	Total
	\$	\$
Balance at 1 July 2019	711,270	711,270
Surplus for the year	300,401	300,401
Balance at 30 June 2020	1,011,671	1,011,671

Statement of Cash Flows

for the year ended 30 June 2021

	Note	2021	2020
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers, government, and grants		2,426,353	2,526,774
Payments to suppliers and employees		(2,657,794)	(2,429,903)
Other receipts		9,693	19,239
Interest received		8,603	30,607
Net cash provided by / (used in) operating activities	13(a)	(213,145)	146,717
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(75,587)	(83,138)
Proceeds from disposal of property, plant and equipment		0	10,000
Net cash (used in) / provided by investing activities	_	(75,587)	(73,138)
CASH FLOWS FROM FINANCING ACTIVITIES		-	
Net increase / (decrease) in cash and cash equivalents held		(288,731)	73,579
Cash and cash equivalents at beginning of year		1,980,430	1,906,851
Cash and cash equivalents at end of financial year	6	1,691,699	1,980,430

For the Year Ended 30 June 2021

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 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 2021 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 Association has complied with all the recognition and measurement of Australian Accounting Standards.

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 consider 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.

(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.

For the Year Ended 30 June 2021

2. Summary of Significant Accounting Policies (continued)

(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 up 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.

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 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

In the current year

Revenue is recognised using a five steps process:

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

Service Provision

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

Government Grants

Several 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.

For the Year Ended 30 June 2021

2. Summary of Significant Accounting Policies (continued)

(h) Revenue and other income (continued)

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).

(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 2020

- AASB 2019-1 Amendments to AASs References to the Conceptual Framework
- AASB 2018-6 Amendments to AASs Definition of a Business
- AASB 2019-3 Amendments to AASs Interest Rate Benchmark Reform [Phase 1]
- AASB 2018-7 Amendments to AASs Definition of Material
- AASB 2019-7 Amendments to AASs Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/ GFS Reconciliations
- AASB 2019-5 Amendments to AASs Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2019-2 Amendments to AASs Implementation of AASB 1059
- AASB 2021-4 Amendments to AASs Modified Retrospective Transition Approach for Service Concession Grantors
- AASB 2020-4 Amendments to AASs Covid-19-Related Rent Concessions

(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 because of a change in accounting policy.

(I) New accounting standards for application in future periods

The Association has not applied the revised Australian Accounting Standards, interpretations and amendments that have been issued but are not yet effective.

For the Year Ended 30 June 2021

2. Summary of Significant Accounting Policies (continued)

(m) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes several 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.

For the Year Ended 30 June 2021

3. Revenue and Other Income

		2021	2020
		\$	\$
	Revenue from contracts with customers		
	Grants	817,910	606,652
	Partners	1,045,239	924,007
	Services delivery landcare	836,420	1,008,822
	Services delivery others	84,477	69,432
	Total Revenue	2,784,046	2,608,913
	Other income from ordinary activities		
	Donations	0	0
	Interest revenue	8,603	30,607
	Gain on sale or disposal PPE	0	10,000
	Correction of income	0	0
	Other income	10,292	12,946
	Non-operating grant – Covid19 cashflow boost (AASB 1058 Revenue)	0	100,000
	Total other income	18,894	153,553
4.	Direct Costs		,
••		076 242	666.646
	Landcare P/G delivery	876,242	666,616
	Landcare services delivery	607,435	526,612
	Vehicle Operations	76,260	54,771
	Education delivery	208,851	195,922
	Monitoring & research delivery	180,925	145,437
	Community capacity delivery	223,706	194,026
	Total Direct Costs	2,173,418	1,783,384
5.	Surplus / (deficit) includes the following specific expenses		
	Depreciation	82,068	51,289
	_	82,068	51,289
6.	Cash and Cash Equivalents		
	Cash on hand	279	232
	Cash at bank	407,480	478,063
	Short-term investments	1,283,940	1,502,135
	_	1,691,699	1,980,430
7.	Trade Receivables		
	CURRENT		
	Trade receivables	418,925	74,701
	Less provision for impairment	0	0
		418,925	74,701

For the Year Ended 30 June 2021

	2021	2020
8. Other Assets	\$	\$
CURRENT		
Accrued income	599	93,707
Cost to fulfil a contract	44,841	31,064
Prepaid insurance/rego expenses	49,806	46,080
Deferred expense - WWAG	300	56
_	95,546	170,907
9. Property, Plant and equipment		
Computer Equipment		
At cost	7,520	7,520
Accumulated depreciation	(7,520)	(7,520)
Total computer equipment	0	0
	-	
Office equipment		
At cost	0	7,500
Accumulated depreciation	0	(7,500)
Total office equipment	0	0
Plant and equipment		
At cost	136,405	96,712
Accumulated depreciation	(72,576)	(62,921)
Total plant and equipment	63,829	33,791
Motor vehicles		
At cost	242,223	210,271
Accumulated depreciation	(155,930)	(116,004)
Total motor vehicles	86,293	94,267
	00,233	5-1,207
Leasehold Improvement		
At cost	68,671	68,671
Accumulated depreciation	(54,218)	(25,674)
Total leasehold improvement	14,453	42,997
	164,575	171,055
10. Trade and Other Payables		
CURRENT		
Trade payables	151,642	83,571
Accrued expenses	29,038	21,858
Credit cards	3,676	2,738
PAYG withholdings payable Superannuation payable	23,378 38,867	24,124 34,486
Audit Provision Parental leave funds	3,473	0 2,370
	0	
GST/BAS payable	66,429	37,534
Accrued wages	50,810	38,392
_	367,313	245,073

For the Year Ended 30 June 2021

	2021	2020
11. Provisions	\$	\$
CURRENT		
Provision for annual leave	103,120	79,823
Provision for personal leave	2,611	10,347
Provision for LSL	82,110	71,534
	187,841	161,704
NON - CURRENT	·	
Provision for LSL	10,887	3,992
	10,887	3,992
12. Other Liabilities		
CURRENT		
Contract liabilities unearned revenue	74,339	27,396
Contract liabilities unearned grants received	790,707	945,758
Donation liability (Public Environment Fund)	2,431	1,499
	867,477	974,653
 (a) Reconciliation of result for the year to cashflows from operating Surplus / (deficit) for the year Cash flows/ (deficit) excluded from surplus attributable to 	ng activities (74,446)	300,401
operating activities Non-cash flows in surplus:	(, ,, , , , ,)	300,101
- depreciation	82,067	51,289
- (profit) / loss on sale of fixed assets Changes in assets and liabilities:	0	(10,000)
- (increase)/decrease in trade and other receivables	(344,224)	128,007
- (increase)/decrease in other assets	75,361	(86,024)
- increase/(decrease) in trade and other payables	122,240	(22,232)
- increase/(decrease) in provision for employee benefits	33,032	(4,155)
- increase/(decrease) in other liabilities	(107,176)	(210,569)
Cashflows from operations	(213,145)	146,717
(b) Non-cash financing and investing activities Donations in-kind	<u>-</u>	

For the Year Ended 30 June 2021

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 most 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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