

Australian Alpaca Association Limited

ABN: 30 067 146 481

Financial Statements

For the Year Ended 30 June 2023

Australian Alpaca Association Limited

ABN: 30 067 146 481

Financial Statements For the Year Ended 30 June 2023

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Australian Alpaca Association Limited

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Directors' Report

The directors present their report on Australian Alpaca Association Limited for the financial year ended 30 June 2023.

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Brett Fallon

(President)

Qualifications

Bachelor of Agribusiness - Marketing

Experience

Agribusiness Finance

Ms Sue Harris

(Company Secretary)

Qualifications

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

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.

Ms Carolyn Austin

(Treasurer - Appointed January 2023)

Qualifications

Diploma in Contract Management

Experience

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

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

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 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

Ms Lee Sadler

Qualifications

B.Pharm FACP FGLF

Experience

Pharmacist – clinical and business experience, Extensive Board experience and University Lecturer

Ms Julianne (Julie) Wilkinson

Qualifications

BSc, MEnvS

Experience

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.

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Directors' Report

Information on directors

Ms Annmarie Ashton-Wyatt

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

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

Alexandra Maramenides

(Appointed December 2022)

Qualifications MA Honours Degree (2.1) Cambridge University, UK

Experience Founder of reve agency, CEO of Five Mile, Managing Director Simon & Schuster UK Children's Publishing House (Vice Chair of Publisher's Association Heads of Children's Houses, UK), Managing Director of Echo, Australia, Managing Director of Five Mile Publishing, Australia (Board director of Five Mile and Board director of Echo), Rights Director of Simon & Schuster, UK, Other positions in Publishing prior to 2010

Mr Andrew Bousie

(Appointed December 2022)

Qualifications Marketing Degree – Monash University

Experience Managing Director ROLEX, TUMI, Jimmy Choo, Michael Kors & Victoria Secret, CEO – My House, CEO – GUESS, TUMI, ALDO & GAP, General Manager / Director - ESPRIT, Group Product Development Manager – Colorado and Marketing / Product Manager – Clarks Shoes

Mr Kevin Eckendahl

(Resigned November 2022)

Qualifications Bachelor of Business (Enterprise Development), Diploma of Quality Auditing and 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.

Ms Prue Walduck

(Resigned November 2022)

Qualifications B. Bus (Human Resource Management)

Experience 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.

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

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Directors' Report

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Ms Sue Harris.

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 Company'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.

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 the 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.

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 \$280 or 2%. 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 \$28,448 or 17%.

Operating results

The operating results show a net surplus of \$818,504 for the financial year ending 30 June 2023, (2022: a net surplus of \$118,335).

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

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Directors' Report

Members' guarantee

Australian Alpaca Association Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$20, subject to the provisions of the company's constitution.

At 30 June 2023 the collective liability of members was \$15,480 (2022: \$15,760).

Future developments and results

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 Company's operations.

Environmental issues

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

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Brett Fallon	12	12
Ms Sue Harris	12	10
Ms Carolyn Austin	6	6
Mr Michael (Mick) Williams	12	9
Ms Lee Sadler	12	11
Ms Julianne (Julie) Wilkinson	12	11
Ms Annmarie Ashton-Wyatt	12	11
Alexandra Maramenides	6	6
Mr Andew Bousie	6	5
Mr Kevin Eckendahl	4	-
Ms Prue Walduck	4	4

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Directors' Report

Indemnification and insurance of officers and auditors

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 company

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.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Mr Brett Fallon

Director: 
Ms Carolyn Austin

Dated: 10 October 2023

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

Auditor's Independence Declaration
under Section 307C of the Corporations Act 2001
to the Directors of Australian Alpaca Association Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

NorthCorp Accountants



Rhys McGuire
Registered Company Auditor

10 October 2023

**10-12 Short Street,
Port Macquarie NSW 2444**

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	2	775,857	700,623
Other income	2	765,000	-
		1,540,857	700,623
Advertising and marketing costs		6,511	7,402
Animal registrations and health		117,738	69,262
Bank charges and fees		8,356	6,236
Biosecurity and animal welfare		6,421	5,794
Computer and website costs		14,503	16,804
Cost of goods sold		29,812	25,354
Depreciation	3	30,396	47,816
Education and training		3,532	1,830
Employee benefits expense		116,254	108,052
Insurances		18,943	20,540
Investment property expenses		9,354	11,699
Judging expenses		1,616	11,283
Postage, printing and stationery		8,822	10,576
Professional fees		29,539	42,075
Research and development		23,200	36,000
Show and event costs		275,268	127,670
Utilities		1,882	6,280
Other expenses		20,206	27,615
		722,353	582,288
Profit / (loss) before income tax		818,504	118,335
Income tax expense		-	-
Profit / (loss) for the year		818,504	118,335
Other comprehensive income			
Total other comprehensive income / (loss) for the year		-	-
Total comprehensive income for the year		818,504	118,335
Profit / (loss) attributable to members of the Company		818,504	118,335
Total comprehensive income attributable to members of the Company		818,504	118,335

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	523,268	930,801
Trade and other receivables	5	40,573	194
Financial assets	6	464,450	-
Inventories	7	10,576	20,921
Other assets	8	55,066	42,882
Total current assets		1,093,933	994,798
Non-current assets			
Property, plant and equipment	9	63,646	71,025
Investment properties	10	1,650,000	885,000
Total non-current assets		1,713,646	956,025
TOTAL ASSETS		2,807,579	1,950,823
LIABILITIES			
Current liabilities			
Trade and other payables	11	68,067	48,237
Provisions	12	11,421	3,596
Other liabilities	13	118,237	107,640
Total current liabilities		197,725	159,473
Non-current liabilities			
Total non-current liabilities		-	-
TOTAL LIABILITIES		197,725	159,473
NET ASSETS		2,609,854	1,791,350
EQUITY			
Reserves		220,000	637,220
Retained earnings		2,389,854	1,154,130
TOTAL EQUITY		2,609,854	1,791,350

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	Asset Revaluation Reserve	General Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2022	1,154,130	417,220	220,000	1,791,350
Profit/(loss) attributable to members of the Company	818,504	-	-	818,504
Other comprehensive income for the year	417,220	(417,220)	-	-
Total comprehensive income	1,235,724	(417,220)	-	818,504
Balance at 30 June 2023	2,389,854	-	220,000	2,609,854

2022

	Retained Earnings	Asset Revaluation Surplus	General Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	1,035,795	417,220	220,000	1,673,015
Profit/(loss) attributable to members of the Company	118,335	-	-	118,335
Other comprehensive income for the year	-	-	-	-
Total comprehensive income	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 these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	807,370	557,444
Payments to suppliers and employees	(742,904)	(477,562)
Interest received	15,468	206
Net cash provided by/(used in) operating activities	<u>79,934</u>	<u>80,088</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(23,017)	(2,264)
Purchase of financial assets	(464,450)	-
Net cash provided by/(used in) investing activities	<u>(487,467)</u>	<u>(2,264)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liability	-	(21,070)
Net cash provided by/(used in) financing activities	<u>-</u>	<u>(21,070)</u>
Net increase/(decrease) in cash and cash equivalents held	(407,533)	56,754
Cash and cash equivalents at beginning of year	930,801	874,047
Cash and cash equivalents at end of financial year	4 <u>523,268</u>	<u>930,801</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2023

The financial statements are for the Australian Alpaca Association Limited (the Company) as an individual entity, incorporated and domiciled in Australia. The Australian Alpaca Association Limited is a Company limited by guarantee.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were approved and authorised for issue on 10 October 2023 by the Board of Directors.

Accounting Policies

(a) Income tax

The Company has been granted an exemption from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The exempt status of the Company applies indefinitely or until such time as a change in circumstances warrants a review of the exempt status.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value.

(c) Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the cost basis less, where applicable, accumulated impairment losses and accumulated depreciation for buildings.

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Notes to the Financial Statements For the Year Ended 30 June 2023

Accounting Policies

(c) Property, Plant and Equipment

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. An assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

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

Depreciation

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

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

Class of Fixed Asset	Depreciation Rates
Plant and Equipment	10% - 100%
Computer Software	33% - 100%

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(d) Investment property

Investment property is carried at fair value, which reflects market conditions at the reporting date. Changes to fair value are recorded in the statement of profit or loss and other comprehensive income as other income/expenses.

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Notes to the Financial Statements For the Year Ended 30 June 2023

Accounting Policies

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at "fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Trade receivables are initially measured at the transaction price.

Classification and Subsequent Measurement

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or financial liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial assets

Financial assets are subsequently measured at amortised cost.

Financial assets comprising cash and cash equivalents, trade and other receivables and interest bearing deposits are subsequently measured at amortised cost as they meet the following conditions:

- the financial assets are managed solely to collect contractual cash flows; and
- the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

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Notes to the Financial Statements For the Year Ended 30 June 2023

Accounting Policies

(e) Financial Instruments

Derecognition (Continued)

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the Company's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all the risks and rewards of ownership of the asset have been substantially transferred;
- and the Company no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit and loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

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Notes to the Financial Statements For the Year Ended 30 June 2023

Accounting Policies

(f) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying values of its tangible and intangible 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 asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit and loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Employee Benefits

Provision is made for the Company'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 amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(h) Provisions

Provisions are recognised when the Company 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.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

Accounting Policies

(j) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold or services provided. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

(k) Trade and Other Payables

Trade and other payables are carried at amortised cost and represent the liability for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(l) Leases

At inception of a contract, the Company assesses whether 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 and leases of low value assets are recognised as operating expense on a straight-line basis over the term of the lease. The Company has determined that a low value will be assets of \$10,000 or less.

(m) Revenue Recognition

Revenue is recognised when control of the goods and services has transferred to the customers. For such transactions, this is the point in time when the goods are delivered to the customers or the services are received by customers.

Interest revenue is recognised using the effective interest method.

Receivables are recognised when items are delivered or services received, as at this point consideration is unconditional since only time needs to pass before payment of that consideration is due.

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

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Notes to the Financial Statements For the Year Ended 30 June 2023

Accounting Policies

(n) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive 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 presented in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(o) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(p) Critical Accounting Estimates and Judgments

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

Key estimates - impairment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Where an impairment trigger exists, the recoverable amount of the asset is determined. Depreciated replacement cost calculations are performed in assessing recoverable amounts.

There was no evidence of impairment identified by the Company and, as a result, no impairment has been recognised in respect of assets at the end of the reporting period.

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Notes to the Financial Statements For the Year Ended 30 June 2023

Note 2 Revenue and Other Income

The Company has recognised the following amounts relating to revenue in the statement of comprehensive income:

Continued operations

	2023	2022
Note	\$	\$
Revenue from contracts with customers	2(a) 693,067	630,842
Other sources of revenue	2(b) 82,790	69,781
	775,857	700,623
(a) Revenue Disaggregation		
The revenue is disaggregated along the following product lines		
- Sale of goods	35,082	49,283
- Members animal registration and health income	192,082	225,574
- Grants received	21,085	23,870
- Showing and judging income	12,750	10,074
- Member subscription and fees	168,772	184,891
- Shows and events	263,296	137,150
	693,067	630,842
(b) Other Sources of Revenue		
- Advertising and marketing income	1,038	490
- Rent received	58,012	58,189
- Interest received	15,468	63
- Other revenue	3,062	6,377
- Commissions received	5,210	4,662
	82,790	69,781
(c) Other income		
- Revaluation increment of investment property	765,000	-
Total Other Income	765,000	-
Total revenue and other income	1,540,857	700,623

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Notes to the Financial Statements For the Year Ended 30 June 2023

Note 3 Result for the Year

(a) Expenses

	2023	2022
	\$	\$
Depreciation and amortisation		
Computer software and website	14,954	12,771
Leasehold improvements	-	2,353
Plant and equipment	8,959	6,184
Plant and equipment - Regions	6,483	8,409
Right-of-use assets	-	18,099
	<u>30,396</u>	<u>47,816</u>

Note 4 Cash and Cash Equivalents

Cash at bank	523,268	930,801
	<u>523,268</u>	<u>930,801</u>

(a) Reconciliation of Cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>523,268</u>	<u>930,801</u>
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Note 5 Trade and Other Receivables

Current

Trade receivables	30,179	194
Other receivables	10,394	-
	<u>40,573</u>	<u>194</u>

Australian Alpaca Association Limited

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Notes to the Financial Statements For the Year Ended 30 June 2023

Note 6 Financial Assets

(a) Financial assets at amortised cost

	2023	2022
	\$	\$
Current		
Interest bearing deposits	<u>464,450</u>	<u>-</u>

Note 7 Inventories

Current		
Inventories (cost)	<u>10,576</u>	<u>20,921</u>

Note 8 Other Assets

Current		
Prepayments	<u>55,066</u>	<u>42,882</u>

Australian Alpaca Association Limited

ABN: 30 067 146 481

Notes to the Financial Statements For the Year Ended 30 June 2023

Note 9 Property Plant and Equipment

	2023	2022
	\$	\$
Plant and equipment		
Plant and equipment at cost	172,660	172,660
Less: accumulated depreciation	<u>(143,988)</u>	<u>(135,029)</u>
	<u>28,672</u>	<u>37,631</u>
Plant and equipment - regions at cost	284,323	260,563
Less: accumulated depreciation	<u>(256,497)</u>	<u>(249,271)</u>
	<u>27,826</u>	<u>11,292</u>
	<u>56,498</u>	<u>48,923</u>
Computer Software		
Computer software at cost	117,116	117,116
Less: accumulated depreciation	<u>(109,968)</u>	<u>(95,014)</u>
	<u>7,148</u>	<u>22,102</u>
	<u>63,646</u>	<u>71,025</u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Plant and equipment - regions	Computer Software	Total
	\$	\$	\$	\$
Balance at the beginning of year	37,631	11,292	22,102	71,025
Additions	-	23,017	-	23,017
Disposals - written down value	-	-	-	-
Depreciation expense	<u>(8,959)</u>	<u>(6,483)</u>	<u>(14,954)</u>	<u>(30,396)</u>
Balance at 30 June 2023	<u>28,672</u>	<u>27,826</u>	<u>7,148</u>	<u>63,646</u>

Australian Alpaca Association Limited

ABN: 30 067 146 481

Notes to the Financial Statements For the Year Ended 30 June 2023

Note 10 Investment Properties

	2023	2022
	\$	\$
At fair value		
Owned Property		
Balance at beginning of year	885,000	885,000
Acquisitions	-	-
Disposals	-	-
Revaluation increment / (decrement)	765,000	-
Balance at end of year	<u>1,650,000</u>	<u>885,000</u>

The Company's investment property located at 2/613 Whitehorse Road, Mitcham Victoria was valued on 4 August 2023 at \$1,650,000 by Certified Practising Valuer Alan Bu, A.A.P.I. on the basis of fair current value.

Note 11 Trade and Other Payables

Current		
Trade payables	29,048	38,047
Other payables	1,403	605
GST payable	8,647	(161)
Accrued expenses	28,201	11,829
PAYG payable	768	(2,083)
	<u>68,067</u>	<u>48,237</u>

Australian Alpaca Association Limited

ABN: 30 067 146 481

Notes to the Financial Statements For the Year Ended 30 June 2023

Note 12 Provisions

	2023	2022
	\$	\$
Current		
Employee entitlements - Annual leave	11,421	3,596
	<u>11,421</u>	<u>3,596</u>
Movement in carrying amounts		
	Employee Benefits	Total
	\$	\$
Opening balance at 1 July 2022	3,596	3,596
Additional provisions	10,291	10,291
Provisions used	(2,466)	(2,466)
Balance at 30 June 2023	<u>11,421</u>	<u>11,421</u>

Provision for Employee Benefits

Provision for employee benefits represent amounts annual leave and long service leave.

The current portion for this provision includes the total amount for annual leave entitlements, and amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

These amounts are classified as current liabilities since the Company does not have an unconditional right to defer settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of the provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 13 Other Liabilities

Current

	2023	2022
	\$	\$
Amounts received in advance	118,237	107,640
	<u>118,237</u>	<u>107,640</u>

Australian Alpaca Association Limited

ABN: 30 067 146 481

Notes to the Financial Statements For the Year Ended 30 June 2023

Note 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, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 774 (2022: 788).

Note 15 Financial Risk Management

The Company's financial instruments consist mainly of cash and cash equivalents, interest bearing deposits, accounts receivable and trade payables.

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

		2023	2022
		\$	\$
Financial assets			
<i>Financial assets at amortised cost:</i>			
Cash and cash equivalents	4	523,268	930,801
Trade and other receivables	5	40,573	194
Financial assets	6	464,450	-
Total financial assets		1,028,291	930,995
Financial liabilities			
<i>Financial liabilities measured at amortised cost</i>			
Trade and other payables	11	68,067	48,237
Total financial liabilities		68,067	48,237

Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying values. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 16 Related Parties

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

For details of disclosures relating to key management personnel - refer to Note 17.

Note 17 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$97,087 (2022: \$ -).

Australian Alpaca Association Limited

ABN: 30 067 146 481

Notes to the Financial Statements For the Year Ended 30 June 2023

Note 18 Commitments and Contingencies

In the opinion of the Directors, the Company did not have any capital commitments or contingencies at 30 June 2023 (30 June 2022:None).

Note 19 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor for:		
NorthCorp Accountants		
- Auditing the financial statements	11,000	-
- Other non-assurance services	1,500	-
RSM Australia		
- Auditing the financial statements	-	9,861
- Other non-assurance services	-	2,000
	<u>12,500</u>	<u>11,861</u>

Note 20 Events After the End of the Reporting Period

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

Note 21 Statutory Information

The registered office and principal place of business of the company is:

Australian Alpaca Association Limited
Turner ACT 2612

Australian Alpaca Association Limited

ABN: 30 067 146 481

Directors' Declaration

The directors of the Company declare that:

1. The financial statements, comprising the Statement of Financial Position as at 30 June 2023, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of its 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 Board of Directors.

Director



Mr Brett Fallon

Director



Ms Carolyn Austin

Dated 10 October 2023

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

Independent Auditor's Report

to the members of Australian Alpaca Association Limited

Opinion

We have audited the financial report of Australian Alpaca Association Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

Independent Auditor's Report

to the members of Australian Alpaca Association Limited

Other matter

The financial report of the Association for the year ended 30 June 2023 was audited by another auditor who expressed an unmodified opinion on that financial report on 1 December 2022.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report for the year ended 30 June 2023 and the information included in the Company's Annual Report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

Independent Auditor's Report

to the members of Australian Alpaca Association Limited

Auditor's Responsibilities 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 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Company'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 Company to cease to continue as a going concern.

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

Independent Auditor's Report

to the members of Australian Alpaca Association Limited

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- 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 Directors 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.

NorthCorp Accountants



Rhys McGuire
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

Dated: 10 October 2023