



SUSTAINABLE AUSTRALIA INC.
ABN 93 309 746 651

FINANCIAL REPORT - 30 JUNE 2020

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The accompanying Special Purpose Financial Report has been prepared for the exclusive use of the Members of Sustainable Australia Inc. This financial report is not to be used by any other party unless accompanied with additional information concerning the Association's financial position.

SUSTAINABLE AUSTRALIA INC.**ABN 93 309 746 651****STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	98,051	157,880
Trade and other receivables	7	9,317	5,987
<i>Total current assets</i>		<u>107,368</u>	<u>163,867</u>
Non-current assets			
Property, plant and equipment	8	72,754	31,085
<i>Total non-current assets</i>		<u>72,754</u>	<u>31,085</u>
TOTAL ASSETS		<u>180,122</u>	<u>194,952</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	58,998	64,430
Borrowings	10	-	15,021
Employee benefits	11	11,314	24,471
<i>Total current liabilities</i>		<u>70,312</u>	<u>103,922</u>
Non-current liabilities			
Employee benefits	11	16,753	12,731
<i>Total non-current liabilities</i>		<u>16,753</u>	<u>12,731</u>
TOTAL LIABILITIES		<u>87,065</u>	<u>116,653</u>
NET ASSETS (LIABILITIES)		<u>93,057</u>	<u>78,299</u>
FUNDS			
Accumulated funds		<u>93,057</u>	<u>78,299</u>
TOTAL FUNDS		<u>93,057</u>	<u>78,299</u>

The accompanying notes form part of these financial statements

SUSTAINABLE AUSTRALIA INC.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	4	336,115	570,246
Other revenue		4,122	-
		<u>340,237</u>	<u>570,246</u>
Expenses			
Finance costs	5	(1,748)	(2,996)
Marketing costs		(29,201)	(86,745)
Depreciation	5	(16,695)	(12,031)
Salaries and employee benefits		(170,464)	(144,371)
Administration expenses		(107,371)	(231,315)
		<u>(325,479)</u>	<u>(477,458)</u>
Surplus (deficit) before income tax		14,758	92,788
Income tax expense		-	-
Surplus (deficit) for the year		<u>14,758</u>	<u>92,788</u>
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		<u><u>14,758</u></u>	<u><u>92,788</u></u>

The accompanying notes form part of these financial statements

SUSTAINABLE AUSTRALIA INC.**STATEMENT OF CHANGES IN FUNDS**
FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated Funds \$	Total \$
Balance at 1 July 2018	(14,489)	(14,489)
Comprehensive income		
Surplus for the year	92,788	92,788
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>92,788</u>	<u>92,788</u>
Balance at 30 June 2019	<u>78,299</u>	<u>78,299</u>
Balance at 1 July 2019	78,299	78,299
Comprehensive income		
Surplus for the year	14,758	14,758
Other comprehensive Income	-	-
Total comprehensive income for the year	<u>14,758</u>	<u>14,758</u>
Balance at 30 June 2020	<u>93,057</u>	<u>93,057</u>

SUSTAINABLE AUSTRALIA INC.**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from donations and grants		341,540	646,018
Payments to suppliers and employees		(330,358)	(476,074)
Interest paid		(1,748)	(2,996)
<i>Net cash flows from operating activities</i>	12	<u>9,434</u>	<u>166,948</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		33,636	-
Purchase of property, plant and equipment		(87,878)	(1,669)
<i>Net cash flows from investing activities</i>		<u>(54,242)</u>	<u>(1,669)</u>
Cash flows from financing activities			
Repayments of borrowings		(15,021)	(23,945)
<i>Net cash flows from financing activities</i>		<u>(15,021)</u>	<u>(23,945)</u>
Net increase (decrease) in cash and cash equivalents		(59,829)	141,334
Cash and cash equivalents at the beginning of the financial year		<u>157,880</u>	<u>16,546</u>
Cash and cash equivalents at the end of the financial year	6	<u>98,051</u>	<u>157,880</u>

The accompanying notes form part of these financial statements

SUSTAINABLE AUSTRALIA INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1 - Reporting entity

The financial report includes the financial statements and notes of Sustainable Australia Inc. The Association is incorporated in New South Wales under the *Associations Incorporation Act 2009*.

The financial statements were approved by the Committee on 13 November 2020.

Note 2 - Basis of preparation

Statement of compliance

The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The functional and presentation currency of the association is Australian dollars.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Associations Incorporation Act 2009*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of: -

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosures

No other Australian Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Basis of measurement

The financial statements, except for the cash flow information, has 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.

Comparatives

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

Where the Association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Critical accounting estimates and judgements

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

Key estimates

Impairment

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

New and revised standards that are effective for these financial statements

Several new accounting standards and interpretations are mandatory for the 30 June 2020 reporting period. These include:

- AASB 15 *Revenue from Contracts with Customers*
- AASB 16 *Leases*
- AASB 1058 *Income of Not-for-profit Entities*

SUSTAINABLE AUSTRALIA INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 2 - Basis of preparation (continued)

New and revised standards that are effective for these financial statements (continued)

The adoption of AASB 15 and AASB 1058 has not resulted in any changes to the Association's recognition of revenue and accordingly has not materially impacted the Association's financial statements.

New standards and interpretations not yet adopted

There are no other new accounting standards and interpretations expected to have any significant impact on the Association's financial report that are issued and not yet applicable.

Note 3 - Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Income Tax

Sustainable Australia Inc. is a not-for-profit Charitable Institution that applies the mutuality principles under Division 50 of the *Income Tax Assessment Act 1997*.

Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or 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.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Membership fees

Revenue from membership fees is recognised on a basis that reflects the timing, nature and value of the benefits provided.

Grants, donations and bequests

Income arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

- (a) the Association obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the Association; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Public funding contributions

Revenue from contributions from public funding are recognised on an accrual's basis.

Cash and cash equivalents

Cash and cash equivalents include 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 and bank overdrafts.

SUSTAINABLE AUSTRALIA INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Property, plant and equipment*****Recognition and measurement**

Each class of property, plant and equipment is carried at cost or valuation less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount of those assets. Recoverable amount is the greater of fair value less costs to sell and value in use.

Subsequent costs

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 Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight line basis over the asset's useful life to the Association commencing from the time the asset is held ready for use.

The estimated useful life for each class of depreciable assets as follows:

Office Equipment	1 year
Motor Vehicles	4 years

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.

Impairment of assets

At the end of each reporting period, the Association reviews the carrying values of its tangible 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 assets fair value less the costs to sell the 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 the statement of profit or loss and other comprehensive income.

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 Association 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. The carrying amount of trade and other payables is deemed to reflect fair value.

Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

SUSTAINABLE AUSTRALIA INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<u>Note 4 - Revenue</u>		
Revenue		
Membership fees	6,028	12,053
Donations	105,664	418,849
Government support - COVID-19	28,949	-
Public funding contributions	195,474	139,344
	<u>336,115</u>	<u>570,246</u>
Other revenue		
Gain on disposal of property, plant and equipment	4,122	-
	<u>4,122</u>	<u>-</u>
<i>Total revenue</i>	<u>340,237</u>	<u>570,246</u>

Note 5 - Expenses

Depreciation	16,695	12,031
Finance costs	1,748	2,996

Note 6 - Cash and cash equivalents

Cash at bank and on hand - Federal & SA (VIC)	97,232	157,880
Cash at bank and on hand - SA (NSW) - Campaign Account	819	-
<i>Total cash and cash equivalents</i>	<u>98,051</u>	<u>157,880</u>

Note 7 - Trade and other receivables**Current**

GST receivable	980	5,046
Prepayments	180	-
Other receivables	8,157	941
<i>Total current trade and other receivables</i>	<u>9,317</u>	<u>5,987</u>

Note 8 - Property, plant and equipment

	Office Equipment \$	Motor Vehicles \$	Total \$
At 30 June 2019			
Cost	2,886	61,217	64,103
Accumulated depreciation	(2,886)	(30,132)	(33,018)
<i>Net carrying amount</i>	<u>-</u>	<u>31,085</u>	<u>31,085</u>
Movements in carrying amounts			
Opening net carrying amount	-	31,085	31,085
Additions	3,878	84,000	87,878
Disposals	-	(29,514)	(29,514)
Depreciation charge for the year	(3,878)	(12,817)	(16,695)
Closing net carrying amount	<u>-</u>	<u>72,754</u>	<u>72,754</u>
At 30 June 2020			
Cost	6,764	84,000	90,764
Accumulated depreciation	(6,764)	(11,246)	(18,010)
<i>Net carrying amount</i>	<u>-</u>	<u>72,754</u>	<u>72,754</u>

SUSTAINABLE AUSTRALIA INC.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
<u>Note 9 - Trade and other payables</u>		
<u>Current</u>		
Accrued expenses	-	727
Unearned revenue	52,478	51,304
Other payables	6,520	12,399
<i>Total current trade and other payables</i>	<u>58,998</u>	<u>64,430</u>
<u>Note 10 - Borrowings</u>		
<u>Current</u>		
Chattel mortgage loan	-	15,021
<i>Total current borrowings</i>	<u>-</u>	<u>15,021</u>
<u>Note 11 - Employee benefits</u>		
<u>Current</u>		
Annual leave	11,314	24,471
<i>Total current employee benefits</i>	<u>11,314</u>	<u>24,471</u>
<u>Non-current</u>		
Long service leave	16,753	12,731
<i>Total non-current employee benefits</i>	<u>16,753</u>	<u>12,731</u>
<u>Note 12 - Cash flow information</u>		
Reconciliation of cash flows from operations with surplus (deficit) for the year:		
Surplus (deficit) after income tax	14,758	92,788
<i>Add (less) non-cash flows in profit</i>		
Depreciation	16,695	12,031
Net (gain) loss on disposal of property, plant and equipment	(4,122)	-
<i>Changes in assets and liabilities</i>		
Decrease (increase) in receivables	(3,330)	(3,522)
Increase (decrease) in payables	(5,432)	58,313
Increase (decrease) in employee benefits	(9,135)	7,338
Cash flows from operating activities	<u>9,434</u>	<u>166,948</u>
<u>Note 13 - Key management personnel</u>		
<i>Remuneration of key management personnel</i>		
The aggregate amount of compensation paid to key personnel during the year was:	<u>136,414</u>	<u>135,754</u>
<u>Note 14 - Related party transactions</u>		
<i>Transactions with related parties</i>		
Transactions between related parties during the year consisted of:-		
- Purchase of vehicle from William Bourke	<u>84,000</u>	<u>-</u>

The above transactions were made on normal commercial terms and conditions and at market rates.

SUSTAINABLE AUSTRALIA INC.**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 15 - Events occurring after balance date**

Subsequent to the end of the financial year there have been considerable economic impacts in Australia and globally arising from the outbreak of the COVID-19 virus, and Government actions to reduce the spread of the virus.

At the date of signing the financial statements the Directors are unable to determine what financial effects the outbreak of the virus could have on the Association in the coming financial period.

The Directors acknowledge their responsibility to continuously monitor the situation and evaluate this impact including the ability to pay the debts as and when they become due and payable.

There were no significant events occurring after balance date

SUSTAINABLE AUSTRALIA INC.
ABN 93 309 746 651

FINANCIAL REPORT - 30 JUNE 2020

STATEMENT BY MEMBERS OF THE COMMITTEE

The members of the Committee have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the statement of compliance and basis of preparation described in Notes 2 to the financial statements and the *Associations Incorporation Act 2009*.

In the opinion of the Committee, the financial report, which comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in funds, statement of cash flows and notes to the financial statements:

- (a) Presents a true and fair view of the financial position of Sustainable Australia Inc. as at 30 June 2020 and its performance for the year ended on that date; and
- (b) At the date of this statement, there are reasonable grounds to believe that Sustainable Australia Inc. will be able to pay its debts as and when they fall due.

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



William Bourke
President

Sydney, 12 November 2020

SUSTAINABLE AUSTRALIA INC.
ABN 93 309 746 651

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SUSTAINABLE AUSTRALIA INC.

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Sustainable Australia Inc which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and statement by Members of the Committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2020 and its financial performance and its cash flows for the year then ended in accordance with the *Associations Incorporation Act 2009*.

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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Associations Incorporation Act 2009* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Notes 1 and 2 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist the Committee to meet the requirements of the *Associations Incorporation Act 2009*. As a result, the special purpose financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Committee Members' Responsibility for the Financial Report

The Committee Members of the Association is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act 2009* and for such internal control as the Committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Committee is responsible for overseeing the Association's financial reporting process.

SUSTAINABLE AUSTRALIA INC.
ABN 93 309 746 651

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SUSTAINABLE AUSTRALIA INC.

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.

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

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



StewartBrown
Chartered Accountants



S.J. Hutcheon
Partner

12 November 2020