

COLLINGWOOD CHILDREN'S FARM INCORPORATED

ABN 41 355 818 979

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
GENERAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
COMMITTEE'S REPORT

The Committee of Management present their report on the Association for the financial year ended 30 June 2023.

Committee of Management

The names of the members of the Committee of Management in office at any time during or since the end of the year are:

President	Nina Collins	
Vice President	Erika Russell	Appointed November 2022
Secretary	Chris Williams	
Treasurer	Lachlan Cook	
City of Yarra Representative.	Cr. Amanda Stone	
General Committee Member	Imogen Henry	Appointed November 2022/ Resigned August 2023
General Committee Member	Jacqueline Edge	Appointed November 2022
General Committee Member	Isabel Schoen	Resigned June 2023
General Committee Member	Jess West	
General Committee Member	Elyse Hogan	
General Committee Member	Margot Foster	
General Committee Member	Ben Neil	
General Committee Member	Lyn Koh	Appointed October 2023
General Committee Member	Andrew Chan	Resigned October 2022
General Committee Member	Rephael Lankri	Resigned October 2022
General Committee Member	Lachlan Turner	Resigned November 2022

The members of the Committee of Management have been in office from the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the Association during the financial year were:

Collingwood Children's Farm supports social inclusion through a range of community programs, delivered on a working farm. These programs develop self-esteem, self-worth and connectedness, particularly of children and those experiencing adversity. The Farm facilitates the participation of children and their families in broader community life and encourages a connection to nature. Our school, work experience and volunteer programs provide educational opportunities around urban agriculture for students and community and offer pathways to further employment in the industry.

No significant change in the nature of these activities occurred during the year.

After balance day events

There are no matters since 30 June 2023 that has significantly affected, or may significantly affect:

- (a) the Association's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Association's state of affairs in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2023 has been received.

Signed in accordance with a resolution of the Committee of Management.

President


Nina Collins

Treasurer


Lachlan Cook

Dated this

20 day of November 2023



Collins & Co Audit Pty Ltd

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Footscray VIC 3011
Australia

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AUDITOR'S INDEPENDENCE DECLARATION TO THE MEMBERS OF COLLINGWOOD CHILDREN'S FARM INCORPORATED A.B.N. 41 355 818 979

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 2023 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the review; and
- ii. No contravention of any applicable code of professional conduct in relation to the review.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 20th day of November 2023

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
REVENUE	2	2,467,805	2,183,019
EXPENSES			
Administration Expenses	3	(457,028)	(638,441)
Depreciation and Amortisation Expenses	3	(88,801)	(89,102)
Farm Related Expenses		(206,812)	(200,641)
Fundraising Expenses		(58,560)	(39,936)
Special Grant Expenses		(600)	-
Staff Related Expenses	3	(1,912,461)	(1,693,735)
Surplus/(Deficit) attributable to the Association		<u><u>(256,457)</u></u>	<u><u>(478,836)</u></u>

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Surplus/(Deficit) attributable to the Association	(256,457)	(478,836)
Other comprehensive income	-	-
Net gain or loss on revaluation of non-current assets	-	-
Other comprehensive income for the year	<u>-</u>	<u>-</u>
Total Comprehensive Income/(Loss) for the Year	<u>(256,457)</u>	<u>(478,836)</u>
Total Comprehensive Income/(Loss) attributable to the Association	<u>(256,457)</u>	<u>(478,836)</u>

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,384,374	1,030,776
Accounts and other receivables	5	37,920	77,392
Prepayments		13,726	-
Livestock on hand	6	18,308	27,827
TOTAL CURRENT ASSETS		1,454,328	1,135,995
NON CURRENT ASSETS			
Financial assets	7	107,375	103,409
Property, plant and equipment	8	336,266	410,674
TOTAL NON-CURRENT ASSETS		443,641	514,083
TOTAL ASSETS		1,897,969	1,650,078
CURRENT LIABILITIES			
Accounts and other payables	9	217,978	242,163
Income received in advance	10	1,059,221	515,063
Employee entitlements	11	136,293	151,918
TOTAL CURRENT LIABILITIES		1,413,492	909,144
NON-CURRENT LIABILITIES			
Employee entitlements	11	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		1,413,492	909,144
NET ASSETS		484,477	740,934
EQUITY			
Accumulated funds		225,654	482,111
Capital surplus		44,027	44,027
Capital grants		214,796	214,796
TOTAL EQUITY		484,477	740,934

The statement of financial position is to be read in conjunction with the audit report and the notes to the financial statements.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Funds \$	Capital Surplus \$	Capital Grants \$	Total \$
Balance as at 1 July 2021	960,947	44,027	214,796	1,219,770
Surplus/(Deficit) attributable to the Association	(478,836)	-	-	(478,836)
Total other comprehensive income for the year	-	-	-	-
Balance as at 30 June 2022	482,111	44,027	214,796	740,934
Surplus/(Deficit) attributable to the Association	(256,457)	-	-	(256,457)
Total other comprehensive income for the year	-	-	-	-
Balance as at 30 June 2023	225,654	44,027	214,796	484,477

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Grant income received		1,071,745	1,016,076
Farm related income received		164,347	90,381
Fundraising income received		184,360	165,976
Tourism related received		1,290,909	841,386
Rental income received		224,801	184,270
Other income received		88,200	(36,023)
COVID-19 Government Assistance Payments		14,633	-
Payments to suppliers and employees		(2,679,478)	(2,520,896)
Interest received		8,474	1,048
Net cash generated from/(used in) operating activities	14	<u>367,991</u>	<u>(257,782)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		-	
Payment for property, plant and equipment		(14,393)	(71,535)
Net cash generated from/(used in) investing activities		<u>(14,393)</u>	<u>(71,535)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash generated from/(used in) financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		353,598	(329,317)
Cash and cash equivalents at beginning of financial year		1,030,776	1,360,093
Cash and cash equivalents at end of financial year	4	<u><u>1,384,374</u></u>	<u><u>1,030,776</u></u>

The statement of cash flows is to be read in conjunction with the audit report and the notes to the financial statements.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of the Collingwood Children's Farm Incorporated, a incorporated association, which is incorporated in Victoria under the Associations Incorporation Reform Act 2012.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Australian Charities and Not-for-profits Commission Act 2012*, and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

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

The following is a summary of the material accounting policies adopted by the Association in the preparation of the general purpose financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

b. 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 losses.

Property

Freehold land and buildings are shown at cost less subsequent depreciation for buildings.

External independent valuations are obtained on at least a triennial basis to ensure that the carrying value is not less than fair value.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies (continued)

b. Property, Plant and Equipment (continued)

Plant and Equipment (continued)

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.00%
Furniture and fittings	12.50%
Office equipment	20.00%
Motor vehicles	20.00%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

All capital items financed in whole or part from funds allocated by the Government of Victoria cannot be disposed of until DHS has agreed to the disposition of those items by any process. Any recoupment to DHS will be limited to the extent of the department's equity in the asset.

c. Leases

Lease or hire purchase of fixed assets, under which the Association assumes substantially all of the risks and benefits of ownership, but not the legal ownership, are classified as finance leases (this includes hire purchase contracts).

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments (hiring instalments), including any guaranteed residual values. Leased assets are depreciated on a prime cost basis (straight line) over their estimated useful lives where it is likely the Association will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense (hire purchase charges) for the period.

Other leases are classified as operating leases. Minimum lease payments made under operating leases are charged as an expense in equal instalments over the accounting periods covered by the lease term.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies (continued)

d. Impairment of Assets

Non-derivative financial assets

Each financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount by the Association on terms that the Association would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition for an investment in an equity security, a significant or prolonged decline in its fair value below its costs is objective evidence of impairment.

Non-financial assets

The carrying amounts of non-financial assets, other than inventory, are reviewed at each reporting date to determine whether there is any objective evidence that they are impaired. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss for an individual asset measured under the cost model is recognised in the statement of comprehensive income, whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The reversal is recognised in the statement of comprehensive income to the extent that an impairment loss was previously recognised in the statement of comprehensive income.

e. Provisions

A provision is recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

f. Employee Benefits

Short term benefits

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on-costs, which the Association expects to pay at the end of each reporting period.

Long term benefits

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

Superannuation contributions are made by the Association to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Association has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

g. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies (continued)

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

i. Revenue

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

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The Association applies Australian Accounting Standards AASB 15 and AASB 1058.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 – Identify the contract with the customer
- Step 2 – Identify the sufficiently specific performance obligations to be satisfied
- Step 3 – Measure the expected consideration
- Step 4 – Allocate that consideration to each of the performance obligations in the contract
- Step 5 – Recognise revenue

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 137 Provisions, Contingent Liabilities & Contingent Assets
- AASB 9 Financial Instruments

Revenue from the rendering of a service are recognised upon delivering of the service to the customer.

Revenue is received from donations and bequests and is brought to account on a cash received basis.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies (continued)

j. Intangibles - Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years. It is assessed annually for impairment.

k. Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Association prior to the end of the financial year, and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

l. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through the profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies (*continued*)

I. Financial Instruments (*continued*)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of reporting period. If during the period the Association sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments would be tainted and reclassified as available-for-sale.

Available-for-sale Financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in equity of other entities where there is neither fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 1. Statement of Significant Accounting Policies (*continued*)

I. Financial Instruments (*continued*)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

m. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year. When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

n. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

o. New Accounting Standards for Application in Future Periods

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

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Note 2. Revenue		
Government Grant Income	510,296	936,164
Farm Related Income	164,347	90,381
Fundraising Income	184,360	165,976
Other Income	61,168	4,617
Rental Income	242,092	144,495
Tourism Related Income	1,290,909	841,386
COVID-19 Government Assistance Payments	14,633	-
	<u>2,467,805</u>	<u>2,183,019</u>
Note 3. Profit for the year		
Expenses		
Depreciation		
Buildings & Shelters	71,896	71,460
Office Equipment	1,694	3,387
Tools & Equipment	15,211	14,254
	<u>88,801</u>	<u>89,101</u>
Employment Expenses	1,839,106	1,647,264
Auditor's Remuneration		
Audit Services	8,500	6,900
	<u>8,500</u>	<u>6,900</u>
Note 4. Cash and Cash Equivalents		
Cash at Bank	1,383,774	1,029,276
Cash on Hand	600	1,500
	<u>1,384,374</u>	<u>1,030,776</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	<u>1,384,374</u>	<u>1,030,776</u>
	<u>1,384,374</u>	<u>1,030,776</u>
Note 5. Accounts and Other Receivables		
Trade receivables	20,574	77,392
Other receivables	17,346	-
	<u>37,920</u>	<u>77,392</u>

No impairment was required at 30 June 2023.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Note 6. Livestock on Hand		
Livestock on hand at beginning of year	27,827	21,658
Livestock Purchases	-	10,688
Livestock - Donations in kind during year	-	-
Less: Sales	-	-
Increase/(Decrease) in value of livestock on Hand at balance date	(9,519)	(4,519)
Livestock on hand at end of year (at fair value)	<u>18,308</u>	<u>27,827</u>
Note 7. Financial Assets		
Units in Public Funds & Trusts (at market value)	107,373	103,407
less: Provision for diminution in market value	-	-
	<u>107,373</u>	<u>103,407</u>
Other Investments (at cost)	2	2
	<u>107,375</u>	<u>103,409</u>
Note 8. Property, Plant and Equipment		
Farm Buildings & Shelters		
At cost	1,222,281	1,222,281
Accumulated depreciation	(1,002,213)	(930,317)
	<u>220,068</u>	<u>291,964</u>
Capital Works-in-Progress	54,095	54,095
Farm Equipment		
At cost	266,703	252,752
Accumulated depreciation	(210,126)	(194,915)
	<u>56,577</u>	<u>57,837</u>
Fencing		
At cost	52,018	52,018
Accumulated depreciation	(52,018)	(52,018)
	<u>-</u>	<u>-</u>
Office & Canteen Equipment		
At cost	87,012	86,569
Accumulated depreciation	(81,486)	(79,791)
	<u>5,526</u>	<u>6,778</u>
Total property, plant and equipment	<u>336,266</u>	<u>410,674</u>

COLLINGWOOD CHILDREN'S FARM INCORPORATED
 ABN 41 355 818 979
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 8. Property, Plant and Equipment (Continued)

(a) Movement in Carrying Amounts

	Farm Buildings & Shelters	Farm Equipment	Office & Canteen Equipment	Capital Works-in Progress	Total
Movement in the carrying amounts for each class of property, plant and equipment:					
Balance as at 1 July 2021	356,976	46,809	10,166	14,290	428,241
Additions	6,448	25,282	-	39,805	71,535
Disposals	-	-	-	-	-
Depreciation expense	(71,460)	(14,254)	(3,388)	-	(89,102)
Carrying amount at 30 June 2022	<u>291,964</u>	<u>57,837</u>	<u>6,778</u>	<u>54,095</u>	<u>410,674</u>
Additions	-	13,951	442	-	14,393
Disposals	-	-	-	-	-
Depreciation expense	(71,896)	(15,211)	(1,694)	-	(88,801)
Carrying amount at 30 June 2023	<u>220,068</u>	<u>56,577</u>	<u>5,526</u>	<u>54,095</u>	<u>336,266</u>

Note 9. Trade and Other Payables	2023	2022
	\$	\$
Current		
Accounts Payable	167,503	206,471
Other Current Payables	52,153	36,420
GST Payable to Australian Taxation Office	(3,357)	(2,407)
PAYGW Payable to Australian Taxation Office	1,679	1,679
	<u>217,978</u>	<u>242,163</u>
Financial liabilities at amortised cost classified as trade and other payables		
Accounts and Other Payables		
- Total Current	217,978	242,163
- Total Non-Current	-	-
	<u>217,978</u>	<u>242,163</u>

Note 10. Income Received in Advance

Current		
Grants Received in Advance	1,017,008	455,559
Income Received in Advance	42,213	59,504
	<u>1,059,221</u>	<u>515,063</u>

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Note 11. Employee Entitlements		
Provision for Annual Leave	84,952	95,205
Provision for Long Service Leave	51,341	35,500
Provision for Personal/ Carers Leave	-	21,213
	<u>136,293</u>	<u>151,918</u>
Analysis of Total Provisions		
Current	136,293	151,918
Non-current	-	-
	<u>136,293</u>	<u>151,918</u>

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1 (f).

Note 12. Key management personnel compensation

Any person having authority and responsibility for planning directing and controlling the activities of the Association directly or indirectly, including its committee members, is considered key management personnel.

Key Management personnel compensation		
- Short term benefits	162,980	150,993
- Post-employment benefits	16,473	15,099
	<u>179,453</u>	<u>166,092</u>

Note 13. Related parties

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

Note 14. Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

Profit after income tax	(256,457)	(478,836)
Non-cash flows in profit:		
Depreciation	88,801	89,102
Provision for Diminution in Value of Investments	(3,966)	16,421
Changes in assets and liabilities		
(Increase)/decrease in Accounts and Other Receivables	39,472	(56,013)
(Increase)/decrease in Prepayments	(13,726)	
(Increase)/decrease in Livestock on Hand	9,519	(6,169)
Increase/(decrease) in Accounts and Other Payables	(24,185)	89,054
Increase/(decrease) in Grants Received in Advance	561,449	79,912
Increase/(decrease) in Income Received in Advance	(17,291)	39,775
Increase/(decrease) in Employee Entitlements	(15,625)	(31,028)
Cash flow from operations	<u>367,991</u>	<u>(257,782)</u>

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 15. Financial Risk Management

a. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, bank loans and leases.

The company does not have any derivative instruments at 30 June 2023.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023 \$	2022 \$
Financial Assets			
Cash and cash equivalents	4	1,384,374	1,030,776
Trade and other receivables	5	<u>37,920</u>	<u>77,392</u>
		<u>1,422,294</u>	<u>1,108,168</u>
Financial Liabilities			
Trade and other payables	8	<u>217,978</u>	<u>242,163</u>
		<u>217,978</u>	<u>242,163</u>

Financial Risk Management Policies

A finance committee consisting of senior directors of the entity meet on a regular basis to analyse financial risk exposure to evaluate the company's management strategies in the context of the most recent conditions and forecasts.

The committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on the financial performance.

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include the use of credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

(a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the company.

The company does not have any material credit risk exposure as its major source of revenue is the receipt of grants. Credit risk is further mitigated as over 90% of the grants being received from State and Federal Governments are in accordance with funding agreements which ensure regular funding for a period of 5 years.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of a high credit quality. Aggregates of such amounts are as detailed in Note 5.

The company has no significant concentration of credit risk exposure to any single counterparty or group of counter parties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counter parties with a Standard & Poor's (S&P) rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on S&P counter party credit ratings.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 15. Financial Risk Management (continued)	Note	2023 \$	2022 \$
(a) Credit Risk (continued)			
Cash and cash equivalents			
AA rated	4	1,384,374	1,030,776
		<u>1,384,374</u>	<u>1,030,776</u>

(b) Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and finance activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing only in surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

(c) Market Risk

(a) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby future changes in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

(b) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because changes in market prices of securities held.

The company is exposed to securities price risk on investments held for trading or for medium to longer terms.

Such risk is managed through diversification of investments across industries and geographic locations.

Net Fair Values

Fair Value Estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values for those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below.

Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 15. Financial Risk Management (continued)

(c) Market Risk (continued)

	Footnote	2023		2022	
		Net carrying value \$	Net fair value \$	Net carrying value \$	Net fair value \$
Financial Assets					
Cash and cash equivalents	(i)	1,384,374	1,384,374	1,030,776	1,030,776
Loans and receivables	(i)	37,920	37,920	77,392	77,392
		<u>1,422,294</u>	<u>1,422,294</u>	<u>1,108,168</u>	<u>1,108,168</u>
Financial Liabilities					
Trade and other payables	(i)	217,978	217,978	242,163	242,163
		<u>217,978</u>	<u>217,978</u>	<u>242,163</u>	<u>242,163</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave and deferred income which is not considered a financial instrument.
- (ii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate lease liability will differ to the carrying values.

Note 16. Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its teaching programs and that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

Note 17. Subsequent Events

There are no reportable subsequent events between balance date and the date of this financial report.

Note 18. Contingent Liabilities

The company has no contingent liabilities.

Note 19. Company Details

The registered office of the company is:

Collingwood Children's Farm Incorporated
18 St. Helliers Street
ABBOTSFORD VIC 3067

The principal place of business of the company is:

Collingwood Children's Farm Incorporated
18 St. Helliers Street
ABBOTSFORD VIC 3067

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
COMMITTEE'S DECLARATION

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

1. 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
2. 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*.

President



Nina Collins

Dated this

20 day of November 2023



COLLINGWOOD CHILDREN'S FARM INCORPORATED
A.B.N. 41 355 818 979
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Collingwood Children's Farm Incorporated (the Association), which comprises the balance sheet as at 30 June 2023, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with *the Australian Charities and Not for Profits Commission Act 2012* and *the Associations Incorporation Reform Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2023 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1, *the Australian Charities and Not for Profits Commission Act 2012* and *the Associations Incorporation Reform Act 2012*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. I am independent of the Association in accordance with 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management 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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 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 the financial report.



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As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Auditor: Frederik Ryk Ludolf Eksteen

ASIC Registration Number: 421448

Address: Collins & Co Audit Pty Ltd, 127 Paisley Street, FOOTSCRAY VIC 3011

Signature:

Date: 20 November 2023

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
REVENUE		
Grant Income	510,296	936,164
Grants from State Government	216,749	384,791
Grants from Local Government	71,050	136,923
Other Grants - Special Project	136,865	345,246
Car Park Revenue	85,632	69,204
Farm Related Income	164,347	90,381
Garden Plot Hire	-	235
Proceeds from Sale of Livestock	9,800	700
Proceeds from Sale of Merchandise	26,087	13,371
Proceeds from Sale of Produce	128,460	76,075
Fundraising Income	184,360	165,976
Donations - General	22,713	45,041
Fundraising Income - Farm Events	161,647	120,935
Other Income	61,168	4,617
Interest Income	8,474	1,048
Investment Income	9,530	(11,808)
Other Income including Wage Subsidies	43,164	15,377
Rental Income	242,092	144,495
Tourism Related Income	1,290,909	841,386
Bookings & Farm Tours	164,078	83,944
Entry Fees	1,066,991	698,090
Farm Passes & Membership Fees	59,840	59,352
TOTAL REVENUE	<u>2,467,805</u>	<u>2,183,019</u>

The income statement is to be read in conjunction with the audit report
and the notes to the financial statements.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
EXPENDITURE		
Administration Expenses	457,028	638,441
Advertising & Publicity	9,094	8,870
Accounting Fees	97,800	8,400
Administration Expenses	18,487	24,006
Auditor's Remuneration - Audit Fees	8,500	5,300
Auditor's Remuneration - Other Services	-	1,600
Bank Charges	37,960	36,129
Bookkeeping Fees	37,882	31,401
Business Development Costs	880	2,640
Cleaning	19,267	16,666
Computer Expenses	11,176	12,235
Donations	-	50
Electricity & Gas	7,147	18,168
Insurance	22,417	15,199
Legal Fees & Professional Fees	88,044	390,156
Merchandise	50,084	20,678
OH&S	6,721	7,094
Rates - Water	21,151	16,703
Security Costs	7,302	4,496
Subscriptions & Memberships	3,772	5,853
Telephone	9,344	12,797
Depreciation & Amortisation Expenses	88,801	89,102
Buildings & Shelters	71,896	71,460
Office Equipment	1,694	3,388
Tools & Equipment	15,211	14,254

The income statement is to be read in conjunction with the audit report
and the notes to the financial statements.

COLLINGWOOD CHILDREN'S FARM INCORPORATED
ABN 41 355 818 979
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Farm Related Expenses	206,812	200,641
Animal - Equipment Replacements	13,006	19,764
Animal - Feed & Consumables	57,338	33,786
Garden & Orchard Supplies	19,216	35,380
Motor vehicle & Travelling Expenses	1,556	3,459
Repairs & Maintenance	51,744	66,570
Rubbish & Recycling	16,216	12,217
Revaluation of Livestock	17,878	4,519
Sundry Farm Expenses	15,700	11,814
Veterinary Supplies	14,158	13,132
Fundraising Expenses	58,560	39,936
Special Grant Expenses	600	-
Staff Related Expenses	1,912,461	1,693,735
Wages & Casual Staffing	1,680,692	1,529,324
Superannuation (Award)	174,039	148,969
Provision for Employee Entitlements	(15,625)	(31,029)
Insurance - Workcover	26,966	37,280
Staff Training & Welfare	17,298	5,870
Staff Recruitment	29,091	3,321
TOTAL EXPENDITURE	2,724,262	2,661,855
NET SURPLUS/ (DEFICIT) FOR THE YEAR	(256,457)	(478,836)

The income statement is to be read in conjunction with the audit report and the notes to the financial statements.