

# Financial report

2022-2023 



**AUSTRALIAN  
CONSERVATION  
FOUNDATION**

**Nature  
needs us,  
now**



**AUSTRALIAN  
CONSERVATION  
FOUNDATION**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2023**

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### STATEMENT BY THE BOARD

The Board of the Australian Conservation Foundation Incorporated (ACF) presents their statement together with the financial statements for the financial year ended 30 June 2023 and the Independent Auditor's Report thereon.

ACF is an incorporated association registered in 1966, in the Australian Capital Territory, under the *Associations Incorporation Act 1991 (ACT)*. ACF is a charity registered with the Australian Charities and Not-for-profits Commission (ACNC) and operates in accordance with the legislation and regulations applied by the ACNC, including the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*. ACF holds tax exempt charitable status and is endorsed by the Australian Taxation Office as a Deductible Gift Recipient.

### THE BOARD

The role of the Board is to oversee the governance, compliance, review and risk management of the organisation with a focus on the broader issues of organisational purpose and strategy. Importantly, this includes approving and monitoring the strategic plans and annual plan and ensuring that the organisation operates efficiently and effectively.

We are grateful to have the expertise of a diverse Board, comprising six ACF Councillors – ACF's Vice Presidents and four Councillors elected to the Board – and up to five further members appointed (co-opted) by Council.

Board members contribute a broad range of expertise, interest and involvement in environmental work, dedication to ACF's purpose, values and strategy for change and commitment to the organisation.

Current Board members are:

#### **Liana Downey – President** (*Appointed February 2023*)

Liana Downey (GAICD) is an experienced senior leader and board member with experience in the corporate, government and for-purpose sector. Former roles include Deputy Secretary for Strategy and Delivery for NSW Department of Education, Special Advisor to Prime Minister and Cabinet and CEO of a boutique strategic advisory firm with offices in Sydney and New York. Liana led the development of Australia's first Greenhouse Gas Abatement Cost curve, was a leader of McKinsey & Company's sustainability practice, and recently established and led Common Ground on Climate—a national multidisciplinary research project to identify pragmatic opportunities to safeguard Australia's environment and economy. Liana holds an MBA (Public Policy) from Stanford (Arjay Miller Scholar), has co-authored white papers on effective approaches for managing Australia's energy transition, and is the author of *Mission Control: How Nonprofits and Governments Can Focus, Achieve More and Change the World* (Taylor and Rutledge, 2016).

#### **Shar Molloy – Vice President** (*Appointed June 2021*)

Shar has over 25 years' experience working in environmental organisations and her qualifications are in finance, management, governance, mediation and campaigning. Shar led

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### STATEMENT BY THE BOARD

the Environment Centre of the Northern Territory from 2017 to 2022 and has served on the board of the Environmental Defenders Office (NT) and the Darwin Asylum Seeker Support and Advocacy Network (DASSAN). Shar designed and delivered the 10GW Vision in collaboration with Beyond Zero Emissions, and the successful and award-winning Repower NT campaign in 2020, which changed the conversation about renewable energy in the Northern Territory.

#### **Sarah English – Vice President** (*Appointed July 2022*)

Sarah has led campaigns and communications in environmental, human rights, and political organisations for more than a decade, working with both grassroots groups and national organisations like Amnesty International and GetUp. She has a Master of Human Rights and is completing further postgraduate studies in Climate Policy. Sarah is an advocate for shifting to renewable energy as early as possible in order to address the climate crisis, create jobs and make energy more affordable, and prevent further damage to First Nations' sites. Sarah has served on the ACF Council since 2018.

#### **Joshua Gilbert - Treasurer** (*Appointed September 2022*)

Joshua is a Worimi man, farmer, and academic who shares the narration of Indigenous identity through agricultural truths in light of modern contexts. Each day, Josh's work seeks to connect the oldest living culture in the world with modernity, promoting the relevance of culture and Indigenous practices through today's lens. Josh is undertaking a PhD at Charles Sturt University, focused on the concept of Indigenous modernity through agriculture. He was recently recognised internationally for his work, announced in the inaugural 50 Next: People Shaping the Future of Gastronomy cohort, and has spent years connecting farmers with the climate movement.

#### **Leon Cermak – Secretary** (*Appointed July 2022*)

Leon has worked in policy roles in energy, climate change and sustainability. Currently working at Tesla across VPP and DER policy and programs, Leon has extensive knowledge of energy systems, economics and finance. Prior to joining Tesla, Leon worked in various ministerial, policy and political roles across state and federal government. Leon is passionate about ensuring that the transition to sustainable energy is socially equitable and that Australia leads the world in supporting nature. Leon is a BA (Public Policy), MBA, GCM and AICD graduate and he lives and works on Kurna land. Leon has been an ACF Councillor since 2018.

#### **Melanie Birtchnell** (*Appointed July 2022*)

Melanie has worked in diverse areas of Ecology for over 20 years. Amongst this, Melanie completed a PhD in landscape-scale flowering ecology based on observational (qualitative and quantitative) data. Melanie is a consultant, providing professional mentoring and development services for ecologists and biodiversity planners as well as consulting on threatened species conservation. She has extensive experience in research; professional development training and facilitation; consulting; education; biodiversity planning; and community engagement and is a recognised leader in environmental advocacy. Melanie is passionate about connecting people

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### STATEMENT BY THE BOARD

and place, and in systems change that increases communities' ability to be effective changemakers. Melanie joined the ACF Council in 2021.

#### **Ros Harvey** (*Appointed November 2018*)

Ros is an entrepreneur and experienced global technology leader. She is the CEO and Founder of The Yield, which uses AI to help its customers grow sell and distribute food more profitably with less environmental impact. Ros has a commitment to creating public good with private effort using innovative technology. She founded the multi-stakeholder global Better Work initiative in apparel and co-founded the Food Agility Cooperative Research Centre. She has worked around the world for the UN and World Bank Group. Named in 2018 as one of the Australian Financial Reviews 100 Most Influential Women. Ros is an Australian Institute of Company Directors graduate.

#### **David Hood AM** (*Appointed August 2022*)

David is a civil and environmental engineer and a trained climate leader with Al Gore's Climate Reality Project. David is an Adjunct Professor at the University of Queensland, where he teaches Sustainability in Engineering Architecture and IT Faculty. He was made a Member of the Order of Australia in 2013 in recognition of his contribution to engineering through industry and professional associations, and for lifting public awareness of sustainability. David joined the ACF Council in 2015.

#### **Terence Jeyaretnam** (*Appointed July 2023*)

Terence is a Partner and APAC Leader of EY's Climate Change and Sustainability team based in Melbourne. He is an environmental and sustainability advisory and assurance specialist with over 25 years' experience in advising governments and corporations on sustainability issues. Until its acquisition by EY in 2014, Terence was Founder/Executive Director of Net Balance, Australia's largest standalone sustainability and climate change practice at the time, one of Australia's first B Corporations. Terence is a member of the Auditing and Assurance Standards Board of Australia and is a non-executive director of Amnesty International Australia, Fairtrade Australia/New Zealand, Food Frontier and Global Citizen Australia. He is also an Adjunct Professor at the University of Southern Queensland and Technical Working Group member of ISSB (International Sustainability Standards Board).

#### **Sarah Reid** (*Appointed February 2021*)

Sarah is a coordinator of the ACT ACF Community Group and has first-hand knowledge of how ACF's community organising strategy is implemented and believes there is great value and strength in engaging people at the community level. Sarah is the President of the Board of the Conservation Council ACT Region. Sarah is excited by the potential of ACF's Community work to reach and engage people who want to contribute their voices but haven't known how. She seeks to help amplify these voices in her role with the ACF Board. Sarah has been on the ACF Council since 2018.



## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### STATEMENT BY THE BOARD

#### **Grace Vegesana** (*Appointed July 2022*)

Grace (she/they) is a 22-year-old woman-of-colour fighting for climate, economic & racial justice on stolen Dharug, Gundungurra and Tharawal land across Western Sydney. She is pioneering an intersectional portfolio as the Climate & Racial Justice Director for the Australian Youth Climate Coalition. She sits on the Boards of the Foundation for Young Australians and volunteers for Democracy in Colour. Grace is passionate about working in the intersections of climate justice to build grassroots power in culturally, linguistically, and religiously diverse and climate-affected communities in Australia to forge transformational solutions to the climate crisis.

ACF is indebted to the following Board Members, who retired during and since the end of financial year:

**Erika Avellaneda Celis – Acting President** (*Appointed December 2015. Retired July 2022*)

**Donna Bagnall** (*Appointed December 2018. Retired July 2022*)

**Tim Chapman – Vice President and Secretary** (*Appointed July 2017. Retired July 2022*)

**Miles George – Treasurer** (*Appointed November 2018. Retired November 2022*)

**Ash Peplow Ball** (*Appointed December 2018. Retired July 2022*)

#### **Board Committees**

##### **Finance Audit and Risk Committee**

To assist and advise the Board in fulfilling its duties, the Finance, Audit and Risk Committee oversees the financial performance of ACF, the effective management of financial and operational risk, processes to ensure legal and regulatory compliance and stewardship and operation of the 60L Building and the relationship with tenants.

##### **Strategy and Performance Committee**

The mission of the Strategy and Performance Committee is to ensure the board plays an active role in shaping an effective strategy for ACF, monitoring its implementation and impact and supporting the board to ensure effective performance of the ACF, CEO and board.

##### **Remuneration, Nominations and Induction Committee**

The mission of the Remuneration, Nominations and Induction Committee is to ensure the board is composed of committed individuals with relevant skills who are actively and passionately engaged in supporting ACF to achieve its strategic goals.

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

## STATEMENT BY THE BOARD

### Board Meetings Held and Attended During the Year

|                        |            | Board Meetings<br>Attended * |
|------------------------|------------|------------------------------|
| Liana Downey           | Ex-officio | 2 of 2                       |
| Shar Molloy            | Councillor | 6 of 6                       |
| Sarah English          | Councillor | 4 of 4                       |
| Joshua Gilbert         | Co-opted   | 4 of 4                       |
| Leon Cermak            | Councillor | 4 of 4                       |
| Melanie Birtchnell     | Councillor | 4 of 4                       |
| Ros Harvey             | Co-opted   | 6 of 6                       |
| David Hood             | Councillor | 4 of 4                       |
| Sarah Reid             | Councillor | 6 of 6                       |
| Grace Vegesana         | Co-opted   | 4 of 5                       |
| Erika Avellaneda Celis | Ex-officio | 2 of 2                       |
| Donna Bagnall          | Councillor | 2 of 2                       |
| Tim Chapman            | Ex-officio | 2 of 2                       |
| Miles George           | Co-opted   | 4 of 4                       |
| Ash Peplow Ball        | Councillor | 2 of 2                       |

\* Represents the number of meetings attended during the period the board member was in office.

### Corporate Governance Standards

The Board of ACF is a strong advocate of good corporate governance, high ethical standards, and the importance of a strong and positive organisational culture. The Board is committed to fulfilling its governance obligations as a charity and an incorporated association for the best interests of members, staff, supporters, and stakeholders.

The Board is governed by the Constitution, Regulations and Policies including the Board Accountability Statement and is committed to ensuring all statutory, regulatory and compliance duties are adhered to.

### Conflicts of Interest

ACF's Conflicts of Interest Guideline provides a comprehensive and practical process for identifying and managing conflicts of interest for Board, Council and staff. Board members declared standing and potential perceived conflicts, and the Board's management of them, are recorded in the Minutes of Board meetings and on the Board's Register of Interests.

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### STATEMENT BY THE BOARD

#### Performance

The Board's Accountability Statement includes a set of key performance indicators for the effective conduct of its role and responsibilities. During each three-year term, the Board reviews its Accountability Statement and is accountable to ACF Council for annual appraisals of the Board's performance. The Board's skills matrix is reviewed annually or more frequently as required by the Secretary, the Board and Council.

#### Delegations

Effective oversight is achieved through delegation to the CEO and her team who report on activity and performance. In particular, the CEO is accountable to the Board for implementation of the three-year and annual plans, and for operational outcomes within the framework of policy and systems determined by the Board. The CEO reports to the Board on activities and progress against well-defined performance targets.

#### Auditor's Independence Declaration

The Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included on page 9 of this financial report and forms part of the Statement by the Board.

#### Board Declaration

The Board declares that in the Board's opinion:

- a. the financial report set out on pages 13 to 31 presents a true and fair view of the financial position of Australian Conservation Foundation Incorporated as at 30 June 2023 and of its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements, and other authoritative pronouncements of the Australian Accounting Standards Board; and
- b. at the date of this statement there are reasonable grounds to believe that Australian Conservation Foundation Incorporated is able to pay all of its debts, as and when they become due and payable; and
- c. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.



**Liana Downey**  
President  
28 September 2023



**Joshua Gilbert**  
Treasurer  
28 September 2023




## **AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED**

### **STATEMENT BY MANAGEMENT**

The Chief Executive Officer and Director of Finance & Operations make the following certifications:

- a. We acknowledge our responsibility for ensuring that the financial report is in accordance with Accounting Standards (including Australian Accounting Interpretations) as disclosed in the financial report, and confirm that the financial report is free of material misstatement, including omissions, and that we have approved the financial report;
- b. That ACF's financial report is complete and presents a true and fair view, in all material respects, of the financial conditions and operational results of ACF; and
- c. That the above statement is founded on a system of risk management and internal controls and compliance which implements the policies adopted by the Board and that they are operating efficiently and effectively in all material respects in relation to financial reporting risks.



**Kelly O'Shanassy**  
Chief Executive Officer  
28 September 2023



**Anthony Moore**  
Director of Finance & Operations  
28 September 2023

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**Grant Thornton Audit Pty Ltd**

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## Auditor's Independence Declaration

### To the Directors of Australian Conservation Foundation Inc.

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Australian Conservation Foundation Inc. for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



C S Gangemi  
Partner - Audit & Assurance

Melbourne, 28 September 2023

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## Independent Auditor's Report

### To the Members of Australian Conservation Foundation Incorporated

#### Report on the audit of the financial report

##### Opinion

We have audited the financial report of Australian Conservation Foundation Incorporated (the "Association"), which comprises 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 and 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 financial report of Australian Conservation Foundation Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*, Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022* and *Associations Incorporation Reform Regulations 2012*.

##### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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### **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 Association'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 Management and those charged with governance for the financial report**

The Management and those charged with governance of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*, the ACNC Act and *Associations Incorporation Reform Regulation 2012*, and for such internal control as the Management and those charged with governance determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Management and those charged with governance are 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 Management and those charged with governance either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Association's financial reporting process.

### **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 misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

The logo for Grant Thornton, featuring the company name in a stylized, handwritten-style script.

Grant Thornton Audit Pty Ltd  
Chartered Accountants

A handwritten signature in cursive script, reading "C S Gangemi".

C S Gangemi  
Partner – Audit & Assurance

Melbourne, 28 September 2023



**AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|  | Notes            | 2023<br>\$         | 2022<br>\$         |
|--|------------------|--------------------|--------------------|
| <b>Revenue</b>                                 |                  |                    |                    |
| Operating activities                           |                  | 16,453,889         | 15,859,023         |
| Non-operating activities                       |                  | 1,674,312          | 1,243,409          |
| <b>Total revenue</b>                           | <b>2(a)</b>      | <b>18,128,201</b>  | <b>17,102,432</b>  |
| <b>Expenses</b>                                |                  |                    |                    |
| Environmental impact initiatives               |                  |                    |                    |
| Nature and places                              |                  | 2,729,653          | 1,327,081          |
| Climate  |                  | 2,181,739          | 3,069,627          |
| Corporate campaign                             |                  | 996,359            | 1,662,063          |
| Community organising                           |                  | 1,656,650          | 2,007,230          |
| Community mobilising, media and engagement     |                  | 3,757,974          | 3,823,681          |
|  |                  | <b>11,322,375</b>  | <b>11,889,682</b>  |
| Fundraising                                    |                  | 5,767,419          | 4,969,377          |
| Management and operations                      |                  | 1,736,257          | 1,608,379          |
| Non-operating activities                       |                  | 437,713            | 1,332,428          |
| <b>Total expenses</b>                          | <b>1(b) 2(b)</b> | <b>19,263,764</b>  | <b>19,799,866</b>  |
| <b>Net surplus/(deficit) for the year</b>      |                  | <b>(1,135,563)</b> | <b>(2,697,434)</b> |
| Other comprehensive income                     |                  | -                  | -                  |
| <b>Total comprehensive income for the year</b> |                  | <b>(1,135,563)</b> | <b>(2,697,434)</b> |
| Surplus generated from current year revenues   |                  | 477,356            | 70,851             |
| Expenses funded from reserves                  |                  | (1,612,919)        | (2,768,285)        |
| <b>Net surplus/(deficit) for the year</b>      |                  | <b>(1,135,563)</b> | <b>(2,697,434)</b> |

Refer to Note 1(b) for an explanation of the expense categories.

*This statement should be read in conjunction with the notes to the financial statements.*

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

|                                      | Notes | 2023<br>\$        | 2022<br>\$        |
|--------------------------------------|-------|-------------------|-------------------|
| <b>Current assets</b>                |       |                   |                   |
| Cash and cash equivalents            | 3     | 8,136,308         | 8,362,584         |
| Trade and other receivables          | 4     | 133,598           | 216,236           |
| Investments                          | 5     | 3,806,277         | 5,263,289         |
| Other assets                         | 6     | 370,716           | 283,639           |
| <b>Total current assets</b>          |       | <b>12,446,899</b> | <b>14,125,748</b> |
| <b>Non-current assets</b>            |       |                   |                   |
| Property, plant and equipment        | 7     | 9,151,413         | 8,797,624         |
| Intangible assets                    | 8     | 20,374            | -                 |
| <b>Total non-current assets</b>      |       | <b>9,171,787</b>  | <b>8,797,624</b>  |
| <b>Total assets</b>                  |       | <b>21,618,686</b> | <b>22,923,372</b> |
| <b>Current liabilities</b>           |       |                   |                   |
| Trade and other payables             | 9     | 376,515           | 509,895           |
| Provisions                           | 10    | 1,246,765         | 1,189,930         |
| Lease liabilities                    | 11    | 32,085            | 71,294            |
| Other liabilities                    | 12    | 22,893            | 27,674            |
| <b>Total current liabilities</b>     |       | <b>1,678,258</b>  | <b>1,798,793</b>  |
| <b>Non-current liabilities</b>       |       |                   |                   |
| Provisions                           | 10    | 70,082            | 86,586            |
| Lease liabilities                    | 11    | 106,722           | 138,806           |
| <b>Total non-current liabilities</b> |       | <b>176,804</b>    | <b>225,392</b>    |
| <b>Total liabilities</b>             |       | <b>1,855,062</b>  | <b>2,024,185</b>  |
| <b>Net assets</b>                    |       | <b>19,763,624</b> | <b>20,899,187</b> |
| <b>Equity</b>                        |       |                   |                   |
| Reserves                             |       | 20,899,187        | 23,596,621        |
| Net surplus/(deficit) for the year   |       | (1,135,563)       | (2,697,434)       |
| <b>Total equity</b>                  |       | <b>19,763,624</b> | <b>20,899,187</b> |

*This statement should be read in conjunction with the notes to the financial statements.*

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

|  | Notes    | 2023<br>\$         | 2022<br>\$         |
|--|----------|--------------------|--------------------|
| <b>Operating activities</b>                                |          |                    |                    |
| Receipts from members, donors and supporters               |          | 13,949,745         | 13,900,393         |
| Receipts from bequests                                     |          | 2,057,379          | 1,567,185          |
| Receipts from investments and tenants                      |          | 1,778,471          | 1,375,046          |
| Receipts from grants                                       |          | -                  | 69,955             |
| Payments to staff and suppliers                            |          | (19,039,059)       | (18,424,225)       |
| <b>Net cash used in operating activities</b>               |          | <b>(1,253,464)</b> | <b>(1,511,646)</b> |
| <b>Investing activities</b>                                |          |                    |                    |
| Purchase of property, plant & equipment                    |          | (291,723)          | (216,114)          |
| Proceeds from sale of property, plant & equipment          |          | 6,176              | -                  |
| Purchase of intangibles                                    |          | (24,667)           | -                  |
| Net sale (purchase) of investments                         |          | 1,416,311          | (416,909)          |
| <b>Net cash provided by (used in) investing activities</b> |          | <b>1,106,097</b>   | <b>(633,023)</b>   |
| <b>Financing activities</b>                                |          |                    |                    |
| Payment of lease liabilities                               |          | (78,909)           | (110,335)          |
| <b>Net cash used in financing activities</b>               |          | <b>(78,909)</b>    | <b>(110,335)</b>   |
| <b>Net change in cash and cash equivalents</b>             |          | <b>(226,276)</b>   | <b>(2,255,004)</b> |
| Cash and cash equivalents at the beginning of the year     |          | 8,362,584          | 10,617,588         |
| <b>Cash and cash equivalents at the end of the year</b>    | <b>3</b> | <b>8,136,308</b>   | <b>8,362,584</b>   |

*This statement should be read in conjunction with the notes to the financial statements.*

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

|                                    | Operating<br>Reserve | Environmental<br>Impact Fund | Endowment<br>Fund | 60L Building<br>Reserve | Accumulated<br>Surplus | Total             |
|------------------------------------|----------------------|------------------------------|-------------------|-------------------------|------------------------|-------------------|
| 2023                               | \$                   | \$                           | \$                | \$                      | \$                     | \$                |
| Balance at 1 July 2022             | 7,082,048            | 2,827,208                    | 1,889,931         | 9,100,000               | -                      | 20,899,187        |
| Net surplus/(deficit) for the year | -                    | -                            | -                 | -                       | (1,135,563)            | (1,135,563)       |
| Expenses funded from reserves      | -                    | (1,218,022)                  | (394,897)         | -                       | 1,612,919              | -                 |
|                                    | 7,082,048            | 1,609,186                    | 1,495,034         | 9,100,000               | 477,356                | 19,763,624        |
| Reserve allocations                | 477,356              | -                            | -                 | -                       | (477,356)              | -                 |
| <b>Balance at 30 June 2023</b>     | <b>7,559,404</b>     | <b>1,609,186</b>             | <b>1,495,034</b>  | <b>9,100,000</b>        | <b>-</b>               | <b>19,763,624</b> |
| 2022                               | \$                   | \$                           | \$                | \$                      | \$                     | \$                |
| Balance at 1 July 2021             | 7,011,197            | 5,507,288                    | 1,978,136         | 9,100,000               | -                      | 23,596,621        |
| Net surplus/(deficit) for the year | -                    | -                            | -                 | -                       | (2,697,434)            | (2,697,434)       |
| Expenses funded from reserves      | -                    | (2,680,080)                  | (88,205)          | -                       | 2,768,285              | -                 |
|                                    | 7,011,197            | 2,827,208                    | 1,889,931         | 9,100,000               | 70,851                 | 20,899,187        |
| Reserve allocations                | 70,851               | -                            | -                 | -                       | (70,851)               | -                 |
| <b>Balance at 30 June 2022</b>     | <b>7,082,048</b>     | <b>2,827,208</b>             | <b>1,889,931</b>  | <b>9,100,000</b>        | <b>-</b>               | <b>20,899,187</b> |

Refer to Note 1(l) for an explanation of the purpose of each reserve.

*This statement should be read in conjunction with the notes to the financial statements.*

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### General information and statement of compliance

Australian Conservation Foundation Incorporated (ACF) is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991 (ACT)*. These financial statements cover ACF and its wholly owned, non-trading subsidiary ACF Enterprises Pty Ltd, which was deregistered effective 4 August 2021.

The address of its registered office is on Ngunnawal Country at Suite 11, Floor 1, Bailey's Corner, 143 London Circuit, Canberra, ACT 2601 and its principal place of business is on Wurundjeri Country at Level 1, 60 Leicester Street, Carlton, Victoria 3053. ACF registered with the ACNC in 2012 and has complied with its obligations to submit Annual Information Statements. The financial statements for the year ended 30 June 2023 were approved and authorised for issue by the Board on 28 September 2023.

These general-purpose financial statements have been prepared in accordance with the Australian Accounting Standards – Simplified Disclosures framework issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*. ACF is a not-for-profit entity for the purpose of preparing financial statements. Where necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial year and this has been disclosed.

#### New or amended Accounting Standards and Interpretations adopted

ACF adopts all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. There have been no new or amended standards or interpretations this financial year.

#### Accounting policies

The significant accounting policies used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense and are more fully described below.

##### a. Revenue and other income

Revenue and other income comprise fundraising activities, investment income and rent from tenants located in ACF's building in Carlton. Revenue and other income are measured by reference to the fair value of consideration received or receivable by ACF and is stated net of the amount of goods and services tax (GST).



# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

Revenue and other income are recognised in accordance with *AASB 1058 Income of Not-for-Profit Entities*, except where *AASB 15 Revenue from Contracts with Customers* is deemed to apply. Details of activity-specific recognition criteria are described below:

- Donation and bequest income is recognised when ACF gains control of the funds and is only recognised as income when the funds have been provided to further ACFs objectives for no consideration or where consideration is significantly less than the funds provided and when the funds provided do not give rise to an obligation.
- Monetary bequests are recognised as revenue when the funds are received in ACF's bank account. Bequests of shares or other property are recognised at market value on the date ACF becomes legally entitled to the asset.
- Grant funds received by ACF that do not have sufficiently specific and enforceable performance obligations are recognised as income on receipt of the funds. Grant or sponsorship income where a performance obligation exists is recognised when the performance obligation is satisfied. Where this occurs after the receipt of funds, it is initially recognised as deferred income.
- Interest revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.
- Dividend and other investment income are recognised when ACF gains control of the funds.
- Membership subscription revenue is initially recognised as deferred income, then recognised in profit or loss over the period to which the membership relates.
- Rental income is recognised on a straight-line basis over the period of the lease term to reflect a constant periodic rate of return.
- Revenue from the sale of goods or provision of services is recognised upon the delivery of goods or services to the recipient.

### b. Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin. The statement of profit or loss categorises operating expenses according to activity under the following headings:

|   |   |
|---|---|
| Nature and places:                          | Campaigning to create strong laws to protect the air we breathe, the water we drink and the places and wildlife we love         |
| Climate:                                    | Campaigning to cut pollution and to power Australia with clean energy from the sun and wind                                     |
| Corporate campaign:                         | Campaigning to ensure economic decisions support nature   |
| Community organising:                       | Growing an active community of volunteers who are prepared to show up and speak out for nature                                  |
| Community mobilising, media and engagement: | Building people power through our more than half a million supporters. Includes activities such as organising community events. |
| Fundraising:                                | Caring for our existing donors and acquiring new donors   |
| Management and operations:                  | Providing the critical organisational resources that underpin our work  |

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2023

#### c. Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing ACF with the right to access the cloud provider's application software over the contract period. As such, ACF does not receive a software intangible asset at the contract commencement date. The following outlines the accounting treatment of costs incurred in relation to SaaS arrangements:

|   |   |
|---|---|
| Recognise as an operating expense over the term of the service contract | <ul style="list-style-type: none"> <li>• Fee for use of the application software</li> <li>• Customisation costs</li> </ul>  |
| Recognise as an operating expense as the service is received            | <ul style="list-style-type: none"> <li>• Configuration costs</li> <li>• Data conversion and migration costs</li> <li>• Testing costs</li> <li>• Training costs</li> </ul> |

#### d. Property, plant and equipment

Plant and equipment are initially recognised at acquisition cost including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by ACF. Plant and equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually to ensure it is not more than its recoverable amount. The recoverable amount is assessed based on the expected net cash flows that will be received from the asset's use and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Bequests of property (land or buildings) are recognised at market value on the date ACF becomes legally entitled to the property. Market value is determined by independent valuation obtained from a real estate agent, licensed valuer or from a local government authority's statement of value (for example, from a rates or land tax notice).

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 ACF and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed during the period in which they are incurred.

Property, plant and equipment assets are depreciated on a straight-line basis over their useful lives, commencing from the time an asset is held ready for use. The following useful lives are applied:

- Buildings 50 years
- Office furniture 2 - 10 years
- Office fit-out 2 - 10 years
- ICT equipment 2 - 5 years

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level. Individual assets or

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

cash-generating units are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount is written down immediately to its recoverable amount if it is greater than that recoverable amount.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

#### e. 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. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

ACF has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases or lease-like agreements 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.

#### f. Intangible Assets

Acquired software is capitalised based on the costs incurred to acquire and install the intangible asset. Capitalised costs are amortised on a straight-line basis over their estimated useful lives (typically 3 to 5 years), as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date and are subject to impairment testing. Subsequent expenditure on the maintenance of software is expensed in the period it is incurred.

#### g. 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, ACF's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

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

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### *h. Financial instruments*

ACF classifies financial assets into the three measurement categories, at initial recognition:

- those measured at fair value through the profit and loss,
- those measured at amortised cost, and
- those measured at fair value through other comprehensive income.

In accordance with the standard, the classification depends upon the business objective for holding the financial asset and the characteristics of the cash flows that will be derived from the asset.

##### *Recognition and initial measurement and derecognition*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when ACF becomes a party to the contractual provisions of the financial instrument.

Financial instruments are initially measured at fair value adjusted by transaction costs, except instruments classified as at fair value through profit or loss where transaction costs are expensed to profit or loss immediately.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

##### *Classification and subsequent measurement*

###### *(i) Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest rate method, less provision for impairment. Receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

###### *(ii) Payables*

Payables are non-derivative financial liabilities, measured at amortised cost using the effective interest rate method. If applicable, interest-related charges are reported in profit or loss and included within finance costs.

###### *(iii) Investments*

ACF's investments are held with the business objective of both collecting the cash flows (interest, dividends, distributions and principal) and to profit from the sale of investments that have increased in value. ACF's investments are all exposed to the risk of volatility in value and in the cashflows that are derived from the investment. Accordingly, ACF's investments are classified as "financial assets at fair value through profit or loss (FVTPL)." Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2023

##### i. Taxes

Income Taxes - No provision for income tax has been raised as ACF is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Fringe Benefits Tax (FBT) - ACF is a rebatable employer for FBT purposes, which entitles ACF to a rebate on gross FBT payable subject to a capping threshold per employee.

Good 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. In these circumstances the GST is recognised as part of the cost of the asset or as part 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 components of investing and financing activities, which are disclosed as operating cash flows. The net amount of GST recoverable from the ATO is included as part of receivables.

##### j. Employee benefits

###### *Wages, salaries and annual leave*

Liabilities for wages, salaries and annual leave, that are expected to be settled within 12 months of the reporting date, represent present obligations resulting from employees' services provided to reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that ACF expects to pay as at reporting date including related salary on-costs.

###### *Long-term service entitlements*

ACF's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using the rates determined by reference to market yields at the reporting date which have maturity dates approximating to the terms of ACF's obligations.

###### *Superannuation*

ACF provides post-employment benefits to employees through defined contribution superannuation plans. Contributions are expensed to profit or loss as they are incurred.

##### k. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call and other short-term highly liquid investments, readily converted into known amounts of cash, and which are subject to an insignificant risk of changes in value.

##### l. Reserves

The purpose of each of the reserves is as follows:

*Operating Reserve* - The purpose of this reserve is to stabilise short term fluctuations in cashflows to ensure ACF is financially resilient and can continue its environmental activities uninterrupted.

*Environmental Impact Fund* - This reserve has been established to fund short-term, high impact environmental initiatives.



## AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

*Endowment Fund* - The purpose of this reserve is to provide for initiatives which develop the capability and capacity of ACF to undertake environmental activities.

*60L Building Reserve* - A reserve representing the 2009 donated value of the 60L Green Building in Carlton, Victoria, recognising ACF's long-term intention to maintain it as its home.

Reserves are backed by cash deposits, investments and land & buildings.

#### *m. Critical accounting estimates and judgements*

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

#### *Useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

#### *Long service leave*

The liability for long service leave is recognised and measured at the present value of the estimated 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 considered.

#### *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 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 economic 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 ACF'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. ACF 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.

#### *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what ACF estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

### 2. NET SURPLUS/(DEFICIT) FOR THE YEAR

|   | 2023              | 2022              |
|---|-------------------|-------------------|
|   | \$                | \$                |
| Net surplus/(deficit) for the year has been determined after: |                   |                   |
| <b>a) Revenue and other income</b>                            |                   |                   |
| <i>Operating activities</i>                                   |                   |                   |
| Donations   | 13,930,532        | 14,132,794        |
| Bequests  | 2,457,379         | 1,567,185         |
| Membership subscriptions                                      | 49,517            | 63,839            |
| Sponsorship, events, royalties and other revenue              | 16,461            | 95,205            |
|   | <b>16,453,889</b> | <b>15,859,023</b> |
| <i>Non-operating activities</i>                               |                   |                   |
| Rent and outgoings income from tenants                        | 936,739           | 939,398           |
| Investment income:  |                   |                   |
| Interest income   | 124,600           | 45,816            |
| Dividend income   | 226,390           | 258,195           |
| Net gain on disposal of investments                           | 133,131           | -                 |
| Net gain on change in value of FVTPL investments              | 253,347           | -                 |
| Net gain on disposal of equipment                             | 105               | -                 |
|   | <b>1,674,312</b>  | <b>1,243,409</b>  |
| Total revenue and other income                                | <b>18,128,201</b> | <b>17,102,432</b> |
| <b>b) Expenses</b>  |                   |                   |
| Salaries, superannuation and other staff costs                | 11,200,014        | 10,481,503        |
| Events and community activities                               | 356,921           | 881,378           |
| External service provider donor acquisition costs             | 1,336,838         | 1,520,787         |
| Marketing and communication expenses                          | 3,000,649         | 3,129,083         |
| Technology and operational expenses                           | 1,017,472         | 1,008,014         |
| Building expenses   | 308,822           | 372,478           |
| Short-term & low-value asset lease payments                   | 108,160           | 60,405            |
| Professional fees and consultants                             | 871,476           | 748,728           |
| Travel costs  | 564,468           | 237,136           |
| Finance costs   | 162,787           | 172,385           |
| Net loss on disposal of investments                           | -                 | 1,478             |
| Net loss on change in value of FVTPL investments              | -                 | 795,383           |
| Depreciation & amortisation                                   | 336,157           | 387,017           |
| Net loss on disposal of equipment                             | -                 | 4,091             |
| Total expenses  | <b>19,263,764</b> | <b>19,799,866</b> |

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

### 3. CASH AND CASH EQUIVALENTS

|                     | 2023             | 2022             |
|---------------------|------------------|------------------|
|                     | \$               | \$               |
| Cash on hand        | 166              | 351              |
| Cash at bank        | 2,037,696        | 1,807,541        |
| Short-term deposits | 6,098,446        | 6,554,692        |
|                     | <u>8,136,308</u> | <u>8,362,584</u> |

Short-term deposits are available as cash at call with no loss of principal.

### 4. TRADE AND OTHER RECEIVABLES

|   | 2023           | 2022           |
|---|----------------|----------------|
|   | \$             | \$             |
| Trade receivables                               | 3,522          | 93,257         |
| Other receivables                               | 31,911         | 30,903         |
| GST recoverable from Australian Taxation Office | 98,165         | 92,076         |
| Expected credit loss allowance                  | -              | -              |
|   | <u>133,598</u> | <u>216,236</u> |

All receivables have been reviewed for indicators of impairment and no provision for impairment has been recognised in the current or prior financial years.

### 5. INVESTMENTS

|                        | 2023             | 2022             |
|------------------------|------------------|------------------|
|                        | \$               | \$               |
| Fixed interest         | 782,101          | 1,123,477        |
| Australian property    | 466,664          | 711,561          |
| Australian equities    | 1,822,427        | 2,492,481        |
| International equities | 735,085          | 935,770          |
|                        | <u>3,806,277</u> | <u>5,263,289</u> |

### 6. OTHER ASSETS

|                | 2023           | 2022           |
|----------------|----------------|----------------|
|                | \$             | \$             |
| Prepayments    | 290,833        | 265,061        |
| Accrued income | 79,883         | 18,578         |
|                | <u>370,716</u> | <u>283,639</u> |

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

### 7. PROPERTY, PLANT AND EQUIPMENT

|                                 | 2023        | 2022        |
|---------------------------------|-------------|-------------|
|                                 | \$          | \$          |
| Land and buildings              | 9,921,713   | 9,385,832   |
| Accumulated depreciation        | (1,167,668) | (1,030,143) |
| Written down value              | 8,754,045   | 8,355,689   |
| Office fit-out - at cost        | 34,821      | 29,095      |
| Accumulated depreciation        | (21,084)    | (19,784)    |
| Written down value              | 13,737      | 9,311       |
| Office furniture - at cost      | 132,716     | 116,502     |
| Accumulated depreciation        | (65,088)    | (47,536)    |
| Written down value              | 67,628      | 68,966      |
| ICT equipment - at cost         | 484,966     | 362,453     |
| Accumulated depreciation        | (308,671)   | (212,266)   |
| Written down value              | 176,295     | 150,187     |
| Office buildings - right-of-use | 166,851     | 284,977     |
| Accumulated depreciation        | (38,934)    | (83,297)    |
| Written down value              | 127,917     | 201,680     |
| Artwork - at fair value         | 11,791      | 11,791      |
|                                 | 9,151,413   | 8,797,624   |

The amount disclosed as land and buildings represents ACF's head office located in Carlton, Victoria. 69% of the Carlton building is rented out under operating lease agreements issued on commercial terms. The remaining portion of the building is occupied by ACF.

ACF leases office buildings for some of its branch offices, under agreements of between one to five years with, in some cases, options to extend or penalty free early exit clauses. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Land also includes rural land received by ACF in June 2023 from a bequest and was recorded at the market value on the date of acquisition.

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2023

#### Movements in carrying amount

Movement in the carrying amount for each class of property, plant and equipment for the current financial year are:

|                                 | Balance at<br>1 Jul 2022 | Additions      | Disposals      | Depreci<br>-ation | Balance at<br>30 Jun 2023 |
|---------------------------------|--------------------------|----------------|----------------|-------------------|---------------------------|
|                                 | \$                       | \$             | \$             | \$                | \$                        |
| Land and buildings              | 8,355,689                | 535,881        | -              | (137,525)         | 8,754,045                 |
| Office fit-out                  | 9,311                    | 5,726          | -              | (1,300)           | 13,737                    |
| Office furniture                | 68,966                   | 16,214         | -              | (17,552)          | 67,628                    |
| ICT equipment                   | 150,187                  | 133,903        | (6,071)        | (101,724)         | 176,295                   |
| Office buildings – right-of-use | 201,680                  | -              | -              | (73,763)          | 127,917                   |
| Artwork                         | 11,791                   | -              | -              | -                 | 11,791                    |
|                                 | <b>8,797,624</b>         | <b>691,724</b> | <b>(6,071)</b> | <b>(331,864)</b>  | <b>9,151,413</b>          |

#### 8. INTANGIBLE ASSETS

|                          | 2023          | 2022 |
|--------------------------|---------------|------|
|                          | \$            | \$   |
| Software                 | 24,667        | -    |
| Accumulated amortisation | (4,293)       | -    |
| Written down value       | <b>20,374</b> | -    |

#### Movements in carrying amount

Movements in the carrying amount for each intangible asset class for the current financial year are:

|          | Balance at<br>1 Jul 2022 | Additions     | Disposals | Amortis<br>-ation | Balance at<br>30 Jun 2023 |
|----------|--------------------------|---------------|-----------|-------------------|---------------------------|
|          | \$                       | \$            | \$        | \$                | \$                        |
| Software | -                        | 24,667        | -         | (4,293)           | 20,374                    |
|          | <b>-</b>                 | <b>24,677</b> | <b>-</b>  | <b>(4,293)</b>    | <b>20,374</b>             |

#### 9. TRADE AND OTHER PAYABLES

|                              | 2023           | 2022           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Trade payables               | 181,001        | 386,313        |
| Other creditors and accruals | 195,514        | 123,582        |
|                              | <b>376,515</b> | <b>509,895</b> |



# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

### 10. PROVISIONS

|  | 2023             | 2022             |
|--|------------------|------------------|
| Current  | \$               | \$               |
| Provision for employee benefits<br>(annual and long-service leave) | <u>1,246,765</u> | <u>1,189,930</u> |

|  | 2023          | 2022          |
|--|---------------|---------------|
| Non-current  | \$            | \$            |
| Provision for employee benefits (long-service leave) | <u>70,082</u> | <u>86,586</u> |

As at 30 June 2023, there were 96.4 full-time equivalent staff (2022: 87) and total head count was 100 (2022: 96).

### 11. LEASE LIABILITIES

|                                    | 2023          | 2022          |
|------------------------------------|---------------|---------------|
| Current                            | \$            | \$            |
| Office buildings lease liabilities | <u>32,085</u> | <u>71,294</u> |

|                                    | 2023           | 2022           |
|------------------------------------|----------------|----------------|
| Non-current                        | \$             | \$             |
| Office buildings lease liabilities | <u>106,722</u> | <u>138,806</u> |

Office buildings lease liabilities are unsecured.

|   | 2023           | 2022           |
|---|----------------|----------------|
| Future lease payments are due as follows: | \$             | \$             |
| Within one year                           | 38,300         | 81,523         |
| One to five years                         | 114,786        | 153,086        |
| More than five years                      | -              | -              |
|   | <u>153,086</u> | <u>234,609</u> |

### 12. OTHER LIABILITIES

|                 | 2023          | 2022          |
|-----------------|---------------|---------------|
|                 | \$            | \$            |
| Deferred income | <u>22,893</u> | <u>27,674</u> |

# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

Deferred income consists of membership subscription revenue received in advance, which is recognised over the relevant membership period, and grant income received prior to performance of required obligations.

### 13.COMMITMENTS

#### Financial commitments

ACF has an unsecured \$350,000 corporate credit card facility for the purpose of general business expenses. Any liabilities owing under this facility are fully repaid by ACF each month.

#### Capital commitments

ACF had no capital commitments at the end of the financial year.

### 14.CONTINGENT LIABILITIES

There are no contingent liabilities that have been incurred by ACF as at 30 June 2023 (2022: nil).

### 15.AUDITOR'S REMUNERATION

|                                 | 2023          | 2022          |
|---------------------------------|---------------|---------------|
|                                 | \$            | \$            |
| Grant Thornton                  |               |               |
| - Audit of financial statements | 46,812        | 44,187        |
| - Non-audit services            | -             | -             |
|                                 | <u>46,812</u> | <u>44,187</u> |

### 16.RELATED PARTIES

#### Board members

The names of Board members who have held office during the financial year are listed on pages 2 to 5 of this report.

At the annual general meeting of ACF in November 2022, a resolution was passed to pay the ACF President a fee of up to \$30,000 per annum inclusive of compulsory superannuation contributions. Other board members receive no remuneration or other benefit as a direct result of their holding office. Board members are reimbursed for reasonable travel and related expenses incurred attending to ACF business.



# AUSTRALIAN CONSERVATION FOUNDATION INCORPORATED

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

|                             | Notes | 2023<br>\$        | 2022<br>\$        |
|-----------------------------|-------|-------------------|-------------------|
| Financial assets            |       |                   |                   |
| Cash and cash equivalents   | 3     | 8,136,308         | 8,362,584         |
| Trade and other receivables | 4     | 133,598           | 216,236           |
| Investments                 | 5     | 3,806,277         | 5,263,289         |
|                             |       | <u>12,076,183</u> | <u>13,842,109</u> |
| Financial liabilities       |       |                   |                   |
| Trade and other payables    | 8     | <u>376,515</u>    | <u>509,895</u>    |

### b) Financial instrument risk management

The Finance, Audit & Risk Committee, comprising Board members and independent subject matter experts, meets six times per year to oversee (amongst other things) ACF's strategies for managing financial risk. The committee provides advice to the Board on changes to ACF's risk management strategy and processes.

The main risks ACF is exposed to through its financial instruments are interest rate risk, liquidity risk and price risk. ACF is not materially exposed to foreign currency risk as virtually all transactions are conducted within Australia. ACF's exposure to credit risk from outstanding trade and other receivables is not material and is not concentrated in any single receivable or group of receivables.

# We love **our beautiful planet**

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