

Southern Gulf NRM Ltd

ABN: 15 030 795 778

Financial Statements

For the Year Ended 30 June 2022

Southern Gulf NRM Ltd

ABN: 15 030 795 778

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For the Year Ended 30 June 2022

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Southern Gulf NRM Ltd

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Directors' Report

30 June 2022

The directors present their report on Southern Gulf NRM Ltd for the financial year ended 30 June 2022.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Ms Megan Munchenberg	Chairperson	
Mr Shane McCarthy	Director	
Ms Anne Neil	Director	Resigned 29 July 2022
Mr Raymond Campbell	Director	Resigned 29 July 2022
Mr Raymond Thieme	Director	
Mrs June Kuhl	Director	
Ms Natalie Hughes	Director	

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

Principal activities and significant changes in nature of activities

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

There were no significant changes in the nature of Southern Gulf NRM Ltd's principal activities during the financial year.

Meetings of directors

During the financial year, 7 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ms Megan Munchenberg	7	7
Mr Shane McCarthy	7	7
Ms Anne Neil	7	6
Mr Raymond Campbell	7	7
Mr Raymond Thieme	7	7
Mrs June Kuhl	7	7
Ms Natalie Hughes	7	7

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Directors' Report

30 June 2022

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. Rural Leadership Program – Marcus Oldham College.
Experience	Megan has spent the past 22 years living and working on cattle stations in the Southern Gulf Region. Megan has lived and worked at Gregory Downs Station in Gregory for 19 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, Finance, Audit and Risk Management Sub-Committee, Governance Sub-Committee
Mr Shane Thomas McCarthy	
Qualifications	Councillor Flinders Shire Council (March 2012-March 2016)
Experience	AgForce North President; Manager - Hughenden Memorial Aquatic Centre - Eight years; over 40 years' experience in the grazing industry; previous President - Hughenden Show; Captain - Hughenden Golf Club; previous Vice-President - Hughenden Chamber of Commerce; previous Chairman - Hughenden Irrigation Project Corporation (HIPC); Previous Director of Southern Gulf NRM 31.08.2012-31.08.2016, Previous President Hughenden Golf Club.
Special responsibilities	Strategic Investment Committee

Southern Gulf NRM Ltd

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Directors' Report

30 June 2022

<p>Mr Raymond Vincent Campbell (Retired 29.07.2022) Experience</p>	<p>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.</p>
<p>Special responsibilities</p>	<p>Finance, Audit and Risk Management Sub-Committee</p>
<p>Mr Raymond Oliver Jones Thieme</p>	
<p>Qualifications</p>	<p>Advanced Diploma Rural Business, Cert I & II Agriculture, Howard Yelland Seedstock Producer. AusMeat assessment.</p>
<p>Experience</p>	<p>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.</p>
<p>Special responsibilities</p>	<p>Strategic Investment Committee</p>
<p>Mrs June Allison Kuhl</p>	
<p>Qualifications</p>	<p>Councillor, Richmond Shire Council (2008-Current), Deputy Mayor</p>
<p>Experience</p>	<p>(March 2012-March 2020; June 2021-Current) June has a long grass roots history in the agriculture and pastoral areas. She, and her husband Gavin, owned and operated a grazing property with both sheep and cattle in the Richmond Shire for over 40 years and is a strong advocate for sustainable management - pasture management, conservative stocking and pest and weed control.</p>
<p>Mrs June Allison Kuhl (continued)</p>	<p>June built connections through those years with the vast School of the Air and ICPA families and has grown and broadened</p>

Directors' Report

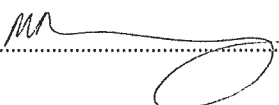
30 June 2022


<p>Special responsibilities</p>	<p>that base through the Local Government network in her role as a Councillor for the Richmond Shire for the last 14 years. LGAQ NRM & Natural Assets Advisory Group member [2021]; Southern Gulf Pest Task Force member; RDA TNWQ Committee member 2017 current; Chair, Kronosaurus Korner Board Inc 2013 2017; Board Member, Kronosaurus Korner Board Inc. 2008 - current; Richmond Outback Fossil Fest Inc., President 2010 2016; Richmond Bush Races & Richmond Rocks Inc. Vice-President 2020 current. Director, Growing Richmond 2022. Living and working with the land has fostered a deep and abiding care and commitment to the conservation, protection and development of the land and the future potential for water in the Southern Gulf.</p> <p>Governance Sub-Committee</p>
<p>Ms Natalie Rosemary Hughes</p> <p>Qualifications</p> <p>Experience</p> <p>Special responsibilities</p>	<p>Bachelor of Education (Secondary), Certificate IV in Training and Assessment, Master of Economics (Agriculture and Resource Economics)</p> <p>Raised on and co-manages a grazing and horticulture operation. Thesis 'Determinants of farmers' willingness to engage in natural resource management practices in Queensland' investigated the beliefs and actions of producers towards environmental legislation. Following a decade working in the education sector, presently employed as a Rural Financial Counsellor and project manager in the Southern Gulf area.</p> <p>Finance, Audit and Risk Management Sub-Committee</p>

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2022 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: 

Dated this30th..... day of September 2022



JESSUPS

INDEPENDENCE DECLARATION

TO THE DIRECTORS OF SOUTHERN GULF NRM LTD
FOR THE YEAR ENDED 30 JUNE 2022

We declare that, to the best of our knowledge and belief, in relation to the audit of Southern Gulf NRM Ltd for the year ended 30 June 2022, there have been:

- no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- no contraventions of any applicable code of professional conduct.

Yours faithfully
Jessups

Darren Thamm
Partner

Dated this 28th day of September 2022



Southern Gulf NRM Ltd

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	4	6,014,510	5,032,298
Finance income		1,957	4,464
Other income	4	433,088	180,369
Employee benefits expense		(1,488,253)	(1,372,610)
Depreciation and amortisation expense		(103,633)	(116,329)
Professional fees		(71,531)	(76,641)
Project expenses		(4,222,429)	(3,007,409)
Office expenses		(192,842)	(187,328)
Motor vehicle expenses		(51,898)	(50,063)
Travel expenses		(32,920)	(37,506)
Other expenses		(73,024)	(51,382)
Profit before income tax		213,024	317,864
Income tax expense		-	-
Profit for the year		213,024	317,864
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		213,024	317,864

Southern Gulf NRM Ltd

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Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,821,781	3,898,131
Trade and other receivables	6	643,611	495,570
TOTAL CURRENT ASSETS		<u>2,465,392</u>	<u>4,393,701</u>
NON-CURRENT ASSETS			
Other financial assets		954	954
Property, plant and equipment	7	947,799	605,182
TOTAL NON-CURRENT ASSETS		<u>948,753</u>	<u>606,136</u>
TOTAL ASSETS		<u>3,414,145</u>	<u>4,999,837</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	1,151,342	2,936,814
Employee benefits	9	244,209	198,394
TOTAL CURRENT LIABILITIES		<u>1,395,551</u>	<u>3,135,208</u>
NON-CURRENT LIABILITIES			
Employee benefits	9	23,995	83,054
TOTAL NON-CURRENT LIABILITIES		<u>23,995</u>	<u>83,054</u>
TOTAL LIABILITIES		<u>1,419,546</u>	<u>3,218,262</u>
NET ASSETS		<u>1,994,599</u>	<u>1,781,575</u>
EQUITY			
Retained earnings		1,994,599	1,781,575
TOTAL EQUITY		<u>1,994,599</u>	<u>1,781,575</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	1,781,575	1,781,575
Surplus (deficit) for the year	213,024	213,024
Total other comprehensive income for the period	-	-
Balance at 30 June 2022	1,994,599	1,994,599

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	1,463,711	1,463,711
Surplus (deficit) for the year	317,864	317,864
Total other comprehensive income for the period	-	-
Balance at 30 June 2021	1,781,575	1,781,575

Southern Gulf NRM Ltd

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Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	5,228,156	5,838,811
Payments to suppliers and employees	(6,827,910)	(4,601,683)
Interest received	1,957	4,464
Net cash provided by/(used in) operating activities	15 <u>(1,597,797)</u>	<u>1,241,592</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	9,915
Purchase of property, plant and equipment	(478,553)	(330,874)
Net cash provided by/(used in) investing activities	<u>(478,553)</u>	<u>(320,959)</u>
Net increase/(decrease) in cash and cash equivalents held	(2,076,350)	920,633
Cash and cash equivalents at beginning of year	<u>3,898,131</u>	<u>2,977,498</u>
Cash and cash equivalents at end of financial year	5 <u><u>1,821,781</u></u>	<u><u>3,898,131</u></u>

Southern Gulf NRM Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2022

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

The principal activities of the Company for the year ended 30 June 2022 were the implementation of strategic planning and investment activities through partnerships that care for the Southern Gulf region's natural and cultural assets.

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

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement but may include delivery of land management services in line with specified contract milestones.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Revenue in the scope of AASB1058 is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in which case the grant is recognised as the asset is acquired or constructed.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Statement of financial position balances relating to revenue recognition

Contract liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income Tax

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

(c) 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.

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.

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's 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.

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

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

Fixed asset class	Depreciation rate
Buildings	2.5%
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.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL (NIL)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables.

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(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.

(h) Leases

At inception of a contract, the Company assesses whether a lease exists. The Company does not hold any leases in the current or previous financial year.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(i) Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

Those charged with governance 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.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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Notes to the Financial Statements For the Year Ended 30 June 2022

4 Revenue and Other Income

	2022	2021
	\$	\$
Revenue from contracts with customers (AASB 15)		
- government revenue (including grants)	6,014,510	5,032,298
Total Revenue	6,014,510	5,032,298
Other Income		
- Membership fees	1,491	1,456
- Other income	431,597	168,998
	433,088	170,454
Total Revenue and Other Income	6,447,598	5,202,752

(a) Government grants and other assistance

	2022	2021
	\$	\$
Commonwealth government		
Agriculture, Water and Environment	2,452,249	5,032,298
Other	2,691	-
	2,454,940	5,032,298
State government		
Environment and Science	2,190,426	-
Resources	945,743	-
Agriculture and Fisheries	306,483	-
	3,442,652	-
Local government		
Local councils	19,000	-
Other grant revenue		
Other funding bodies	97,917	-
Total government grants and other assistance	6,014,509	5,032,298

5 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	1,821,781	3,898,131
	1,821,781	3,898,131

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Notes to the Financial Statements

For the Year Ended 30 June 2022

6 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	101,152	56,906
Prepayments	39,872	53,161
Deposits	1,360	4,693
Accrued income	501,227	380,810
	<u>643,611</u>	<u>495,570</u>

7 Property, plant and equipment

	2022	2021
	\$	\$
Buildings		
At cost	696,443	235,000
Accumulated depreciation	(16,824)	(2,672)
Total buildings	<u>679,619</u>	<u>232,328</u>
Plant and equipment		
At cost	330,956	326,608
Accumulated depreciation	(218,660)	(187,808)
Total plant and equipment	<u>112,296</u>	<u>138,800</u>
Motor vehicles		
At cost	277,249	277,249
Accumulated depreciation	(121,365)	(76,109)
Total motor vehicles	<u>155,884</u>	<u>201,140</u>
Leasehold Improvements		
At cost	-	194,321
Accumulated depreciation	-	(161,407)
Total leasehold improvements	<u>-</u>	<u>32,914</u>
Total property, plant and equipment	<u>947,799</u>	<u>605,182</u>

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For the Year Ended 30 June 2022

7 Property, plant and equipment

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Total \$
Year ended 30 June 2022					
Balance at the beginning of year	232,328	138,800	201,140	32,914	605,182
Additions	461,443	17,110	-	-	478,553
Disposals	-	(2,997)	-	(29,308)	(32,305)
Depreciation expense	(14,152)	(40,618)	(45,256)	(3,606)	(103,632)
Balance at the end of the year	679,619	112,295	155,884	-	947,798

8 Trade and Other Payables

	2022 \$	2021 \$
CURRENT		
Trade payables	252,078	269,510
GST payable (receivable)	(21,678)	83,828
Accrued expenses	55,387	15,772
PAYG Withholding payable	28,065	26,816
Superannuation payable	12,762	-
Unexpended grant contract liability	824,728	2,540,888
	1,151,342	2,936,814

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

9 Employee Benefits

	2022 \$	2021 \$
CURRENT		
Long service leave	42,395	-
Provision for employee benefits	201,814	198,394
	244,209	198,394

Southern Gulf NRM Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2022

9 Employee Benefits

	2022	2021
	\$	\$
NON-CURRENT		
Long service leave	23,995	83,054
	<u>23,995</u>	<u>83,054</u>

10 Financial Risk Management

	2022	2021
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	1,821,781	3,898,131
Trade and other receivables	643,611	495,570
Total financial assets	<u>2,465,392</u>	<u>4,393,701</u>
Financial liabilities		
Financial liabilities measured at amortised cost	1,151,341	2,936,814
Total financial liabilities	<u>1,151,341</u>	<u>2,936,814</u>

11 Members' Guarantee

The Company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* 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 outstanding obligations of the Company. At 30 June 2022, the number of members was 64 (2021: 64).

12 Key Management Personnel Disclosures

The following individuals have been identified as key management personnel:

Directors - Ms Megan Munchenberg, Mr Ray Campbell, Mr Ray Thieme, Ms Anne Neil, Ms Natalie Hughes, Ms June Kuhl, Mr Shane McCarthy

Company Secretary - Ms Margot Richardson

Chief Executive Officer - Mr Geoff Penton

Business Manager - Ms Maree Berlin

The remuneration paid to key management personnel of the Company for the year ended 30 June 2022 is \$ 404,728

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Notes to the Financial Statements

For the Year Ended 30 June 2022

13 Related Parties

(a) **The Company's main related parties are as follows:**

Key management personnel - refer to Note 12.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) **Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Purchases	Sales	Balance outstanding	
			Owed to the company	Owed by the company
	\$	\$	\$	\$
KMP related parties				
Richmond Shire Council (June Kuhl)	85,000	4,000	-	-
Business Mapping Solutions (Margot Richardson)	32,848	-	-	-

14 Auditors' Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor (Darren Thamm of Jessups) for: - auditing the financial statements	12,500	-
Remuneration of prior auditor (O'Regan and Associates) for: - auditing the financial statements	-	8,600
Total	12,500	8,600

Southern Gulf NRM Ltd

ABN: 15 030 795 778

Notes to the Financial Statements

For the Year Ended 30 June 2022

15 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Profit for the year	213,024	317,863
Non-cash flows in profit:		
- depreciation	103,632	116,329
- net loss (gain) on disposal of property, plant and equipment	32,304	(9,915)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(161,305)	(56,906)
- (increase)/decrease in prepayments	13,288	(124,440)
- increase/(decrease) in trade and other payables	(69,336)	202,523
- increase/(decrease) in contract liabilities	(1,716,160)	749,024
- increase/(decrease) in employee benefits	(13,244)	47,113
Cashflows from operations	<u>(1,597,797)</u>	<u>1,241,591</u>

16 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2022 (30 June 2021:None).

17 Events after the end of the Reporting Period

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

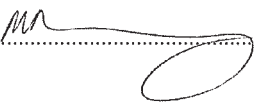
ABN: 15 030 795 778

Responsible Persons' 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*.

Responsible person  Responsible person 

Dated 30/09/2022



JESSUPS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOUTHERN GULF NRM LTD
FOR THE YEAR ENDED 30 JUNE 2022

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Southern Gulf NRM Ltd (the registered entity), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the registered entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 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 registered entity in accordance with the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report / Directors' report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





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Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity'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 directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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.

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

Jessups

Darren Thamm

Partner

Level 1, 8-9/320 Sheridan Street Cairns QLD 4870

Dated: 30 September 2022