



10 July 2018

Raelene Pearce
Goulburn Murray Landcare Network Inc
82 Wyndham Street
Shepparton VIC 3630

Dear Raelene,

ENGAGEMENT AS AUDITORS UNDER THE ASSOCIATIONS INCORPORATION REFORM ACT 2012

You have requested that we audit the financial statements of Goulburn Murray Landcare Network Inc for the year ended 30 June 2018 which comprises the statement of financial position as at 30 June 2018, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the declaration of those charged with governance. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

Our audit will be conducted with the objective of expressing an opinion on the financial statements.

The responsibilities of the auditor

We will conduct our audit in accordance with Australian Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

In making our risk assessments, we consider internal control relevant to the Association's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.

Our audit is not designed to be a complete examination of all aspects of your accounting system. Accordingly any matters that are reported to you verbally or in writing should not be regarded as all-inclusive.



Responsibilities of those charged with governance

Our audit will be conducted on the basis that Committee members acknowledge and understand that they have responsibility:

- a) For the preparation of the financial statements that present fairly the results of the Association for the reporting period and the financial position of the Association as at the end of the reporting period.
- b) To provide us with:
 - i. Access to all information of which the directors and management are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - ii. Additional information that we may request from the directors and management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
- c) To advise us of any material and/or contentious issues relating to the preparation of the financial statements and any known or suspected frauds which have occurred within the Association.
- d) To maintain adequate accounting records, to ensure that proper internal controls are in place, to ensure the accuracy of all financial records, and to maintain and safeguard the entity's assets to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Such internal controls reduce but do not eliminate the risk of misstatements in the financial statements from fraud or error. Those charged with governance assume responsibility for such risk. While the conduct of an audit may act as a deterrent against fraud or error we cannot be held responsible for preventing them.

Those charged with governance are responsible for adjusting the financial statements to correct identified material misstatements. At the conclusion of each financial reporting engagement we provide those charged with governance with a summary of any uncorrected misstatements we identify and request in writing that the effects of any uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements taken as a whole.

Representations from those charged with governance

As part of our audit process, we will request from those charged with governance written confirmation concerning oral representations made to us by Goulburn Murray Landcare Network Inc in connection with the audit and that Goulburn Murray Landcare Network Inc acknowledges that such representations would be relied upon by us during the audit.

Reporting

We anticipate the issue of an unqualified audit report in accordance with Australian Auditing Standards, however the form and content of our report may need to be amended in the light of our audit findings.

Independence

We have established policies and procedures designed to ensure our independence, including policies on the provision of non-audit work.

Fees

Our fee for the audit of the financial report of Goulburn Murray Landcare Network Inc for the year ending 30 June 2018, is \$4,200.00, exclusive of GST and out-of-pocket expenses, as agreed.

This fee assumes that all accounting transactions will have been processed and we will be presented with a final trial balance / set of financial statements at commencement of the audit.

If we incur additional costs as a result of factors such as:

- information not being provided to us within agreed time limits
- significant errors in the information that is provided

- the scale of the business significantly changing
 - a material issue arising which was not reasonably contemplated at the time of the fee quote
- then this additional time will also be billed.

Our fees will be billed as the work progresses.

Health and safety

We are required to comply with Occupational Health and Safety legislation by taking all practical steps to ensure the health and safety of our people. Our firm's policy expects mutual responsibility for our people to ensure their own safety and that no harm is caused to others in the workplace, but the Act places responsibility for their safety on your Association when they are visitors to your site.

Other services

We are pleased to provide any additional services that may be required from time to time, provided such services do not impair our independence. We note that this engagement letter applies only to the work described in this letter. Should further work be required over and above such work, separate terms of engagement will need to be agreed. In particular, this letter does not deal with accounting advice or assistance with accounts preparation.

Presentation of auditing financial statements on the internet

If Goulburn Murray Landcare Network Inc presents the audited financial statements and auditors' report electronically on a web site, the security and controls over information on the web site should be addressed by the Association to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial information on the Association web site is beyond the scope of the audit of the financial statements. Responsibility for the electronic presentation of the financial statements on the Association's web site is that of the governing body of the entity.

Other financial information in reports

We read the financial information contained in the documents or statements that are issued with any of the financial statements, including the Committee reports, to identify material inconsistencies with the financial reports. However, we will not verify such other information.

General matters

The terms of this letter apply to all work carried out by us in connection with this engagement prior to the date of signing this letter.

This letter will be effective for future years unless we advise you of its amendment or replacement or the engagement is terminated.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Yours sincerely



Russell Guppy FCA

Director

RP & RG Pty Ltd

T/As Wyndham Audit

Acknowledgement

We hereby acknowledge that the engagement letter dated 10 July 2018 is in accordance with our understanding of the arrangements for the audit of Goulburn Murray Landcare Network Inc's financial statements.

Signed for and on behalf of the members by:

Signature: 

Name: RAELENE PEARCE

Title: SECRETARY

Date: 12.9.18

GOULBURN MURRAY LANDCARE NETWORK INC

ABN 25 431 176 621

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue		717,622	878,304
Employee benefits expense		(539,964)	(399,432)
Depreciation and amortisation expenses		(2,269)	(2,793)
Other expenses		<u>(199,024)</u>	<u>(217,493)</u>
Profit (loss) before income tax	2	(23,636)	258,586
Income tax expense		<u>-</u>	<u>-</u>
Profit (loss) for the year		<u>(23,636)</u>	<u>258,586</u>
Profit (loss) attributable to members of the entity		<u>(23,636)</u>	<u>258,586</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

COMMITTEE'S REPORT

Your committee members submit the financial report of Goulburn Murray Landcare Network Inc for the financial year ended 30 June 2018.

Committee Members

The names of the committee members in office at anytime during or since the end of the year are:

Raelene Pearce
John Laing
Veronica Groat
David Sutton
David Doyle
Collier McCracken
Patricia Moss
Glen Thompson
Brian Fremantle
Graham Liersch

Significant Changes

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

Operating Result

The loss after providing for income tax amounted to \$23,636.

Signed in accordance with a resolution of the members of the committee:



Raelene Pearce



John Laing

Dated: 12-9-18

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Profit (loss) for the year		(23,636)	258,586
Other comprehensive income:		_____	_____
Total other comprehensive income for the year		_____ -	_____ -
Total comprehensive income (expense) for the year		<u><u>(23,636)</u></u>	<u><u>258,586</u></u>
Total comprehensive income (expense) attributable to members of the entity		<u><u>(23,636)</u></u>	<u><u>258,586</u></u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	354,441	335,843
TOTAL CURRENT ASSETS		354,441	335,843
TOTAL ASSETS		354,441	335,843
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	5	22,971	19,597
Borrowings	6	167	-
Provisions	7	38,694	-
TOTAL CURRENT LIABILITIES		61,831	19,597
TOTAL LIABILITIES		61,831	19,597
NET ASSETS		292,610	316,246
MEMBERS' FUNDS			
Retained earnings		292,610	316,246
TOTAL MEMBERS' FUNDS		292,610	316,246

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings \$	Total \$
Balance at 1 July 2016	57,660	57,660
Comprehensive income		
Profit for the year	<u>258,586</u>	<u>258,586</u>
Total comprehensive income for the year attributable to members of the association	<u>258,586</u>	<u>258,586</u>
Balance at 30 June 2017	<u>316,246</u>	<u>316,246</u>
Balance at 1 July 2017	316,246	316,246
Comprehensive income		
Profit (loss) for the year	<u>(23,636)</u>	<u>(23,636)</u>
Total comprehensive income for the year attributable to members of the association	<u>(23,636)</u>	<u>(23,636)</u>
Balance at 30 June 2018	<u>292,610</u>	<u>292,610</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Grants		580,046	507,910
Management fees		96,241	34,259
Reimbursements		22,752	4,246
Other		24,215	19,744
Payments to suppliers		<u>(696,358)</u>	<u>(625,110)</u>
Net cash provided by (used in) operating activities	8	<u>26,896</u>	<u>(58,951)</u>
Cash flows from investing activities			
Assets purchased		<u>(2,269)</u>	-
Net cash provided by (used in) investing activities		<u>(2,269)</u>	-
Net cash provided by financing activities			
		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		24,627	(58,951)
Cash on hand at beginning of financial year		<u>335,843</u>	<u>394,794</u>
Cash on hand at end of financial year	8	<u>360,470</u>	<u>335,843</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. SUMMARY 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 Reform Act 2012 Victoria. The committee has determined that the association is not a reporting entity.

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

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

(a) Income Tax

The entity is exempt from income tax expense.

(b) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the association commencing from the time the asset is held ready for use.

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

(c) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability. This is the first year of recognising employee benefits in the Financial Reports.

(d) 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 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 statement of financial position are shown inclusive of GST.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
2. PROFIT (LOSS) FOR THE YEAR		
Expenses:		
Auditors' remuneration	4,200	4,200
3. CASH ON HAND		
Bendigo bank term deposit	15,775	262,690
Bendigo bank cheque account	198,765	37,973
Bank savings	121,054	30,870
Bendigo bank wages	18,848	4,309
	354,441	335,843
4. PROPERTY, PLANT AND EQUIPMENT		
General small business pool	2,269	-
Less accumulated depreciation	(2,269)	-
	-	-
Total property, plant and equipment	-	-
5. ACCOUNTS PAYABLE AND OTHER PAYABLES		
CURRENT		
Integrated client account	22,971	19,597
6. BORROWINGS		
CURRENT		
Credit card	167	-
7. PROVISIONS		
CURRENT		
Provision for holiday pay	11,809	-
Provision for LSL	26,885	-
	38,694	-
		2018
		\$
Provision for holiday pay:		
Opening balance at 1 July 2017		11,809
Balance at 30 June 2018		11,809

These notes should be read in conjunction with the attached compilation report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Provision for LSL:		
Opening balance at 1 July 2017		26,885
Balance at 30 June 2018		<u>26,885</u>
		2018
		\$
Total Provisions		
Opening balance at 1 July 2017		38,694
Balance at 30 June 2018		<u>38,694</u>

8. CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash on hand at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at Bank	344,695	73,153
Term deposits	15,775	262,690
	<u>360,470</u>	<u>335,843</u>

(b) Reconciliation of cash flow from operating activities with net current year profit

Current year profit after income tax	(18,004)	258,586
Cash flows excluded from current year profit:		
Depreciation	2,269	2,793
Changes in assets and liabilities:		
Increase/(Decrease) in accounts payable	3,937	(8,185)
Increase/(decrease) in income in advance	-	(312,145)
Increase/(decrease) in provisions	<u>38,694</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>26,896</u>	<u>(58,951)</u>

These notes should be read in conjunction with the attached compilation report.

**GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621**

STATEMENT BY MEMBERS OF THE COMMITTEE


The committee has 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.

In accordance with a resolution of the committee of Goulburn Murray Landcare Network Inc, the members of the committee declare that the financial statements for the year then ended, a summary of significant accounting policies and other explanatory notes:

1. present a true and fair view of the financial position of Goulburn Murray Landcare Network Inc as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012; and
2. at the date of this statement there are reasonable grounds to believe that Goulburn Murray Landcare Network Inc will be able to pay its debts as and when they fall due.


This statement is signed for and on behalf of the committee by:

President



John Laing

Treasurer



Raelene Pearce

Dated:

12/9/18

**GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
GOULBURN MURRAY LANDCARE NETWORK INC**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Goulburn Murray Landcare Network Inc (the association), which comprises the committee's report, statement of financial position as at 30 June 2018 and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of Goulburn Murray Landcare Network Inc presents fairly, in all material respects, the financial position of Goulburn Murray Landcare Network Inc as at 30 June 2018 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012 Victoria.

Basis for Opinion

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

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

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 to assist Goulburn Murray Landcare Network Inc to meet the requirements of the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee of Goulburn Murray Landcare Network Inc is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 Victoria and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free of material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
GOULBURN MURRAY LANDCARE NETWORK INC

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 the committee's 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 we conclude that a material uncertainty exists, we are 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 our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions 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.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RP & RG Pty Ltd T/As Wyndham Audit
Chartered Accountant
78 Wyndham Street
Shepparton, VIC, 3630



Auditor: Russell Guppy FCA

Shepparton

Dated: 12/9/2018.

**GOULBURN MURRAY LANDCARE NETWORK INC
ABN 25 431 176 621**

CERTIFICATE BY MEMBER OF THE COMMITTEE


I, Raelene Pearce of and I, John Laing of , certify that:

- a. I attended the annual general meeting of the association held on 9th September, 2018
- b. The financial statements for the year ended 30th June, 2018 were submitted to the members of the association at its annual general meeting.

Dated:

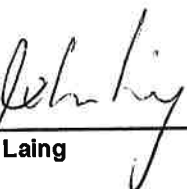
12/9/18

Committee Member



Raelene Pearce

Committee Member



John Laing