

Southern Gulf NRM Ltd

ABN: 15 030 795 778

Financial Statements

For the Year Ended 30 June 2020

Southern Gulf NRM Ltd

ABN: 15 030 795 778

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Southern Gulf NRM Ltd

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Directors' Report

30 June 2020

The directors present their report on Southern Gulf NRM Ltd for the financial year ended 30 June 2020.

1. General information

Information on directors

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

Mrs Megan Emma Munchenberg

Qualifications

Graduate Diploma in Rangeland Management, Bachelor of Applied Science Double Major Rangeland Management, Certificate II, III, IV in Agriculture in beef cattle production, Certificate in Agriculture meat science and technology UNE, Australian Institute of Company Directors training: The Role of the Chair, Evaluating the Board, Leadership in the Boardroom.

Experience

Megan has spent the past 21 years living and working on cattle stations in the Southern Gulf Region. Megan has lived and worked at Gregory Downs Station in Gregory for 17 years, and has been President of the Gregory River Landcare Group for the past 10 years. Megan has more than 15 years working as a Grazing Land Management and beef cattle production consultant with landholders.

Special responsibilities

Chairperson of Southern Gulf NRM, Audit and Risk Sub-Committee, Governance Sub-Committee

Mr Shane Thomas McCarthy

Qualifications

Councillor Flinders Shire Council (March 2012-March 2016)

Experience

Manager - Hughenden Memorial Aquatic Centre - Eight years; over 40 years experience in the grazing industry; President - Hughenden Show; Captain - Hughenden Golf Club; Vice-President - Hughenden Chamber of Commerce; Chairman - Hughenden Irrigation Project Corporation (HIPCo); Previous Director of Southern Gulf NRM 31.08.2012-31.08.2016, Previous President Hughenden Golf Club

Ms Sophia Gail Keily (retired
31/07/2019)

Qualifications

Diploma of Teaching, Advanced Certificate of Business

Experience

Owner/Principal of Jays Real Estate Mount Isa for past 11 years; over 25 years' experience in family real estate business as fully licensed agent and auctioneer. Previous board member for North Queensland Rescue - Life Flight, 9 years as Treasurer of the Parents & Friends Association for Good Shepherd Catholic College Mount Isa. Passionate supporter of the region and having been on the Southern Gulf NRM board for close to 7 years, a strong and in depth understanding of the opportunities and challenges for NRM, along with a thorough knowledge of the business of Southern Gulf NRM.

Special responsibilities

Audit and Risk Sub-Committee

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Directors' Report

30 June 2020

1. General information

Information on directors

Mrs Anne Margaret Neil

Qualifications

BSc: Australian Environmental Studies, Griffith University; Grad Cert. Natural Resource Management, University of New England; Grad Cert. Management, University of Western Sydney; Masters of Environmental Management, Griffith University

Experience

With a history of working for government and private enterprise both in the Southern Gulf Catchment and northern Queensland landscapes, Anne brings to Southern Gulf NRM Ltd. a passion for connected communities that responsibly utilise and respect the unique natural, social and economic resources of our region.

She has practical experience in implementation and design of on-ground programs in the natural resources sector, including Natural Heritage Trust 1 and 2, National Action Plan for Salinity and Water Quality, and the Great Artesian Basin Sustainability Initiative. Whilst trained initially as an environmental scientist, Anne has moved from a primary focus on natural resource management to proven skills in regional planning, policy development and implementation, economic development, major project facilitation and grant administration.

A proud Queenslander, Anne's passion for regional progression is driven from her upbringing in the Sunshine Coast dairy industry, where she has seen first-hand how an intrinsic respect and knowledge of the natural environment can not only drive the economic sustainability of a business, but also improve the social cohesion of communities.

Special responsibilities

Governance Sub-Committee

Mr Raymond Vincent Campbell

Experience

Raised on a mixed farming property, involved in a share farming operation at a very young age. Has been involved in the livestock industry for over 50 years in North Queensland as a cattle buyer, also as a manager of a pastoral house, then as a manager of Rabobank in Cloncurry. Operates a small grazing business with his family.

Special responsibilities

Audit and Risk Sub-Committee

Mr Raymond Oliver Jones Thieme

Qualifications

Advanced Diploma Rural Business, Cert I & II Agriculture, Howard Yelland Seedstock Producer. AusMeat assessment.

Experience

Over 30 years' experience in the rural industry, particularly Northern Australia, managing extensive beef cattle, stud beef cattle in tropically adapted herds, farming and intensive pasture operations. Actively involved in both CRC Beef I & II. Current General Manager for large Queensland based cattle company. Member of numerous community organisations including the Sedan Dip Campdraft President, Collinsville Show Committee - beef cattle, Australian Brahman Breeders - technical committee, Gulf Ringers Training Assoc. - steering committee to develop competency based training in the northern beef industry.

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Directors' Report

30 June 2020

1. General information

Information on directors

Mr Roger Charles Mitchell Hill

Qualifications

Certified Practising Valuer (Qld), Bachelor of Business (Property), Associate Diploma in Applied Science (Beef Cattle Production), Commercial Pilot Licence (Aeroplane).

Experience

Worked as a Jackaroo/ringer and mustering pilot up until 2004. Joined Herron Todd White in 2004 and became a Registered Valuer in 2008. Specialising in rural land valuations, stakeholder agreements, land compensation, Going Concern valuations and taxation. Director and Partner of Herron Todd White (North Queensland Pty Ltd). Privately retained to work with the business of a rural grazing enterprise. Retained to work and facilitate commercial direction with the owners of another rural operation.

Mr Mark Van Ryt (appointed 01/08/2019, resigned 02/03/2020)

Qualifications

Grad Diploma in Education, Queensland University; Bach. of Arts, Adelaide University; Electrical Trade, Mount Isa Mines

Experience

Born and raised in the Gulf Country, Mark has a passion for community engagement focused on landcare, our heritage and the fishery. He is a Director of Mount Isa Community Development Association and President of Mount Isa Landcare Group Inc.

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

Principal activities

The principal activity of Southern Gulf NRM Ltd during the financial year was the management and administration of sustainable natural resource management in the region.

Southern Gulf NRM Ltd is the region's only community-based organisation that has the sole purpose of working with all the land managers to address natural resource issues at the landscape level - building collaboration, gathering and sharing information and brokering funding for on-ground work.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short term objectives

The Company's short term objectives are to:

- Successfully meet contractual arrangements with both levels of government while achieving Natural Resource Management (NRM) outcomes.

Long term objectives

The Company's long term objectives are to:

- Continue to identify and prioritise NRM issues and risks and advocate for our regional stakeholders and partners.

Southern Gulf NRM Ltd

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Directors' Report

30 June 2020

1. General information

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- Engage the community in the development and implementation of an NRM plan.
- Identify, resource, and implement projects to address current and emerging NRM and development priorities.
- Assess, monitor and communicate the impact of projects, and the activities of Southern Gulf NRM Limited.
- The Company strives to attract and retain quality staff who are committed to working in NRM. The directors consider that attracting and retaining quality staff are essential for the Company to continue providing relevant services. This is critical to achieving all of its short term and long term objectives.
- The Company establishes and fosters working relationships with a range of community stakeholders and partners. By actively encouraging and facilitating stakeholder involvement in our activities, the company will be able to achieve its short term and long term objectives.

Members' guarantee

Southern Gulf NRM Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 50 for members that are corporations and \$ 50 for all other members, subject to the provisions of the company's constitution.

At 30 June 2020 the collective liability of members was \$ 3,750 (2019: \$ 2,900).

2. Other items

Meetings of directors

During the financial year, 9 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors' Meetings	
Number eligible to attend	Number attended
Mrs Megan Emma Munchenberg	9
Mr Shane Thomas McCarthy	9
Ms Sophia Gail Keily (retired 31/07/2019)	1
Mrs Anne Margaret Neil	9
Mr Raymond Vincent Campbell	9
Mr Raymond Oliver Jones Thieme	9
Mr Roger Charles Mitchell Hill	9
Mr Mark Van Ryt (appointed 01/08/2019, resigned 02/03/2020)	4

Southern Gulf NRM Ltd

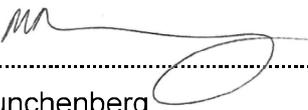
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Directors' Report
30 June 2020

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2020 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Director:
Megan Munchenberg

Director: 
Director:
Anne Neil

Dated this 7th day of October 2020

Southern Gulf NRM Ltd

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Auditor's Independence Declaration to the Directors of Southern Gulf NRM Ltd

In accordance with the requirements of *Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012*, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

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



Peter O'Regan, Chartered Accountant



O'Regan & Partners Audit Services Pty Ltd
Chartered Accountants

70 Camooweal Street, Mount Isa, QLD 4825

Date: 13 / 10 / 2020

Southern Gulf NRM Ltd

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Statement of Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	4	4,458,086	2,232,576
Employee benefits expense		(1,020,395)	(844,105)
Depreciation and amortisation expense		(109,075)	(51,339)
Professional Fees		(106,383)	(53,505)
Information Technology		(16,580)	(11,072)
Project Expenditure		(2,654,104)	(688,908)
Bank and Credit Card Charges		(668)	(375)
Office Expenses		(155,667)	(132,271)
Meeting and Planning Expenses		(3,155)	(886)
Motor Vehicle Expenses		(51,456)	(42,511)
Travel Expenses		(41,602)	(54,699)
Other Expenses		(68,091)	(53,193)
Profit (loss) for the year		230,910	299,711

The accompanying notes form part of these financial statements.

Southern Gulf NRM Ltd

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Statement of Financial Position As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,977,498	1,772,329
Trade and other receivables	6	-	60,177
Other assets	8	309,531	388,799
TOTAL CURRENT ASSETS		3,287,029	2,221,305
NON-CURRENT ASSETS			
Property, plant and equipment	7	390,637	269,548
Other assets	8	5,647	5,647
TOTAL NON-CURRENT ASSETS		396,284	275,195
TOTAL ASSETS		3,683,313	2,496,500
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	356,649	387,996
Borrowings	10	6,324	11,592
Other liabilities	11	1,791,864	801,281
TOTAL CURRENT LIABILITIES		2,154,837	1,200,869
NON-CURRENT LIABILITIES			
Employee benefits	12	64,766	62,832
TOTAL NON-CURRENT LIABILITIES		64,766	62,832
TOTAL LIABILITIES		2,219,603	1,263,701
NET ASSETS		1,463,711	1,232,801
EQUITY			
Retained earnings		1,463,711	1,232,801
TOTAL EQUITY		1,463,711	1,232,801

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	1,232,801	1,232,801
Profit for the year	230,910	230,910
Balance at 30 June 2020	1,463,711	1,463,711

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	933,090	933,090
Profit for the year	299,711	299,711
Balance at 30 June 2019	1,232,801	1,232,801

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	218,521	28,301
Payments to suppliers and employees	(3,814,130)	(1,487,509)
Interest received	15,487	4,511
Receipt from operating grants	5,016,960	2,374,463
Net cash provided by/(used in) operating activities	<u>1,436,838</u>	<u>919,766</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loss from sale of plant and equipment	(1,505)	-
Purchase of property, plant and equipment	(230,164)	(118,806)
Net cash provided by/(used in) investing activities	<u>(231,669)</u>	<u>(118,806)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	1,205,169	800,960
Cash and cash equivalents at beginning of year	1,772,329	971,369
Cash and cash equivalents at end of financial year	5 <u>2,977,498</u>	<u>1,772,329</u>

The accompanying notes form part of these financial statements.

Southern Gulf NRM Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers Southern Gulf NRM Ltd as an individual entity. Southern Gulf NRM Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Southern Gulf NRM Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

The financial report was authorised for issue by the Directors on 4 September 2020.

1 Basis of Preparation

In the Directors' opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Australian Charities and Not-for-Profit Commission Act 2012*.

The financial statements have been prepared in accordance with the minimum Accounting Standards under Special Purpose: AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031 Materiality, AASB 1048 Interpretation of Accounting Standards, AASB 1054 Australian Additional Disclosures, Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) 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.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Grant revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance

Southern Gulf NRM Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Grant revenue

Grant revenue

sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Southern Gulf NRM Ltd received non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the balance sheet, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations

Donations and bequests are recognised as revenue when received.

Subscriptions

Revenue from the provision of membership subscriptions is recognised as revenue when received.

Interest revenue

Interest is recognised as revenue when received.

(d) 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).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its costs less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Southern Gulf NRM Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(e) Property, plant and equipment

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	8-25%
Furniture, Fixtures and Fittings	7-40%
Motor Vehicles	22.5%
Computer Equipment	15-37.5%
Leasehold improvements	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Impairment of Financial Assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(f) Financial instruments

Impairment of Financial Assets

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

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 (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

(h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee 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.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the balance sheet if the registered entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

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Notes to the Financial Statements For the Year Ended 30 June 2020

3 Critical Accounting Estimates and Judgments

Key estimates - impairment of property, plant and equipment

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about the future operating results and the determination of a suitable discount rate.

4 Revenue and Other Income

	2020	2019
	\$	\$
- interest received	15,487	4,511
	<u>15,487</u>	<u>4,511</u>
Revenue from other sources		
- operating grants	4,383,020	2,158,603
- gain/loss on disposal of asset	(1,505)	(6,031)
- member subscriptions	1,327	1,182
- donations	500	-
- miscellaneous other revenue	59,257	74,311
	<u>4,442,599</u>	<u>2,228,065</u>
Total Revenue	<u>4,458,086</u>	<u>2,232,576</u>

5 Cash and Cash Equivalents

Cash at bank and in hand	2,977,498	1,772,329
	<u>2,977,498</u>	<u>1,772,329</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	2,977,498	1,772,329
Balance as per statement of cash flows	<u>2,977,498</u>	<u>1,772,329</u>

6 Trade and Other Receivables

CURRENT

Trade receivables	-	60,177
Total current trade and other receivables	<u>-</u>	<u>60,177</u>

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Notes to the Financial Statements For the Year Ended 30 June 2020

7 Property, plant and equipment

	2020	2019
	\$	\$
Plant and equipment		
Opening balance	223,113	125,853
Accumulated depreciation	<u>(79,747)</u>	<u>(23,364)</u>
Total plant and equipment	<u>143,366</u>	102,489
Furniture, fixtures and fittings		
Opening balance	11,906	11,444
Accumulated depreciation	<u>(4,225)</u>	<u>(8,450)</u>
Total furniture, fixtures and fittings	<u>7,681</u>	2,994
Motor vehicles		
Opening balance	268,414	252,561
Accumulated depreciation	<u>(108,466)</u>	<u>(183,497)</u>
Total motor vehicles	<u>159,948</u>	69,064
Computer equipment		
Opening balance	109,856	107,347
Accumulated depreciation	<u>(71,356)</u>	<u>(59,349)</u>
Total computer equipment	<u>38,500</u>	47,998
Leasehold Improvements		
Opening balance	194,321	193,730
Accumulated depreciation	<u>(153,179)</u>	<u>(146,727)</u>
Total Leasehold Improvements	<u>41,142</u>	47,003
Total property, plant and equipment	<u>390,637</u>	<u>269,548</u>

8 Other Assets

CURRENT		
Prepayments	39,115	40,903
Accrued income	<u>270,416</u>	<u>347,896</u>
	<u>309,531</u>	<u>388,799</u>
NON-CURRENT		
Other non-current assets	<u>5,647</u>	5,647
	<u>5,647</u>	<u>5,647</u>

Southern Gulf NRM Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2020

9 Trade and Other Payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	90,934	201,659
Employee benefits	169,569	156,995
Sundry payables and accrued expenses	96,146	29,342
	356,649	387,996

10 Borrowings

CURRENT		
Other financial liabilities	6,324	11,592
	6,324	11,592

11 Other Liabilities

CURRENT		
Unexpended grants and grants received in advance	1,791,864	801,281
	1,791,864	801,281

12 Employee Benefits

NON-CURRENT		
Long service leave	64,766	62,832
	64,766	62,832

13 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 50 each towards meeting any outstandings and obligations of the Company. At 30 June 2020 the number of members was 75 (2019: 58).

14 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

15 Events Occurring After the Reporting Date

The financial report was authorised for issue on by the board of directors.

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.

Southern Gulf NRM Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2020

16 Other Matters

- (a) Electronic Presentation of the Audited Financial Report
 - (i) Those viewing an electronic presentation of these financial statements should note that audit does not provide an assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.
- (b) Comparative Figures
 - (i) When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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Directors' Declaration

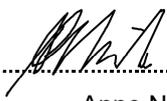
The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Megan Munchenberg

Responsible person 

Responsible person 

Anne Neil

Dated 7/10/2020

Independent Audit Report to the members of Southern Gulf NRM Ltd

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Southern Gulf NRM, which comprises the statement of financial position as at 30 June 2020, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2020, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements under the *Australian Charities and Not-for-Profit Act 2012* and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

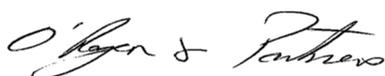
In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-Profit Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-Profit Act 2012* which has been given to the directors Southern Gulf NRM Limited, would be in the same terms if given to the directors as at the time of the auditor's report.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial report of Southern Gulf NRM Limited for the year ended 30 June 2020 and complies with Australian Accounting Standards to the extent described in Note 1 to the financial report.

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 directors' reporting responsibilities to the members. As a result, the financial report may not be suitable for another purpose.



O'Regan & Partners

Chartered Accountants
QCCU Building
70 Camooweal Street
MOUNT ISA QLD 4825



Peter O'Regan

Partner

Date: 13 October 2020