PREECE ACCOUNTING
adaptable. approachable. accountable.

PRINCIPAL
Craig J. Preece
C.A. F.T.I.A. RCA & SMSF Auditor
ABN 42 465 442 662

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RURAL ALIVE & WELL INC

Scope

We have audited the financial report, being a special purpose financial report, for Rural Alive & Well Inc for the year ended 30 June 2024. The Committee is responsible for the financial report and has determined that the accounting policies used are appropriate to meet the needs of the Associations Incorporation Act (Tas) 1964 and the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act (Tas) 1964. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respect, the financial report is presented so as to present a view which is consistent with our understanding of the Association's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Australian Accounting Standards and other mandatory professional reporting requirements.

As an audit procedure it was not practicable to extend our examinations of income beyond the accounting for amounts received as shown by the books and records of the association. It is the responsibility of the committee of management to ensure that proper control and supervision is maintained over the control of receipts and payments.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion:

a) the financial statements referred to above are properly drawn up so as to give a true and fair view of the state of affairs of the association as at 30 June 2024, and of its results for the year then ended in all material respects, according to the information at our disposal, the explanations given to us and as shown by the accounting records.
b) the rules relating to the administration for the funds of the association have been observed; and
c) the association has kept proper records and other books during the period covered by these accounts.

PREECE ACCOUNTING

Craig J Preece
Dated at Launceston this 20th day of September 2024

(03) 6331 4822 office@preeceaccounting.com.au P.O. Box 411, Launceston 3rd Floor, 65 Brisbane St, Launceston, TAS, 7250

Rural Alive & Well Inc.
Income & Expenditure Statement
for the year ended 30 June 2024

	Note	2024 $	2023 $
Income			
Donations		169,611	145,700
Sponsorship		192,564	124,288
Grants	2	2,496,451	2,202,863
Training		95,905	185,628
Profit on Sale of Asset		13,302	3,474
Total income		2,967,833	2,661,953
Expenses			
Administration expenses	3	133,499	167,335
Bank Charges		756	1,497
Depreciation and Amortisation		50,325	49,680
Electricity		5,402	8,845
Employee Benefits	4	2,103,525	1,996,237
Insurance		150,519	91,733
Interest Expenses		2,040	41
MV Lease expenses		166,260	90,520
Rates and Charges		8,211	6,269
Rent and Building Maintenance		35,532	46,843
Vehicles & Maintenance		119,208	123,722
Travel and Accomodation		43,971	57,521
Workshop Expenses		32,641	35,400
Total expenses		2,851,889	2,675,643
Net Surplus/(deficit) transferred to accumulated surpluses		**115,944**	**(13,690)**

Rural Alive & Well Inc.
Statement of Financial Position
as at 30 June 2024

	Note	2024	2023
		$	$
Assets			
Current Assets			
Cash and deposits	5	299,484	125,182
Trade and other receivables		58,080	87,748
Prepayments		34,295	29,832
Total current assets		391,859	242,762
Non-current Assets			
Property, plant and equipment	6	201,920	274,027
Right of Use Assets		-	-
Total non-current assets		201,920	274,027
Total assets		593,779	516,789
Liabilities			
Current Liabilities			
Trade and other payables	7	152,385	119,933
Employee Provisions	8	132,651	154,249
Income in Advance		114,799	130,290
Lease Liability	1(i)	-	-
Total current liabilities		399,835	404,472
Non-current Liabilities			
Employee Provisions	8	0	10,520
Lease Liability	1(i)	-	-
Asset Purchase Loans		-	23,797
Total non-current liabilities		0	34,317
Total liabilities		399,835	438,789
Net assets		193,944	78,000
Members funds			
Accumulated surpluses		193,944	78,000
Total members funds		193,944	78,000

Rural Alive & Well Inc.
Statement of Cash Flows
for the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Grants received		2,775,764	2,398,134
Receipts from general operations		566,961	341,407
Other receipts		122,915	124,183
Payments to Suppliers & Employees		(3,349,321)	(2,891,405)
Net cash inflow/(outflow) from operating activities	9	116,319	(27,680)
Cash flows from investing activities			
Proceeds from sale of plant and equipment		59,998	20,000
Payments for plant and equipment		21,782	(2,174)
Net cash inflow/(outflow) from investing activities		81,780	17,826
Cash flows from financing activities			
Proceeds from/(Repayment) to borrowings		(23,797)	(49,205)
Net cash inflow/(outflow) from financing activities		(23,797)	(49,205)
Net increase/(decrease) in cash held		174,302	(55,727)
Cash and cash equivalents - opening balance		125,182	180,909
Cash and cash equivalents - closing balance	5	299,484	125,182

The accompanying notes form part of these financial statement.
These financial statements should be read in conjunction with the attached audit report.

Rural Alive & Well Inc.

Statement of Changes in Equity

for the year ended 30 June 2024

		Accumulated surpluses $	Total $
Balance as at	**1 July 2022**	96,006	96,006
Adjustment due to reversal of *AASB 16*		(4,316)	(4,316)
Amended Balance as at	**1 July 2022**	91,690	91,690
Net surplus/(deficit)		(13,690)	(13,690)
Balance as at	**30 June 2023**	78,000	78,000
Net surplus/(deficit)		115,944	115,944
Balance as at	**30 June 2024**	193,944	193,944

Rural Alive & Well Inc.

Notes to the Financial Statements

for the year ended 30 June 2024

1. **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (Tas) 1964. The Board has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the *Australian Charities and Not-For-Profit Commission Act 2012* and the following Australian Accounting Standards:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 110 Events after the reporting period

AASB 1031 Materiality

AASB 1048 Interpretation of Standards

AASB 1054 Australian Additional Disclosures

The Board has determined that the Association are not a reporting entity after consideration of factors including the association has no economic or political influence and meets the definition of medium charity under ACNC definitions.

Therefore AASB1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Entities has not been adopted, and instead special purpose financial statements have been prepared.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

a. **Cash and Deposits**

Cash and deposits are recognised at their nominal amount. Cash and deposits include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

b. **Trade and other receivables**

Receivables are carried at cost as amounts are typically expected to be received within 12 months. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred at which point the impairment loss is recognised as an expense. Collectability of overdue accounts is assessed on an ongoing basis.

c. **Property, Plant and Equipment**

Property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The depreciable amount of all fixed assets are depreciated on a straight-line basis over theire useful lives commencing from the time the asset is held ready for use.

Estimated useful lives are as follows:

Buildings	50 years
Property Improvements	10 years
Motor Vehicles	10 years
Plant & equipment	10 years
Computer equipment	10 years
Office furniture & fittings	10 years

d. **Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services provided to the association as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt. Payables are not discounted as amounts are expected to be settled within 12 months.

e. **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 using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. **Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts.

Long service leave starts to accrue for employees when they have worked for 5 years. Long service leave is calculated each year based on the employees current pay rate and years of service. Entitlement to long service leave is after 10 years of service.

The association does not have any obligations under a defined contribution retirement benefit plan in relation to any of its employees.

g. **Revenue and Other Income**

Fundraising revenue is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Interest and other revenue is recognised when received.

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

h. **Government Grants**

Grants and sponsorship are recognised to the extent that:

- the services required to be performed by the grantee have been performed; or

- the grant eligibility criteria have been satisfied.

A liability is recorded when the Association has a binding agreement to receive the grant and sponsorship, but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a liability is recognised.

i. **Leases**

The Association assesses at contract inception whether a contract is, or contains, a lease.

The Association has had a change of policy and has ceased applying *AASB 16 Leases*.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

j. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Please refer to Note 1 (i) in relation to the change change in policy regarding the adoption of *AASB 16 Leases*. The adjustments for the year ended 30 June 2023 have been made to comparatives and adjustments for prior years have been made in the opening Accumulated surplus balance as at 1 July 2022 as outlined in the Statement of Changes in Equity.

k. **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 statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flow arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

l. **Income Tax**

The association is a not-for-profit organisation and the Board has determined that the association is income tax exempt, therefore, no provision for income tax has been made.

m. **Critical Accounting Estimates and Judgements**

The Board 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 association.

Key Estimates - Impairment

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

Grant Revenue Recognition

"Revenue and Other Income" discloses income received from government contributions and specific purpose grant funding (less Income in Advance, where applicable).

The association's specific purpose grant funding is also recognised immediately as revenue where all these criteria are met. For the reporting period, the Board has assessed the specific purpose grant income received and the attached grant funding agreement to determine that grant income meets the criteria set out above. Where there is an obligation to refund uncompleted projects for which contributions were advanced, the unexpended amount of grant revenue has been recorded as income in advance.

n. **Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.
The entity had no contingent liabilities as at 30 June 2024.

o. **Subsequent Events**

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the organisation's operations, the results of those operations, or the association's state of affairs in future financial years.

p. **Economic Dependency**

The normal trading activities of the association depend to a significant degree on funding received from various sources including state and federal governments.

Rural Alive Well Inc

Notes to the Financial Statements
for the year ended 30 June 2024

	2024 $	2023 $
2 Grants		
Grants - Government		
DHHS	1,579,626	1,585,836
NRE Tas - Stay Afloat	270,000	120,000
Fund - Prime Health Tas	355,290	349,696
Total Government Grants	2,204,916	2,055,532
Grants - Other		
Small Grants	39,040	53,052
AOTG	84,000	-
SIT Stay Afloat	-	73,882
Stay Afloat Australia	30,000	-
Tas Farm Innovation Hub	16,115	-
Tasmanian Transport Association	122,380	20,397
Total Other Grants	291,535	147,331
Total grant income as expended	2,496,451	2,202,863
3 Administration Cost		
Accountancy and audit	12,245	15,855
Advertising	33,791	43,307
Board Catering	-	-
Board Expenses	2,397	5,496
Dues & Subscriptions	8,264	7,701
Fundraising	1,209	4,826
HR Consultant	-	8,100
IT - Maintenance	15,214	17,969
IT - Software	12,946	9,985
IT - Web-site	5,021	1,975
IT - Trademark	1,490	1,500
Lease of Office Equipment	7,466	4,259
Postage & Shipping	1,466	625
Stationery	3,720	7,848
Sundry Expense	5,447	9,520
Telephone and Internet	22,823	28,369
	133,499	167,335
4 Employee Benefits		
Wages & Salaries	1,794,733	1,660,276
Superannuation	196,058	176,347
Annual Leave Provision	(38,184)	17,588
Long Service Leave Provision	6,067	(5,310)
Contract Labour	80,334	77,761
Training	9,258	17,846
Staff Supervision	2,340	2,382
Other Employee Expenses	9,353	25,428
FBT Expense	16,811	19,837
Recruitment	26,077	2,767
Staff Amenities	678	1,315
	2,103,525	1,996,237

Rural Alive Well Inc
Notes to the Financial Statements
for the year ended 30 June 2024

	2024 $	2023 $
5 Cash and deposits		
ANZ -Operating	299,484	87,091
ANZ - Saver Account	-	146
CBA - Operating	-	37,945
	299,484	125,182
6 Property Plant and Equipment		
Motor Vehicles at Cost	275,559	335,557
Motor Vehicles Accum Dep	(113,694)	(118,482)
Plant & Equipment	112,896	111,865
Plant & Equipment Accum Dep	(72,841)	(54,913)
	201,920	274,027
7 Trade and Other Payables		
Trade Creditors	42,758	44,404
Sundry Creditors	-	1,659
Credit Cards	7,989	11,576
GST Payable	39,747	21,836
PAYG Withholding Payable	32,330	23,940
Superannuation Payables	29,561	16,518
	152,385	119,933
8 Employee Provisions		
Current		
Provision for Annual Leave	90,618	128,802
Provison for Long Service Leave	42,033	25,447
	132,651	154,249
Non-Current		
Provision for Long Service Leave	0	10,520
Total Non-Current	0	10,520
Total Employee Provisions	132,651	164,769
9 Cash flow information		
Reconciliation of cash flows from operating activities to net surplus/(deficit):		
Net surplus/(deficit)	115,944	(13,690)
Depreciation and low cost assets	50,325	49,680
Proceeds on disposal of fixed assets	(59,998)	(59,998)
Decreases/(increases) in assets:		
Trade and other receivables (current)	29,668	(25,015)
Prepayments and accrued income	(4,463)	(17,307)
Other current assets	-	(2,174)
Increases/(decreases) in liabilities:		
Trade and other payables (current)	32,453	43,054
Employee Provisions	(32,119)	12,277
Other current liabilities	(15,491)	(51,689)
Net cash inflow/(outflow) from operating activities	116,318	(64,861)

	2024 $	2023 $
10 Auditors Remuneration		
Auditors fees	3,000	5,200
Other Services	-	5,160
	3,000	10,360

Rural Alive & Well Inc.

Responsible Persons' Declaration

Year Ended 30 June 2024

The responsible persons' have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

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

(a) 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

(b) 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* by:

President: Thomas Windsor

Vice-President/Treasurer: Andrew Dunbabin

Dated: 26/09/2024