

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.
ABN 47 539 096 184

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2025

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.
ABN 47 539 096 184

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2025

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CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

ABN 47 539 096 184

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
30 JUNE 2025**

| | Note | 2025 \$ | 2024 \$ |
|---|------|----------------|----------------|
| INCOME | | | |
| Donations | | 32,438 | 19,681 |
| Grants | | 274,246 | 400,018 |
| Investment Income | | | |
| - Interest | | 17,585 | 17,794 |
| Other Income | | 13,105 | 3,700 |
| | | <u>337,374</u> | <u>441,193</u> |
| EXPENDITURE | | | |
| Employee benefits expense | | 213,747 | 292,509 |
| Depreciation expense | | - | 691 |
| Restoration and revegetation expense | | 36,953 | 83,207 |
| Occupancy expenses | | 35,473 | 29,866 |
| Education events expenses | | 20,187 | 9,867 |
| Other expenses | | 25,775 | 33,109 |
| | | <u>332,135</u> | <u>449,249</u> |
| Surplus/(deficit) before income tax expense | | 5,239 | (8,056) |
| Income tax expense | | - | - |
| Other comprehensive income for the year net of income tax | | <u>-</u> | <u>-</u> |
| Total comprehensive income after income tax for the year | | <u>5,239</u> | <u>(8,056)</u> |

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

ABN 47 539 096 184

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

| | Note | 2025 | 2024 |
|--------------------------------------|-------------|----------------|----------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 217,550 | 286,557 |
| Trade and other receivables | 4 | 4,365 | 51,884 |
| Financial assets | 5 | 117,411 | 157,588 |
| TOTAL CURRENT ASSETS | | <u>339,326</u> | <u>496,029</u> |
| NON-CURRENT ASSETS | | | |
| Right of use assets | 6 | 10,359 | 19,238 |
| TOTAL NON-CURRENT ASSETS | | <u>10,359</u> | <u>19,238</u> |
| TOTAL ASSETS | | <u>349,685</u> | <u>515,267</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 13,518 | 30,698 |
| Unspent grant funds | 8 | 141,973 | 275,185 |
| Provisions | 9 | 24,265 | 25,219 |
| Lease liability | 10 | 9,792 | 9,041 |
| TOTAL CURRENT LIABILITIES | | <u>189,548</u> | <u>340,143</u> |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 9 | 1,213 | 11,279 |
| Lease liability | 10 | 1,066 | 11,226 |
| TOTAL NON-CURRENT LIABILITIES | | <u>2,279</u> | <u>22,505</u> |
| TOTAL LIABILITIES | | <u>191,827</u> | <u>362,648</u> |
| NET ASSETS | | <u>157,858</u> | <u>152,619</u> |
| MEMBERS' FUNDS | | | |
| Retained surplus | | 157,858 | 152,619 |
| TOTAL MEMBERS' FUNDS | | <u>157,858</u> | <u>152,619</u> |

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.
ABN 47 539 096 184

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
30 JUNE 2025

| | Retained Surplus \$ | Total \$ |
|------------------------------------|------------------------------------|-----------------------|
| Balance at 1 July 2023 | 160,675 | 160,675 |
| Deficit attributable to the entity | (8,056) | (8,056) |
| Other comprehensive income | <u>-</u> | <u>-</u> |
| Balance at 30 June 2024 | 152,619 | 152,619 |
| Surplus attributable to the entity | 5,239 | 5,239 |
| Other comprehensive income | <u>-</u> | <u>-</u> |
| Balance at 30 June 2025 | <u><u>157,858</u></u> | <u><u>157,858</u></u> |

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

ABN 47 539 096 184

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
30 JUNE 2025**

| | Note | 2025 | 2024 |
|---|-------------|-----------------------|-----------------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from grants | | 188,553 | 271,031 |
| Other receipts | | 45,543 | 23,381 |
| Payments to suppliers and employees | | (351,456) | (433,970) |
| Interest received | | <u>17,585</u> | <u>17,794</u> |
| Net cash used in operating activities | 9 | <u>(99,775)</u> | <u>(121,764)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Redemption/(investment) in term deposits | | <u>40,177</u> | <u>(7,194)</u> |
| Net cash provided by/(used in) investing activities | | <u>40,177</u> | <u>(7,194)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payments for lease liability | | <u>(9,409)</u> | <u>(9,042)</u> |
| Net cash used in financing activities | | <u>(9,409)</u> | <u>(9,042)</u> |
| Net decrease in cash held | | (69,007) | (138,000) |
| Cash at the beginning of the year | | <u>286,557</u> | <u>424,557</u> |
| Cash at the end of the year | 2 | <u><u>217,550</u></u> | <u><u>286,557</u></u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

Financial Reporting Framework

The Committee has determined that the Association is not a reporting entity because it is unlikely there are users of these financial statements who are not in a position to require the preparation of reports tailored to their information needs.

Accordingly, these financial statements have been prepared to satisfy the Committee's reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012*.

The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Comparatives are consistent with prior years, unless otherwise stated.

Statement of Compliance

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

These special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards except for those specified in AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities. In accounting for income, recognition of all grant income has been deferred until the related expenses are incurred without assessing whether there are enforceable performance obligations to transfer a good or service to a third party which are sufficiently specific to know when the performance obligation has been satisfied. Refer to Note 1(f) Revenue below.

Note 1: Basis of Preparation

The financial statements are special purpose financial statements that have been prepared in accordance with the Australian Accounting Standards 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.

Material accounting policy information is consistent with prior reporting periods unless otherwise stated.

Note 2: Statement of Material Accounting Policies

a. Income Tax

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

Note 2: Statement of Material Accounting Policies (cont.)

b. Cash and Cash Equivalents

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

c. Trade and other receivables

Trade receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

d. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets to the entity commencing from the time the asset is held ready for use.

e. Trade and other payables

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

f. Employee entitlements

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the discounted value of estimated future cash outflows to be made for those benefits.

g. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

h. Impairment of assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

Note 2: Statement of Material Accounting Policies (cont.)

i. Revenue

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability.

Grant income

Unspent grant income received in relation to specific projects and events is not brought to account as revenue in the current year but deferred as a liability in the financial statements until spent for the purpose received without assessing whether enforceable performance obligations exist.

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

This is not in accordance with AASB 15 *Revenue* or AASB 1058 *Income of Not-for-profit Entities*.

Interest revenue

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

Donations

Donation income is recognised when the entity obtains control over the funds which is generally at the time of receipt.

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

g. 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 Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

h. Leases

The Company as Lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

Note 2: Statement of Material Accounting Policies (cont.)

h. Leases (cont.)

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

| | 2025 | 2024 |
|---|-----------------|-----------------|
| | \$ | \$ |
| Note 3: Cash and cash equivalents | | |
| Debit cards | 946 | 3,061 |
| Cash at bank | 29,519 | 110,328 |
| Cash on deposit | 187,085 | 173,168 |
| | <u>217,550</u> | <u>286,557</u> |
| Note 4: Trade and other receivables | | |
| Accounts receivable | 2,034 | 51,884 |
| Other receivables | 2,331 | - |
| | <u>4,365</u> | <u>51,884</u> |
| Note 5: Financial assets | | |
| Cash on deposit - term deposits >3 mths | <u>117,411</u> | <u>157,588</u> |
| Note 6: Right of Use Asset | | |
| Right of Use Asset - Room 13 and 14 The Hub, 233 Barker St Castlemaine 3450 | 53,274 | 53,274 |
| Less amortisation | <u>(42,915)</u> | <u>(34,036)</u> |
| | <u>10,359</u> | <u>19,238</u> |

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

ABN 47 539 096 184

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2025

| | 2025 | 2024 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 7: Trade and other payables | | |
| Current | | |
| Trade creditors | 1,040 | 6,804 |
| Accrued Expenses | 9,226 | 15,314 |
| GST Liability | (556) | 2,881 |
| PAYG withholding payable | 2,570 | 3,568 |
| Superannuation payable | 1,238 | 2,131 |
| | <u>13,518</u> | <u>30,698</u> |
| Note 8: Unspent grant funds | | |
| Current | | |
| Grants in advance | <u>141,973</u> | <u>275,185</u> |
| Note 9: Provisions | | |
| Current | | |
| Provision for annual leave | 12,625 | 21,927 |
| Provision for long service leave | 11,640 | 3,292 |
| | <u>24,265</u> | <u>25,219</u> |
| Non-current | | |
| Provision for long service leave | <u>1,213</u> | <u>11,279</u> |
| Note 10: Lease Liability | | |
| Current | | |
| Lease liabilities | <u>9,792</u> | <u>9,041</u> |
| Non-current | | |
| Lease liabilities | <u>1,066</u> | <u>11,226</u> |

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

ABN 47 539 096 184

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2025

| | 2025 | 2024 |
|--|-----------------|------------------|
| | \$ | \$ |
| Note 11: Reconciliation of cash flow from operations with surplus from ordinary activities after income tax | | |
| Surplus/(deficit) after income tax expense | 5,239 | (8,056) |
| <i>Non-cash flows in surplus</i> | | |
| - Depreciation and amortisation | 8,879 | 9,570 |
| <i>Changes in assets and liabilities:</i> | | |
| - Decrease/(increase) in trade and other receivables | 47,519 | (45,441) |
| - (Decrease)/increase in trade and other payables | (17,180) | 1,311 |
| - (Decrease) in amounts in advance | (133,212) | (83,546) |
| - (Decrease)/increase provisions | (11,020) | 4,398 |
| Net cash provided by operating activities | <u>(99,775)</u> | <u>(121,764)</u> |
| Note 12: Auditor's Remuneration | | |
| Fees for auditing the financial statements | 4,500 | 4,500 |
| Other audit services (grant acquittals) | <u>-</u> | <u>-</u> |
| | <u>4,500</u> | <u>4,500</u> |

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

ABN 47 539 096 184

**STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED
30 JUNE 2025**

The Committee has determined that the Association is not a reporting entity and that this special purpose report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee of Connecting Country (Mt Alexander Region) Inc.:

- a) the financial statements and notes of Connecting Country (Mt Alexander Region) Inc. are in accordance with the *Associations Incorporation Reform Act (Vic) 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:
- i. giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
 - ii. complying with the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
- b) there are reasonable grounds to believe that Connecting Country (Mt Alexander Region) Inc. will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:


Chairperson

Dated:

12/11/25


Treasurer

Dated:

13/11/25

CONNECTING COUNTRY (MT ALEXANDER REGION) INC.
ABN 47 539 096 184

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION
60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as auditor for the audit of Connecting Country (Mt Alexander Region) Inc. for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Sean Denham

Sean Denham & Associates - a CPA Practice

Dated: 13 November 2025

Moonee Ponds VIC 3039



SEAN DENHAM

& ASSOCIATES

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CONNECTING COUNTRY (MT ALEXANDER REGION) INC.

Opinion

I have audited the accompanying financial report, of Connecting Country (Mt Alexander Region) Inc., which comprises the statement of financial position as at 30 June 2025, statement of changes in equity, statement of cash flows and the statement of profit or loss and other comprehensive income for the year then ended, notes comprising a summary of material accounting policies and the certification by members of the Committee.

In my opinion, the accompanying financial report of Connecting Country (Mt Alexander Region) Inc. has been prepared in accordance with Div 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b) complies with Australian Accounting Standards to the extent described in Note 1 to the financial statements, and the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* and Div 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 my report. I am independent of the Association in accordance with the *Associations Incorporation Reform Act 2012 (Vic)* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's reporting responsibilities under the *Associations Incorporation Reform Act 2012 (Vic)* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibility of the Committee for the Financial Report

The Committee of the Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 of the financial report is appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* and the *Australian Charities and Not-for-profits Commission Act 2012* and the needs of the members. The Committee's responsibility also includes such internal control as the Committee determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility 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 my 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.

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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.
- Conclude on the appropriateness of 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 association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in our 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 that may cause the Association 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 control that I identify during my audit.



Sean Denham

Sean Denham & Associates - a CPA Practice

Dated: 13 November 2025

Moonee Ponds VIC 3039