

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

<u>Contents</u>	<u>Page</u>
Directors' Report	1
Auditors' Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	17
Independent Auditors' Report	18

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2023

Your directors present their report on the company for the financial year ended 30 June 2023.

Principal Activities

The principal activities of the Company during the financial year were to provide support to farmers, small businesses and rural communities primarily within the North West region of Victoria.

Directors Information

Directors

The names of the directors in office at any time during, or since the end of, the year and the period that each director has been in office:

Directors Name	Special Responsibilities
Jack Forbes	Chairperson
John Senior	Secretary
Lyn Heaysman	Member
Kylie Zanker	Member
Andrew Pickles	Member
Leo Tellefson	Member

Meetings of Directors

During the financial year, 4 meetings of directors (including committees of directors) were held and the attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
John Senior	4	4
Lyn Heaysman	4	3
Jack Forbes	4	4
Kylie Zanker	4	2
Andrew Pickles	4	3
Leo Tellefson	4	4

Objectives

The activities of the Company may include, but are not limited to:

- a) Assisting farmers, small business operators and their families under stress or in difficulty and to offer or provide:
 - i. Free, independent and confidential financial counselling services;
 - ii. Information and referral to the various services available to farmers, small business operators and their families; and
 - iii. Support and encouragement to farmers, small business operators and their families.
- (b) Assisting in alleviating poverty and hardship within farming, small business and small business families by social and systemic change through a community development philosophy.
- (c) Developing policy direction for rural financial counselling services within the designated region and to make recommendations to all levels of Government on issues affecting the regional farming economy.

Objectives (Continued)

(d) Conducting research and publishing reports and periodicals, books or other information which the Board may consider appropriate.

(e) All other things incidental or conducive to fulfilling the principal purpose

Strategies

Rural Business and Community Limited believes its objectives can be met by implementing following five Strategies:

Strategy 1: OUR COMMUNITIES AND OUR PEOPLE

Support and assist rural communities through delivery of agreed programs aimed at embracing resilience and supporting sustainability.

Strategy 2: SUSTAINABILITY

Pursue sustainable funding streams that support thriving rural towns and communities.

Strategy 3: CONNECTED THROUGH CREATIVE CONVERSATIONS

Encourage inclusive and creative conversations with rural communities and stakeholders, ensuring we all know and understand who we are, what we do and share possibilities.

Strategy 4: OUR STAFF

Value, recognise and invest in our people.

Strategy 5: BUILD ORGANISATIONAL COMPLIANCE

Pursue organisational excellence.

Operating Result

The deficit of the company for the financial year after providing for income tax amounted to \$266,317 (2022: \$262,043).

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is attached to these financial statements.

Signed in accordance with a resolution of the Board of Directors



Jack Forbes
Chairperson



John Senior
Secretary

Dated: 19 October 2023

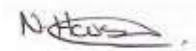
**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT FOR PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF
RURAL BUSINESS AND COMMUNITY LIMITED**

ABN 70 870 481 312

I declare that, to the best of my knowledge and belief, during the financial year to 30 June 2023 there have been:

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

CROWE AUDIT AUSTRALIA



Natasha House

Registered Company Auditor (ASIC RAN 520891)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 19 October 2023

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2019 Findex (Aust) Pty Ltd

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue	2	427,897	655,500
Interest revenue calculated using the effective interest rate method	2	6,915	1,839
Other income	3	29,103	4,394
Administration expenses		(19,495)	(34,830)
Employee benefits expenses		(364,056)	(556,164)
Depreciation	4	(70,721)	(72,814)
Program expenses		(180,450)	(125,610)
Vehicle expenses		(15,755)	(17,753)
Board expenses		(5,686)	(23,982)
Staff training and recruitment expenses		(4,929)	(8,858)
Lease liability interest		(838)	(2,886)
Other expenses		(68,302)	(80,879)
Deficit before income tax expense		(266,317)	(262,043)
Income tax expense	1(a)	-	-
Deficit after income tax expense		(266,317)	(262,043)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(266,317)	(262,043)

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	769,951	1,024,479
Trade and other receivables	6	47,121	48,256
Other current assets	7	19,805	3,808
TOTAL CURRENT ASSETS		836,877	1,076,543
NON CURRENT ASSETS			
Property, plant and equipment	8	43,434	137,643
Right-of-use assets	9	-	43,950
TOTAL NON CURRENT ASSETS		43,434	181,593
TOTAL ASSETS		880,311	1,258,136
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	45,416	20,913
Lease liabilities	12	-	45,533
Borrowings	11	4,120	2,435
Employee benefits	13	60,079	163,855
TOTAL CURRENT LIABILITIES		109,615	232,736
NON CURRENT LIABILITIES			
Employee benefits	13	29,379	17,766
TOTAL NON CURRENT LIABILITIES		29,379	17,766
TOTAL LIABILITIES		138,994	250,502
NET ASSETS		741,317	1,007,634
EQUITY			
Reserves		35,626	35,626
Retained earnings		705,691	972,008
TOTAL EQUITY		741,317	1,007,634

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Reserves \$	Retained earnings \$	Total \$
Balance at 1 July 2021	160,957	1,108,720	1,269,677
Transfer to/(from) reserve	(125,331)	125,331	-
Deficit after income tax expense	-	(262,043)	(262,043)
Balance at 30 June 2022	<u>35,626</u>	<u>972,008</u>	<u>1,007,634</u>
Transfer to/(from) reserve	-	-	-
Deficit after income tax expense	-	(266,317)	(266,317)
Balance at 30 June 2023	<u>35,626</u>	<u>705,691</u>	<u>741,317</u>

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations		485,239	139,726
Payments to suppliers and employees		(798,537)	(956,912)
Finance costs		(838)	(2,886)
Interest received		6,915	1,839
Net cash used in operating activities		(307,221)	(818,233)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	(50,088)
Proceeds from sale of property, plant and equipment		96,541	24,545
Net cash provided by/(used in) investing activities		96,541	(25,543)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from financing		1,685	-
Repayment of leasing liabilities		(45,533)	(51,219)
Net cash used in financing activities		(43,848)	(51,219)
Net decrease in cash held		(254,528)	(894,995)
Cash at the beginning of the financial year		1,024,479	1,919,474
Cash at the end of the financial year	5	769,951	1,024,479

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Statement 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 Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 of fair value of selected non-current assets, and financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 19 October 2023 by the directors of the company.

Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Income Tax

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

(b) Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	30 -40%
Motor vehicles	22.5%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(c) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

(d) 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. 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.

Short-term 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.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(e) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(f) Revenue Recognition

The entity recognises revenue as follows:

Revenue from Contracts with Customers

Revenue is recognised at an amount that reflects the consideration to which the entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the entity: 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.

Sale of Goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

(g) 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.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(h) Trade and Other Payables

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

(i) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(j) 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 company'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 or extension option when the exercise of the option is reasonably certain to occur, and any anticipated termination 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 an extension or 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.

(k) Critical Accounting Estimates and Judgements

Management evaluates 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 internally.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Employee Benefits Provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(l) Changes in accounting policy, disclosures, standards and interpretations

New or amended Accounting Standards and Interpretations Adopted

The company 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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
Note 2: Revenue		
Operating Activities		
Mapping and other services	217,315	364,915
Office rental	22,500	28,000
Vehicle lease program	7,000	30,000
Total revenue from contracts with customers	246,815	422,915
Interest revenue calculated using the effective interest rate method	6,915	1,839
Other Revenue		
Donations and sponsorships	-	200
Government funding	180,000	225,000
Other income	1,082	7,385
Total other revenue	181,082	232,585
Total Revenue	434,812	655,500
<u>Disaggregation of revenue</u>		
The disaggregation of revenue from contracts with customers is as follows:		
Timing of revenue recognition		
Goods transferred at a point in time	217,315	364,915
Service transferred over time	29,500	58,000
	246,815	422,915
Note 3: Other Income		
Profit/(Loss) on disposal of fixed assets	29,103	4,394
Total other income	29,103	4,394
Note 4: Expenditure		
Surplus before income tax includes the following specific expenses		
(a) Specific expenses		
Depreciation:		
Right-of-use asset	43,950	43,830
Property, plant and equipment	26,770	19,533
	70,720	63,363
Insurance	12,970	13,028
Interest expenses:		
Lease liability interest	838	2,886
Mapping	1,500	2,354
IT expenses	41,151	32,876
Salaries and wages	327,367	506,409
Superannuation contributions	35,984	48,887
Note 5: Cash and Cash Equivalents		
Cash at bank	769,951	1,024,479
	769,951	1,024,479

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
Note 6: Trade and Other Receivables		
CURRENT		
Trade receivables	47,121	4,785
GST receivable	-	43,471
	<u>47,121</u>	<u>48,256</u>
Note 7: Other Assets		
CURRENT		
Security deposits	3,808	3,808
Prepayments	15,997	-
	<u>19,805</u>	<u>3,808</u>
Note 8: Property, Plant & Equipment		
Motor vehicles (at cost)		
Plant and Equipment	35,845	148,859
Less: Accumulated depreciation	(13,783)	(41,112)
	<u>22,062</u>	<u>107,747</u>
Plant and Equipment (at cost)	39,348	39,348
Less: Accumulated depreciation	(17,976)	(9,452)
	<u>21,372</u>	<u>29,896</u>
Total Property, Plant and Equipment	<u>43,434</u>	<u>137,643</u>

(a) Movements in Carrying Amounts

	Motor Vehicles	Plant and Equipment	Total
	\$	\$	\$
Balance at the beginning of the year	107,747	29,896	137,643
Additions	-	-	-
Disposals	(67,438)	-	(67,438)
Depreciation expense	(18,247)	(8,524)	(26,771)
Carrying amount at the end of the year	<u>22,062</u>	<u>21,372</u>	<u>43,434</u>

(b) No impairment has been recognised in respect of plant & equipment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$

Note 9: Right-of-Use Assets

Land and Buildings Right-of-Use

Land & Buildings	87,780	87,780
Less: Accumulated depreciation	(87,780)	(43,830)
Total Right-of-use Assets	-	43,950

(a) Movements in carrying amounts

	Land and Buildings	Total
	\$	\$
Balance at the beginning of the period	43,950	43,950
Adjustments	-	-
Additions	-	-
Depreciation expense	(43,950)	(43,950)
Carrying amount at the end of the period	-	-

(b) The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(c) The Company also assesses the right-of-use asset for impairment when such indicators exist. No impairment has been recognised in respect of right-of-use assets.

Note 10: Trade and other payables

CURRENT

Trade creditors	11,597	13,838
GST payable	11,626	7,075
PAYG	22,193	-
	45,416	20,913

Note 11: Borrowings

CURRENT

Unsecured liabilities:

Credit cards	4,120	2,435
Total Borrowings	4,120	2,435

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$

Note 12: Leases

Lease liabilities are presented in the statement of financial position as follows:

CURRENT

Lease liability	-	45,533
Total Lease liability	-	45,533

The company renewed its office lease for a period of 12 months. The company will recognise these payments as short-term lease payments through the profit & loss statement.

Note 13: Employee Benefits

CURRENT

Employee entitlements	60,079	163,855
	60,079	163,855

NON-CURRENT

Employee entitlements	29,379	17,766
	29,379	17,766
Aggregate Employee Entitlement Liability	89,458	181,621

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$

Note 14: Capital commitments

As at 30 June 2023 and 30 June 2022, the company had not engaged in any capital commitments.

Note 15: Auditors Remuneration

During the financial year the following fees were paid or payable for services provided by Crowe Audit Australia, the auditor of the company:

Audit of the financial statements	5,700	3,000
Other allowable services	4,500	2,800
	<u>10,200</u>	<u>5,800</u>

Note 16: Grant Funding Providers

Department of Agriculture, Water and the Environment (DAWE)	105,000	150,000
Department of Climate Change, Energy, Environment and Water (DCCEEW)	75,000	75,000
Total government grants	<u>180,000</u>	<u>225,000</u>

Whilst the Company has significant reserves it is largely dependent upon receipt of grants and government funding, without such funding it is unlikely that the Company would be able to continue as a going concern.

Note 17: Events after the Reporting Period

No matters or circumstances have arisen since the reporting date which significantly affected or may significantly affect the operations of the company, the results of the operation, or the state of affairs of the company in future financial years.

Note 18: Related Party Transactions

The related parties of the association are key management personnel including the committee members, 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.

Key Management Personnel

The totals of remuneration paid to key management personnel (KMP) during the year are as follows:

Key management personnel compensation	<u>68,530</u>	<u>130,346</u>
---------------------------------------	---------------	----------------

Transactions with Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties were:

Board fees and reimbursements	-	6,442
-------------------------------	---	-------

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 19: Company Details

The registered office and principal place of business is:

Rural Business Community Limited
139 Lime Avenue,
Mildura VIC 3500

RURAL BUSINESS AND COMMUNITY LIMITED
ABN 70 870 481 312

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023

In accordance with a resolution of the directors of Rural Business and Community Limited, the directors of the company declare

1. the financial statements and notes, as set out in pages 5 to 16, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosure Requirements; and
 - (b) give a true and fair view of the financial position of the company 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.



Jack Forbes
Chairperson



John Senior
Secretary

Dated: 19 October 2023

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
RURAL BUSINESS AND COMMUNITY LIMITED**

ABN 70 870 481 312

Opinion

We have audited the financial report of Rural Business and Community 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 Australian Charities and Not-for-profits Commission Act 2012, including:

- 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 then ended; and
- complying with Australian Accounting Standards – Simplified Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2022.

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 Australian Charities and Not-for-profits Commission Act 2012 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 Australian Charities and Not-for-profits Commission Act 2012, 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 auditors report.

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

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2019 Findex (Aust) Pty Ltd

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
RURAL BUSINESS AND COMMUNITY LIMITED**

ABN 70 870 481 312

Other Information

The directors are responsible for the other information. The other information comprises 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 the 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 – Simplified Disclosure Requirements 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 ability of the Company 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.

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 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.

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

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2019 Findex (Aust) Pty Ltd

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.

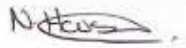
**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
RURAL BUSINESS AND COMMUNITY LIMITED**

ABN 70 870 481 312

- 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.
- 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 the audit.

CROWE AUDIT AUSTRALIA



Natasha House

Registered Company Auditor (ASIC RAN 520891)
107 West High Street
COFFS HARBOUR NSW 2450

Dated: 25 October 2023

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

© 2019 Findex (Aust) Pty Ltd