

**Australian Alpaca Association
Limited**

A.C.N. 067 146 481

A.B.N 30 067 146 481

**SPECIAL PURPOSE FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED
30 JUNE 2022**

INDEX

	Page Number
Directors' Report	1-5
Auditor's Independence Declaration	6
Statement of profit or loss and other Comprehensive Income	7-8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12-22
Directors' Declaration	23
Independent Auditor's Report to the Members	24

The directors present their report together with the financial report of the Australian Animal Health Council Limited ("the Company") for the year ended 30 June 2022 and the auditor's report thereon.

Information on directors

Name: **Mr Brett Fallon (President)**

Qualifications: Bachelor of Agribusiness - Marketing

Experience and expertise: Agribusiness Finance

Name: **Ms Sue Harris (Vice President) (appointed vice president in November 2021)**

Qualifications: Bachelor of Laws (Hons), Bachelor of Arts (university of Melbourne)
Ph.D, Dept of Law, University of Melbourne

Professional Experience: Practising Lawyer in Victoria, 1983 to 2019. At retirement, in December 2019, Partner at Madgwicks Lawyers, Melbourne. Co-owner of Onyx Alpacas since 2005.

Name: **Mr Kevin Eckendahl (Treasurer)**

Qualifications: Bachelor of Business (Enterprise Development)
Diploma of Quality Auditing
Certificate IV in Training and Assessment

Experience: Kevin is the Chief Executive Officer of Audit Express, an assurance and advisory firm based in Melbourne. He has been in this role for more than 9 years. He has been a committee member and/or board member of various not for profit organisations and statutory organisations.

Name: **Ms Prue Walduck (vice president up to November 2021 when she resigned)**

Qualifications: B. Bus (Human Resource Management)

Experience and expertise: Full-time alpaca farmer since 2008. 30 years in senior positions in the Retail, Finance and Community Development sectors including Group Human Resources Manager and a member of Executive Management Team in the banking sector.

Name: **Mr Michael (Mick) Williams**

Qualifications: Graduate Certificate Commerce and Agribusiness – Charles Sturt University, Master's degree in Taekwondo – the University of Wollongong and Kukkiwon Korea; Diploma of Management Toyota Training Institute, Certificate IV in Frontline Management; Certificate IV in Wool Classing

Experience and expertise: 28 years in the Motor Trade including 18 years in Automotive Executive Management, 4 years as a Board Member of the Motor Traders Association – Governing Council, Board of

Australian Alpaca Association Limited
ABN 30 067 146 481
Directors' Report for the year ended 30 June 2022

Illawarra Multicultural Society for one 2 year term. Partner in Storybook and Coolawarra Alpacas, Partner Just for Kicks Taekwondo, Director Storybook Holdings and Director Waratah Alpaca Fiber Co-op

Name: Ms Lee Sadler

Qualifications: B.Pharm FACP FGLF

Experience and expertise: Pharmacist – clinical and business experience; Extensive Board experience; University Lecturer

Name: Ms Julianne (Julie) Wilkinson

Qualifications: BSc, MEnvS

Experience and expertise: Maths/Science Secondary School Teacher, and Senior Environmental Scientist and Environmental Business Strategist roles. Director of Synnot & Wilkinson since 1995; Owner Baarrooka Vineyards since 1995 and Owner, Baarrooka Alpacas since 2001.

Name: Ms Annmarie Ashton-Wyatt

Qualifications: Bachelor of Creative Industries (Hons); Post Graduate Diploma Social Research (ANU)

Professional Experience: Principal Consultant for Elm Consulting Australia specialising in social research, policy, and socio-economic data analysis. Previously Senior Researcher at the Regional Australia Institute, and PhD researcher at ANU School of Demography

Name: Ms Carolyn Austin (Treasurer) (resigned)

Qualifications: Diploma in Contract Management

Experience and expertise: 25 years finance officer, management accountant, contracts officer at Australian National University

Name: Ms Sarah Wheeler (resigned September 2021)

Qualifications: Registered Nurse B.Sc. (Hons) Gerontology, Manchester; Diploma of Higher Education

Professional Practice (Nursing) Canterbury Christ Church.

Experience and expertise: 32yrs of general and specialized nursing practice. Nurse mentor and educator.

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

Company Secretary

Ms Amanda Olthof was appointed Company Secretary on 2 July 2018.

Debiah Hein was appointed company secretary in October 2021 and resigned in November 2021

Lee Sadler was appointed Company Secretary in November 2021

Meetings of Directors

During the financial year, 18 meetings of the directors were held. Attendance by each director was as follows:

Director Name	Board Meetings	
	No. Eligible to Attend	No. Attended
Mr Brett Fallon	13	13
Ms Sue Harris	9	9
Mr Kevin Ekendahl	7	7
Ms Prue Walduck	13	12
Mr Michael Williams (on leave for 7 months)	6	6
Ms Lee Sadler	13	13
Ms Julie Wilkinson	13	12
Annmarie Ashton Wyatt	10	10
Carolyn Austin (as Treasurer then as guest with Finance Officer role)	13	13
Sarah Wheler	2	2
Deborah Hein	1	1
Alexandra Maramenides (Guest)	3	3

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

Company Secretary

Ms Lee Sadler was appointed Company Secretary in November 2021.

Short and Long Term Objectives

The objectives of the Company are to sustain and expand the alpaca industry, provide services to its members, and promote and advance the breed standard and husbandry of alpacas as an agricultural resource to Australia.

Strategy for Achieving Short and Long-Term Objectives

The Company's strategy has been to promote and advance the purity of the alpaca breed, utilising the International Alpaca Registry. In addition, its strategy has been to foster the marketing of alpaca products and encourage a relationship with the industries associated with those activities.

Principal Activities

The principal activities of the Company during the financial year were to provide an animal register, publications, merchandise and organise events relevant to members of the Alpaca industry.

No significant changes in the nature of the entity's activity occurred during the financial year.

These principal activities assisted in achieving the objectives of the Company by monitoring the breeding of the alpaca here in Australia and by promoting the industry at the various events held during the year, and in doing so, advance the breed to the general public.

Measurement of Performance by the Company

The Company measures its performance by the growth in new members, membership renewals of existing members and the number of registration of animals. During the past twelve months, income from memberships and membership renewals has decreased by \$12,773 or 7 percent. This decrease is largely attributable to a decrease in full and joint membership numbers. Revenue from the registration and transfer of animals has decreased by \$35,037 or 16%.

Operating Results

The operating results show a net surplus of \$118,335 for the financial year ending 30 June 2022, (2021: a net surplus of \$69,236).

Review of Operations

A review of operations of the entity during the financial year shows that the overall surplus has occurred as a result of a National operations surplus of \$115,287 and a combined Region's and Youth operations surplus of \$3,048.

Significant Changes in the State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year other than as disclosed.

After Reporting Date Events

No matters or circumstances have arisen since the end of the financial year which have or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

Future Developments

Other than undertaking various budgeted projects and industry promotion, the entity expects to maintain the present status and level of operations and hence there are no other likely developments in the entity's operations.

Environmental Issues

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a state or territory.

Indemnifying Officers of Auditor

No indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity. Insurance premiums have been paid for Directors and Officers professional indemnity insurance cover.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings, other than disclosed in the Notes to the Financial Statements.

The entity was not a party to any such proceedings during the year.

Members Guarantee

The Company is incorporated under the Corporations Act 2011 and is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards any outstanding obligations of the Company, while they are a member or within one year of their membership ceasing. As at 30 June 2022, the total amount that members of the company are liable to contribute if the Company is wound up is \$15,760 (2021 \$21,740).

Auditors Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 6 of the Financial Report.

Signed in Canberra on XXth November 2022 in accordance with a resolution of directors:



Brett Fallon
President



Kevin Ekendahl
Treasurer

AUSTRALIAN ALPACA ASSOCIATION LIMITED

ABN 30 067 146 481

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTE	2022 \$	2021 \$
REVENUE			
Members' subscriptions and fees		184,891	197,664
Members' animal registration & animal health income		225,576	260,613
Events and Sponsorship		(422)	19,457
Youth Group income		5,019	3,384
Market Access Grants Received		21,085	-
Net Regional Income	2	158,574	99,881
Sales of publications and advertising		490	4,553
Sales of merchandise		35,478	36,201
Interest received		63	749
Rent received		58,189	62,237
Showing and judging income		10,074	118
Education and Training		274	5,571
Sundry Income		1,333	838
Rebates Job Keepers allowance		-	47,100
ATO cashflow stimulus		-	10,164
TOTAL REVENUE		<u>700,624</u>	<u>748,530</u>
EXPENDITURE			
Audit Fees - audit/review the financial report		19,700	18,500
Bank Charges		6,081	6,529
Biosecurity & Animal Welfare Expenses		5,794	31,114
Computer and website expenses		15,700	30,473
Depreciation of property plant and equipment		38,860	62,759
Event expenses		7,941	6,876
Events - Youth Group		12,006	3,154
Research and development costs		36,000	-
Insurances		20,449	27,836
Interest expense		-	8,042
Magazine and newsletter expenses		943	2,469
Merchandise		20,641	18,770
Occupancy & property expenses		7,073	(840)
Donations		-	1,007
Printing, stationery, and postage		12,033	11,218
Professional fees - accounting/legal/member mediation		22,375	11,041
Regional expenditure	2	148,540	74,576
Registration & membership expenses		59,398	99,827
Salary, wages, and superannuation contributions		108,052	238,117
Staff recruitment expenses		694	2,084
Showing and judging expenses		11,284	4,016
Bad debts		43	915
Telephone and fax		6,280	6,948
Education & Training		1,830	5,053
Travel, accommodation, and meeting expenses		2,480	1,796
Investment Expense		11,639	4,981
Other expenses		6,453	2,032
TOTAL EXPENDITURE		<u>582,289</u>	<u>679,293</u>
NET (DEFICIT)/ SURPLUS BEFORE INCOME TAX	13	<u>118,335</u>	<u>69,237</u>
Income tax expense			
NET (DEFICIT)/SURPLUS FOR THE YEAR		<u>118,335</u>	<u>69,237</u>
NET (DEFICIT)/SURPLUS ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<u>118,335</u>	<u>69,237</u>

The accompanying notes form part of the financial statements

AUSTRALIAN ALPACA ASSOCIATION LIMITED

ABN 30 067 146 481

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

STATEMENT OF OTHER COMPREHENSIVE INCOME

	NOTE	2022	2021
		\$	\$
NET (DEFICIT)/SURPLUS FOR THE YEAR		118,335	69,237
OTHER COMPREHENSIVE INCOME NET OF INCOME TAX		-	-
TOTAL OTHER COMPREHENSIVE (DEFICIT)/INCOME FOR THE YEAR		<hr/> 118,335 <hr/>	<hr/> 69,237 <hr/>
TOTAL COMPREHENSIVE (DEFICIT)/INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		<hr/> 118,335 <hr/>	<hr/> 69,237 <hr/>

The accompanying notes form part of the financial statements

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

STATEMENT OF FINANCIAL POSITION

	NOTE	2022	2021
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	930,799	874,047
Trade and other receivables	4	194	4,547
Other assets- Prepayments	5	42,882	54,802
Inventory	6	20,920	28,843
TOTAL CURRENT ASSETS		994,795	962,239
NON-CURRENT ASSETS			
Investment property	7	885,000	885,000
Plant and equipment	8	71,026	116,032
Right of use asset	8	-	131,743
TOTAL NON - CURRENT ASSETS		956,026	1,132,775
TOTAL ASSETS		1,950,821	2,095,014
CURRENT LIABILITIES			
Trade and other payables	10	48,235	100,408
Lease liability	9	-	33,391
Contract liability	11	107,640	145,339
Short term provisions	12	3,596	28,370
TOTAL CURRENT LIABILITIES		159,471	307,508
NON CURRENT LIABILITIES			
Lease Liability	9	-	114,491
TOTAL NON-CURRENT LIABILITIES		-	114,491
TOTAL LIABILITIES		159,471	421,999
NET ASSETS		1,791,350	1,673,015
EQUITY			
Retained earnings		1,154,130	1,035,795
Revaluation asset reserve		417,220	417,220
General reserve		220,000	220,000
TOTAL EQUITY		1,791,350	1,673,015

The accompanying notes form part of the financial statements

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

STATEMENT OF CHANGES IN EQUITY

	Retained Earnings	Asset Revaluation Reserve	General Reserve	Total
	\$	\$	\$	\$
Balance at 30 June 2021	1,035,795	417,220	220,000	1,673,015
Comprehensive Income/ (Loss)				
Surplus/(Deficit) attributable to the entity	118,335	-	-	118,335
Revaluation/ (Devaluation)	-	-	-	-
Total comprehensive Income/ (loss)	118,335	-	-	118,335
Balance at 30 June 2022	1,154,130	417,220	220,000	1,791,350

The accompanying notes form part of the financial statements

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

STATEMENT OF CASH FLOWS

	NOTE	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and tenants and government grants		512,727	589,937
Receipts from sales of publications and advertising		502	4,553
Receipts from sales of merchandise		44,215	36,201
Interest received		206	749
Payments to suppliers and employees		(474,789)	(386,893)
Interest on lease		(2,773)	(8,042)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES		80,088	236,505
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(2,264)	(13,331)
NET CASH USED IN INVESTING ACTIVITIES		(2,264)	(13,331)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability		(21,072)	(30,836)
NET CASH PROVIDED BY FINANCING ACTIVITIES		(21,072)	(30,836)
NET INCREASE IN CASH AND CASH EQUIVALENTS		56,752	192,338
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		874,047	681,709
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	3	930,799	874,047

The accompanying notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are for Australian Alpaca Association Limited as an individual entity, incorporated and domiciled in Australia. Australian Alpaca Association Limited is a not-for-profit company.

New or amended Accounting Standards and Interpretations adopted

The entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The consolidated entity has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

Historical cost convention

The financial statements have been prepared under the historical cost convention modified where applicable by the measurement of selected non-current assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained under changes in accounting policies.

(a) Income Tax

The Company is a non-profit income tax-exempt organisation and accordingly under Section 50-40 of Division 50 of the 1997 Income Tax Assessment Act is not subject to Income tax on its income and expenses.

(b) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, cash on deposit at call and term deposits with maturities of less than three months.

(c) Investment Property

Freehold land and building has been reclassified as an investment property due to the Company ceasing occupancy from the 1st August 2018.

The \$885,000 fair value as at 30 June 2019 was obtained by using the valuation prepared by Peter Lawrence of Lawrence Commercial Valuers. The directors determined that there are no impairment indicators for this property.

(d) Plant and Equipment

Plant and Equipment

Plant and equipment items are recognised when their initial cost is greater than \$500 and are measured at cost, less accumulated 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.

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 is calculated on a diminishing value basis.

Leasehold Improvements

All improvements to the company's leasehold property, being Level 1 95 Northbourne Avenue, Turner, ACT are measured on a cost basis less amortisation and impairment losses. Leasehold Improvements are amortised over the period of the lease.

During the financial year, the company terminated the lease within the requirements of the lease contract.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Regions

Regional plant and equipment consists mainly of display equipment, pen panels, gates, etc., which due to their heavy usage are written off over a three year period using the diminishing value method of depreciation

The depreciation rates used for each class of depreciable assets are:

Right of use asset	14%
Leasehold Improvements	14%
Computer software	20-33%
Office Furniture, fittings and other equipment	10-33%

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 assets 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 or losses are included in the Income Statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its assets to determine whether there is any 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 assets carrying amount. Any excess of the assets carrying amount over its recoverable amount is expensed to the Statement of Profit or Loss.

(f) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

(g) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(h) Intangibles

Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a diminishing value basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(i) Inventory of Merchandise and Publications

Inventory on hand consists mainly of ear tags, ear tag applicators, show uniforms, promotional material and reference material. Merchandise held for sale is measured at cost and adjusted to net realisable value when cost exceeds sales potential.

(j) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered, and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Sales Revenue

Revenue from the sale of merchandise and publications is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Interest

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the company and the amount of revenue can be reliably measured. Interest income is accrued on a time basis by reference to the principal and the effective interest rate applicable.

(k) Membership Subscription Revenue/Advance Revenue

Membership subscription notices for the year ending 30 June 2023 were forwarded to members in June 2022. Amounts paid by members before 30 June 2022 have been included as a Contract Liability, in the financial statements.

(l) Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

The contract liabilities includes member's subscriptions for the 2022/2023 financial year and National Show & Sale Income received in advance.

(m) AASB 16 Leases

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of option is reasonably certain to occur, and any anticipated terminated penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured an adjustment is made to the corresponding right of use asset, or to profit or loss if the carrying amount of the right of use asset is fully written down.

(n) Good and Services Tax (GST)

Revenue, 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. In these circumstances, the GST is recognised as part of the costs of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are inclusive of GST.

(o) Economic Dependence

The Company is dependent upon membership subscriptions and animal registration fees for the majority of its revenue. As at the date of this report, the Directors are aware that there are external factors (global financial situation, climate conditions and international pandemic) that will affect these sources of Company Income.

(p) Comparative Figures

Where required by Accounting Standards and where appropriate, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(q) Critical Accounting Estimates and Judgements

The Board of Directors evaluates estimates and judgements incorporated into the Financial Report 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 company.

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Key Estimates -

Impairment

The company 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 or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key elements.

Provision for impairment of receivables

The Company's policy for allowance for doubtful receivables is based on the simplified approach permitted by AASB 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables and considers an assessment of recoverability and ageing analysis of outstanding accounts and management's estimates. The Board of Directors believe that all trade receivables are recoverable.

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2 REGIONAL INCOME & EXPENDITURE	2022	2021
	\$	\$
REVENUE		
Advertising/sponsorship	21,847	6,236
Auction income	7,632	6,920
Education and training	627	-
Interest received	-	145
Merchandise & asset sales	23,064	9,257
Newsletter income	-	164
Show/event income	79,079	67,492
Sundry & website	26,325	9,667
	<u>158,574</u>	<u>99,881</u>
EXPENDITURE		
Advertising/sponsorship/trophies	5,101	6,923
Auction expenses	1,000	841
Depreciation of assets	8,409	3,893
General administration expenses	2,967	1,217
Merchandise purchases	5,276	3,697
Show/event expenses	117,840	45,951
Sundry & equipment expenses	7,947	11,879
Training/courses	-	175
	<u>148,540</u>	<u>74,576</u>
	<u>10,034</u>	<u>25,305</u>
NET REGIONAL SURPLUS / (DEFICIENCY)		
3 CASH AND CASH EQUIVALENTS		
Cash at bank - operating account	279,475	148,634
Cash at bank - cash management account	207,801	207,759
Cash at bank - provision account	5	5
Cash at bank - youth account	11,111	8,291
Cash at bank- national show account	2,819	28,830
Cash at bank and on hand - region accounts	170,129	170,638
Cash at bank - region investment accounts	164,814	164,816
Cash at bank – youth development account	18,534	29,381
Cash at bank – commercial development account	19,604	19,600
Cash at bank – research & development account	56,507	96,093
	<u>930,799</u>	<u>874,047</u>

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
4 TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables- members	194	4,547
	194	4,547
5 OTHER ASSETS		
CURRENT		
Prepayments - show & sale/events	5,658	14,989
Prepayments – other	37,224	39,813
	42,882	54,802
6 INVENTORY		
Stock on hand - national office, Turner	13,724	21,647
Stock on hand – regions	7,196	7,196
	20,920	28,843
7 INVESTMENTS		
NON-CURRENT		
Investment Property – Unit2, 613 Whitehorse Road, Mitcham at Fair value The property was valued by Lawrence Commercial on 30 June 2019.	885,000	885,000
	885,000	885,000

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

8 PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Office furniture, fitting and other equipment	Plant and Equipment- Regions	Computer Software	Right of use asset	Total
Cost						
Balance at 30 June 2021	31,754	172,660	258,299	117,116	235,456	815,285
Additions	-	-	2,264	-	-	2,264
Termination of Lease	-	-	-	-	(235,456)	(235,456)
Balance at 30 June 2022	31,754	172,660	260,563	117,116	-	582,093
Depreciation and impairment losses						
Balance at 30 June 2021	11,849	128,845	240,861	82,242	103,713	567,510
Depreciation for the year	-	6,184	8,409	12,771	14,015	41,379
Write-off Adj Termination of Lease	19,905	-	-	-	-	19,905
	-	-	-	-	(117,728)	(117,728)
Balance at 30 June 2022	31,754	135,029	249,270	95,013	-	511,066
Carrying amounts						
At 30 June 2021	19,905	43,815	17,437	34,873	131,743	247,775
At 30 June 2022	-	37,631	11,292	22,102	-	71,026

9 LEASE LIABILITY

Current	-	33,391
Non- current	-	114,491
	-	147,882

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

10 TRADE AND OTHER PAYABLES	2022	2021
	\$	\$
CURRENT		
Trade payables	38,047	45,701
Credit Card Liabilities	605	1,484
Sundry creditors	(1,995)	3,689
Accrued expenses	11,742	40,002
GST Payable	(164)	9,532
	<u>48,235</u>	<u>100,408</u>
 11 INCOME IN ADVANCE		
Advance revenue - members subscriptions	94,337	109,578
Advance revenue – other	13,303	35,761
	<u>107,640</u>	<u>145,339</u>
 12 SHORT TERM PROVISIONS		
Provision for annual leave	3,596	28,370
	<u>3,596</u>	<u>28,370</u>
 13 SEGMENT REPORTING		
Net Surplus/(Deficit) by Operating Segment		
National Operations	115,287	43,702
Regional Operations	10,035	25,305
Youth Groups	(6,987)	230
Total	<u>118,335</u>	<u>69,237</u>

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

14 MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, page 5 of the Constitution states that each member is required to contribute a maximum of \$20 (2021: \$20) each towards outstanding obligations of the Company while they are a member or within one year of their membership ceasing. At 30 June 2022, the number of members was 788 (30 June 2021: 1,087).

15 EVENTS SUBSEQUENT TO REPORTING DATE

There are no subsequent events to report.

16 RELATED PARTY TRANSACTIONS

Directors were not provided with any remuneration during the financial year other than previous Director Ian Preuss and previous President Andrew Munn who are the two Directors of Scotch Group were supplied with a free fleece sample, all other transactions were at arm's length.

17 ENTITY DETAILS

The registered office of the company and the principal place of

business is:

Australian Alpaca Association Limited

Turner ACT 2612

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

**DIRECTORS' DECLARATION
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

The directors declare that:

1. The financial statements set out on pages 7 to 22 are in accordance with the Corporations Act 2001:
 - a) Comply with Australian Accounting Standards – Simplified Disclosures; and
 - b) Give a true and fair view of the financial report as at 30 June 2022 and of the performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Brett Fallon
President



Kevin Ekendahl
Treasurer

Dated 30th November 2022

AUSTRALIAN ALPACA ASSOCIATION LIMITED
ABN 30 067 146 481
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022