Australian Wildlife Conservancy

Annual Financial Report

28 February 2023

ACN: 068 572 556

Australian Wildlife Conservancy

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Directors' report

For the year ended 28 February 2023

The directors present their report together with the financial report of Australian Wildlife Conservancy (the Company or AWC) for the financial year ended 28 February 2023 and the independent audit report on the above reports.

1. Directors

The directors of the Company at any time during or since the end of the financial year are:

Name	Age	Experience, qualifications and other directorships
Mr Nick Butcher Chairperson Non-Executive Director	50	Director since January 2020, AWC Chairperson from 2022 and Chair of AWC's Executive Committee and Gift Fund Management Committee. He has a Bachelor of Laws and a Bachelor of Commerce (Finance) from the University of New South Wales. Nick Butcher spent 25 years in investment banking at Macquarie Group, holding a number of senior management positions during that time including Global Co-Head of its Infrastructure and Energy Group. He is experienced in corporate acquisitions and project finance and in the development and delivery of infrastructure and renewable energy projects globally. He has a lifelong passion for the environment and its conservation and is involved in a range of environmental causes in Australia and internationally. He is the Board Chair of Australian Wildlife Conservancy (US) (formerly Friends of Australian Wildlife Conservancy US) and a member of the BirdLife International Advisory Group.
Mr Graeme Morgan Non-Executive Director	73	Director since 2003 and Chairperson from 2014 to 2022. Graeme Morgan is a member of AWC's Board Executive; Audit & Risk; Gift Fund Management; Nomination & Remuneration; and Sustainability Fund Committees. Graeme is a Fellow of the Australian Institute of Company Directors. Graeme is a director of several private companies and the founder of Wind Over Water, a family Foundation supporting conservation, medical research, the arts and social programmes. Graeme supports the continuing development of AWC as a leading contributor to the effective conservation of Australia's fauna and habitats and to reversing the decline of Australia's threatened species.
Mr Andrew Clifford Non-Executive Director	57	Director since 2010 and Chair of AWC's Sustainability Fund Committee. Andrew Clifford holds a BCom (Hons) from the University of NSW. Andrew is a co-founder, director and Chief Investment Officer and Managing Director of Platinum Asset Management. Prior to Platinum Asset Management, Andrew was a Vice President at Bankers Trust Australia Limited.
Mrs Michelle Belgiorno Non-Executive Director	65	Director since 2013, to retiring in November 2022. Michelle Belgiorno holds a BA (Hons) in Japanese, a Master of Commerce, and a BA in Fine Arts. Michelle is an exhibiting artist, a director of several private companies, a Trustee of the Sir William Dobell Art Foundation, and a director of the Ngununggula Regional Art Gallery. Michelle has extensive experience in the philanthropic sector in Australia, particularly in the arts, and has a background in corporate communications. She has had a lifelong love of the Australian bush and native wildlife and is passionate about preserving it for future generations.

Mrs Lea Ferris Non-Executive Director	72	Director since 2005. Lea Ferris is a sculptor, with an urban planning background. She also teaches yoga. Lea is a director of Riverside Holdings Pty. Ltd. and of a family foundation. Lea has a range of skills relevant to the development of AWC's business and community networks.
Mr Dennis Richardson AC Non-Executive Director	75	Director since 2018 and Chair of AWC's Nomination & Remuneration Committee. Dennis Richardson had a 48-year career in the Australian Public Service, including as Secretary of the Department of Defence, Secretary of the Department of Foreign Affairs and Trade, Director General of ASIO and Ambassador to the United States. He currently serves on a number of boards, including those of Linfox, Starflight and Avalon Airport. Dennis is the Chairman of the Canberra Raiders and Patron of the RSPCA in the ACT.
Professor John Zichy-Woinarski	67	Director since 2019. Professor John Woinarski is a conservation biologist, involved in research, management, and policy. John has authored and edited eight books, and more than 300 scientific papers and book chapters. His work was recognised with the Eureka Prize for biodiversity research (2001), the Serventy Medal for life-time contribution to Australian ornithology (2001), the Northern Territory Chief Minister's Award for Research and Innovation (2008), the Australian Natural History Medallion (2011), and the Society for Conservation Biology Distinguished Service Award (2013). From 2003 to 2012, he was a member of the Threatened Species Scientific Committee. He is currently employed as a Professor in Research Institute for Environment and Livelihoods, Charles Darwin University.
Mrs Sophie Chamberlain Non-Executive Director	54	Director since 2014. Sophie Chamberlain has a BA (Hons) in Modern Languages and Information Systems from UWE in the UK and worked in the IT industry in both the UK and Australia. Sophie is a founder and current committee member of Impact100 WA, a collective giving group with over one hundred members making high impact grants to local not-for-profits. Sophie is also a director of Spinifex Trust, a foundation which supports conservation, the arts and youth programs.
Mr Malcolm McCusker AC, CVO, QC Non-Executive Director	84	Director since 2015 and Chair of AWC's Conduct Standards Committee. Malcolm McCusker AC, CVO, QC has practised law since 1961 and as Queens Counsel since 1982. He was Chairman of Legal Aid Commission of WA (1983-2011); Special Inspector investigating Rothwells Bank collapse (1989-90); Inaugural Chairman Advisory Board of the Constitutional Centre of WA (1997–2011); Trustee SAS Resources Trust (1996–2011); Inaugural Parliamentary Inspector, Corruption and Crime Commission (2004-2009); Surf Lifesaving WA Bravery Award (2010); Awarded AO and WA Citizen of the Year (Professions) (2005); WA Citizen of the Year (Community Service) and Western Australia's Australian of the Year (2010); Governor of WA (2011–2014); Life Member, WA Law Society (2010); Awarded AC in 2012; Director, Minderoo Foundation (2015–March 2021); Chairman of the McCusker Charitable Foundation; Chairman WA Health Translation Network (2015-2021); Chairman Law Access WA (2018-2021); Chairman, Ministerial Expert Panel, Voluntary Assisted Dying (2019–2020); Chairman, Government Expert Committee on Electoral Reform (2021). Malcolm has a strong belief in the need to conserve Australian native wildlife, and to eradicate feral predators.

Mr Guy Fergusson Non-Executive Director	52	Director since November 2021 and Chair of AWC's Audit & Risk Committee. Guy Fergusson has a BCom and MTax from UNSW and is also a chartered accountant. He is the Co-Chief Executive Officer of Grant Samuel and has over 20 years of investment banking experience. Guy has been Co-CEO of Grant Samuel since 2019 and Co-Head of the Grant Samuel Capital Advisory business for more than ten years. Throughout his career Guy has advised on a wide range of corporate advisory transactions spanning public and private company situations across a broad range of sectors. He has also worked on capital raisings across the capital spectrum including IPOs, equity placements and hybrids and the full range of debt financings, across bank and bond markets, domestically and internationally. Having grown up on a cattle and sheep property in Central West NSW, Guy has a passion for the conservation of animals and the sustainability of their natural environments.
Martine Maron Non-Executive Director	44	Martine Maron has been a Director of AWC since December 2022. She is Professor of Environmental Management at The University of Queensland, Australia. Her research group works on problems at the interface of environmental policy and ecology, particularly relating to deforestation and biodiversity offsetting. Professor Maron chairs the IUCN's Impact Mitigation and Ecological Compensation Thematic Group, is a member of the Wentworth Group of Concerned Scientists and is currently President of BirdLife Australia.

2. Company Secretary

Mr Mark Davies was appointed Company Secretary in April 2021. Mark holds degrees in Law and Arts. He is a corporate lawyer with expertise in commercial law, land tenure, litigation, risk management and company secretarial. Mark has practiced for over 25 years in the resource, construction, engineering industries, and in top-tier law firms in Perth and London.

3. Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Board meetings	
	Meetings attended	Meetings held
Mr N Butcher	4	4
Mr G Morgan	2	4
Mrs L Ferris	3	4
Mr A Clifford	3	4
Mrs M Belgiorno	2	3
Mrs S Chamberlain	4	4
Mr M McCusker	3	4
Mr D Richardson	3	4
Mr J Zichy-Woinarski	3	4
Mr G Fergusson	4	4
Ms Martine Maron	1	1

4. Principal activities

The principal activities of the Company during the course of the financial year were directed toward the conservation of Australia's wildlife, particularly threatened species and ecosystems. These activities included:

- the establishment of wildlife sanctuaries including through the acquisition of land and the development of partnerships with other landholders;
- the implementation of on-ground conservation programs including translocations of threatened wildlife, feral animal control, weed control and fire management;
- the conduct of scientific research addressing the key threats to Australia's wildlife; and
- the carrying out of public education and visitor programs designed to enhance awareness of conservation issues.

There were no significant changes in the nature of the activities of the Company during the period.

5. Operating and financial review

Overview of the company

The overall operating surplus for the year was $548,123 (2022: $1,224,881 deficit). The surplus was used to continue improvements to infrastructure for new and existing properties. The surplus represents an increase to the result by $1,773,005 compared to 2021-22 and reflects an increase in donation and bequest income.

Our continued, disciplined approach to controlling expenditure and ensuring it is overwhelmingly focused on field operations while keeping administrative and fundraising costs at a minimum, contributed to a surplus result.

The Company's operations during the year enabled the organisation to successfully carry out its principal activities. As a charitable organisation, AWC development programs have raised sufficient funds for the execution of these activities.

Review of principal activities

Key outcomes from AWC's operations in 2022-23 included:

- As at 28 February 2023, AWC delivered conservation and land management activities across 31 owned or managed properties covering 12.99 million hectares (32.10 million acres).
- Substantial on-ground programs were delivered at AWC sanctuaries around Australia. For example:
  - From our base at Mornington and Charnley River-Artesian Range, AWC implemented fire management (EcoFire and partnership projects) across more than 6.5 million hectares of the Kimberley in
  - collaboration with a range of other landholders. Together with extensive fire management across AWC's other properties, especially in northern Australia, AWC delivered the largest fire management program of any non-government organisation in Australia.
  - AWC continues to manage more fox and cat-free land on mainland Australia than any other organisation.
  - AWC implements one of the nation's largest threatened mammal translocation/reintroduction programs across our sanctuaries including Scotia, Karakamia, Yookamurra, Faure Island, Paruna, Newhaven, North Head, The Pilliga, Mallee Cliffs and Mt Gibson. In total, AWC has conducted more than 100 mammal translocations.
  - Completion of fence construction and feral animal eradication for the first feral predator-free area in tropical northern Australian at Mt Zero-Taravale.
  - Successful eradication of feral predators within the fenced area of the Pilliga State Conservation Area.
  - Further progression in construction of operations infrastructure at Mallee Cliffs and The Pilliga.
  - A range of other programs were carried out across AWC sanctuaries including weed control and the establishment and maintenance of sanctuary infrastructure.
- A range of strategic science monitoring and research programs were carried out by AWC.
- The results of AWC's Ecohealth monitoring, and evaluation program were published on AWC's website.
- The research programs, involving collaboration with a range of partners, address key issues affecting biodiversity in Australia including:
  - The ecology and conservation of threatened species.

- Factors affecting the decline of small mammals in Australia, and how key threats (particularly feral predators) can be managed.
- Reintroductions of threatened mammals – including optimising translocation methods and genetic management.
- The ecology of reintroduced mammals, their interactions with the fauna and flora of host sites, and their impacts on ecological processes.
- The optimal management of fire for conservation.
- The impact of grazing on native species and ecosystems, and the optimal management of grazing for conservation.
- Improved techniques for monitoring native animals (drones, thermal cameras, artificial intelligence).
- The impacts of climate change on conservation of biodiversity, and adaptation measures to mitigate those impacts.

• Environmental education and visitor programs were carried out at several sanctuaries including Mornington, Karakamia, Paruna, Yookamurra (which hosted a series of school visits), Charnley River-Artesian Range and Bowra.

Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

6. Dividends

The constitution of the Company does not permit the payment of dividends.

7. Events subsequent to reporting date

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

8. Likely developments

The Company will continue to pursue its principal activities identified above.

In the opinion of the directors, further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

9. Environmental regulation

The Company's operations are subject to significant environmental regulation under both Commonwealth and State legislation. Based upon the results of inquiries made, the directors are not aware of any significant breaches during the period covered by this report.

10. Indemnification and insurance of officers and auditors

Indemnification

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Company.

Insurance Premiums

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

Australian Wildlife Conservancy

11. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 9 and forms part of the directors' report for financial year ended 28 February 2023.

This report is made with a resolution of the directors:

Nick Butcher
Director

Sophie Chamberlain
Director

Dated at Newhaven this 19th day of May 2023.

Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of Australian Wildlife Conservancy

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 28 February 2023 there have been:

i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Matthew Hingeley

Partner

Perth

19 May 2023

Australian Wildlife Conservancy
Statement of profit or loss
and other comprehensive income
For the year ended 28 February 2023

	Note	2023 $	2022 $
REVENUE			
Donations and grants		26,008,678	20,084,625
Sanctuary income		3,092,479	2,474,355
Other revenue		5,554,153	4,680,070
Total revenue	5	**34,655,310**	**27,239,050**
EXPENDITURE			
Administration and development			
Administration expenses		3,088,241	2,905,690
Development (fundraising) expenses		2,996,813	2,305,968
Total administration and development expenses		**6,085,054**	**5,211,658**
Conservation programs			
Conservation assessment and policy		3,338,390	3,014,623
Conservation programs (sanctuary management)			
♦ Southwest region (Faure Island, Karakamia, Mt Gibson, Paruna)		2,529,252	2,498,043
♦ Kimberley (Charnley River-Artesian Range, Dambimangari, Marion Downs, Mornington, Tableland, Yampi, Wilinggin)		7,574,610	6,643,541
♦ Queensland & Northern Territory (Bowra, Brooklyn, Bullo River, Curramore, Mt Zero & Taravale, NAPCo, Newhaven, Ngalurrtju, Piccaninny Plains, Pungalina & Seven Emu, Richard Underwood Reserve, Wongalara)		8,253,267	6,843,173
♦ Southeast region (Buckaringa, Dakalanta, Gorton Forest, Kalamurina, Kangaroo Island, Mallee Cliffs, Neds Corner, The Pilliga, Scotia, Yookamurra)		7,560,039	6,129,746
Total conservation program expenses		**29,255,558**	**25,129,126**
Total operating expenditure		**35,340,612**	**30,340,784**
Financial income	8	1,277,704	1,919,849
Financial expenses	8	(44,279)	(42,996)
Net finance income		**1,233,425**	**1,876,853**
Surplus/(Deficit) for the period / Total comprehensive income		**548,123**	**(1,224,881)**

This statement of profit or loss and other comprehensive income is to be read in conjunction with the notes accompanying the financial statements.

Australian Wildlife Conservancy
Statements of changes in equity
For the year ended 28 February 2023

	Retained earnings	Total equity
2023		
Balance at 1 March 2022	103,482,765	103,482,765
Total comprehensive income for the period		
Surplus for the period	548,123	548,123
Total comprehensive income for the period	**548,123**	**548,123**
Balance at 28 February 2023	**104,030,888**	**104,030,888**
2022		
Balance at 1 March 2021	104,707,646	104,707,646
Total comprehensive income for the period		
Deficit for the period	(1,224,881)	(1,224,881)
Total comprehensive income for the period	**(1,224,881)**	**(1,224,881)**
Balance at 28 February 2022	**103,482,765**	**103,482,765**

This statement of changes in equity is to be read in conjunction with the notes accompanying the financial statements.

Australian Wildlife Conservancy

Statement of financial position

As at 28 February 2023

	Note	2023 $	2022 $
ASSETS			
Current assets			
Cash and cash equivalents	*9*	12,206,986	11,702,202
Other financial assets	*10*	15,256,799	15,850,000
Trade and other receivables	*11*	2,123,861	2,032,201
Inventory	*12*	-	441,592
Total current assets		29,587,646	30,025,995
Non-current assets			
Other investments	*13*	16,765,339	16,681,168
Property, plant and equipment	*14*	67,365,806	65,088,843
Total non-current assets		84,131,145	81,770,011
TOTAL ASSETS		**113,718,791**	**111,796,006**
LIABILITIES			
Current liabilities			
Trade and other payables	*15*	1,856,153	1,872,238
Employee benefits	*16*	2,441,194	2,228,948
Lease liability	*17*	522,878	339,171
Total current liabilities		4,820,225	4,440,357
Non-current liabilities			
Employee benefits	*16*	193,147	153,409
Lease liability	*17*	4,674,531	3,719,475
Total non-current liabilities		4,867,678	3,872,884
TOTAL LIABILITIES		**9,687,903**	**8,313,241**
NET ASSETS		**104,030,888**	**103,482,765**
EQUITY			
Retained earnings	*18*	104,030,888	103,482,765
TOTAL EQUITY		**104,030,888**	**103,482,765**

This statement of financial position is to be read in conjunction with the notes accompanying the financial statements.

Australian Wildlife Conservancy

Statement of cash flows

For the year ended 28 February 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Cash receipts from customers		9,861,450	8,403,705
Cash receipts from donations and grants		26,008,678	20,084,625
Cash paid to suppliers and employees		(33,247,562)	(27,940,684)
Cash generated from operations		2,622,566	547,646
Interest and bank fees paid		(44,279)	(42,996)
Net cash from operating activities	*19*	**2,578,287**	**504,650**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		72,273	45,750
Proceeds / (Acquisition) from other financial assets		923,202	4,031,825
Interest received		576,167	99,082
Acquisition of property, plant and equipment		(3,451,492)	(4,188,481)
Dividends received		287,365	106,524
Net cash (used in) / from investing activities		**(1,592,485)**	**94,700**
Cash flows from financing activities			
Payments for finance leases		(481,018)	(370,684)
Net cash used in financing activities		(481,018)	(370,684)
Net increase in cash and cash equivalents		504,784	228,666
Cash and cash equivalents at start of period		11,702,202	11,473,536
Cash and cash equivalents at 28 February	*9*	**12,206,986**	**11,702,202**

This statement of cash flows is to be read in conjunction with the notes accompanying the financial statements.

Australian Wildlife Conservancy
Notes to the financial statements
Guide to notes to the financial statements

Australian Wildlife Conservancy
Notes to the financial statements

1. Reporting entity

Australian Wildlife Conservancy (the 'Company') is a not for profit entity under the Australian Charities and Not-for-profit Commission Act 2012 and is a company limited by guarantee and domiciled in Australia. The registered office is at Level 2, 322 Hay Street, Subiaco, Western Australia. These financial statements of the Company are as at, and for the year ending 28 February 2023.

The Company's primary purpose is the conservation of Australia's wildlife, particularly threatened species and ecosystems.

2. Basis of preparation

(a) Statement of compliance

In the opinion of the Directors, the Company is not publicly accountable as that term is defined for the purposes of the Australian Accounting Standards (AASB 1053). For example, the company does not issue equity or debt instruments that are traded in a public market. However, the company is accountable, in the ordinary sense of that term, to its donors and other stakeholders for the performance of its conservation activities.

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures adopted by the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Company as a result of the change in basis in preparation.

The financial statements were approved by the Directors on the 19th May 2023.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following:

- financial instruments are measure at fair value through profit or loss and;
- assets held for sale are measured at the lower of their carrying amount and at fair value less costs to sell.

The methods used to measure fair values are discussed further in note 4.

(c) Functional currency

These financial statements are presented in Australian dollars, which is the functional currency of the Company.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 – Determination of fair values
- Note 14 – Property, plant and equipment
- Note 17 – Lease liabilities
- Note 21 – Contingencies

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Certain comparative amounts may have been reclassified to conform to the current year's presentation.

(a) Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or a financial liability is initially measured at fair value plus, for an item not fair value through the profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

A financial asset is measured at amortised costs if it meets both of the following conditions and is not designated as a FVTPL.

It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes it business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial instruments cont'd

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit and loss.

(b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from acquisition date that are subject to insignificant risk of changes in fair value and are used by the company in the management of its short term commitments. Call or term deposits with a longer maturity at acquisition are

classified as Other Financial Assets. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour; any other costs directly attributable to bringing the asset to a working condition for its intended use; and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Leasehold land

Leasehold land represents payments made by the Company to acquire interests in pastoral leases. Leasehold land is recorded at cost and is not depreciated unless the life of the right to the pastoral lease is considered to be fixed. In this case, the leasehold land is depreciated over the term of the lease on a straight-line basis.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated. Depreciation methods, useful lives and residual values are reassessed at the reporting date.

The estimated useful lives for the current and comparative periods are as follows:

- Freehold Improvements 7 to 33 years
- Leasehold Improvements 5 to 33 years
- Plant and Equipment 3 to 20 years

(d) Biological assets

Livestock held for sale

Biological assets are valued at fair value less costs to sell, with any change therein recognised in profit or loss.

AWC has certain obligations under pastoral lease legislation in Western Australia, Queensland, New South Wales, South Australia and Northern Territory. The costs of livestock kept on an Australian Wildlife Conservancy property to ensure compliance with such legislation is expensed as incurred. The reason for this policy is that such livestock is only held to ensure compliance with the pastoral lease legislation and so is regarded as akin to maintenance.

(e) Leased assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in AASB 16.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocated the consideration in the contract of each lease component based on its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plug any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site of which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in-substance fixed payments; variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the varying value of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statement of financial position.

Leased assets cont'd

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

(f) Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Financial assets

A financial asset is impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity to the extent of that previous revaluation, with any excess recognised through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets (other than biological assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised as profit or loss.

The recoverable amount of an asset is the greater of its value in use and its fair value (less costs to sell). Replacement cost is used to assess value in use.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Employee benefits

Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs; that benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term benefits

Short-term employee benefits are expensed as the related service is provided. Liabilities recognised represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating benefits, such as sick leave or medical care, are expensed based on the net marginal cost to the Company as the benefits are taken by the employees.

(h) Revenue

Revenue recognition under AASB 1058 – Income of Not-for-Profit Entities

Revenue recognition for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations which includes donations, gifts and grants is recognised under AASB 1058.

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the Company gains control of the asset and the amount can be measured reliably.

Income on donations received 'in kind' is recognised at the fair value of the donation. The fair value of donations received 'in kind' is established by an independent certified property valuer.

Legacies

Legacies are recognised when the company is notified of an impending distribution or the legacy is received, whichever occurs earlier. Revenue from legacies comprising bequest of shares or other property are recognised at fair value, being the market value of the shares or property at the date the company becomes legally entitled to the shares or property.

Grant Income

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but maybe property which has been donated to the Company. Once the asset has been recognised, the Company recognises any related liability amounts and the difference between the asset and any liability is recognised as income.

Revenue cont'd

Capital grants

Capital grants received under an enforceable agreement to enable the Company to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the company (once complete) are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of completeness of the construction project as there is no profit margin.

No amounts are included in the financial report for services donated by volunteers.

Revenue recognition under AASB 15 – Revenue from contracts with customers

Under AAB 15 revenue is recognised when the completion of performance obligations or milestones as revenue is earned.

Grant income

Grant income is recognised under AASB 15 when the grant agreement contains enforceable and sufficiently specific performance obligations is satisfied. Within some grant agreements there may be some performance obligations where control transfers at a point in time and other which have continuous transfer of control over the life of the contract.

Sanctuary income

Sanctuary income is revenue originating from sanctuary-based activities including education and visitor programs. Sanctuary income is recognised as it accrues.

Interest income

Interest revenue is recognised as it accrues.

(i) Finance income and expenses

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, dividends on preference shares classified as liabilities, foreign currency losses, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

(j) Income tax

The Company is exempt from income tax under Section 23(e) of the Income Tax Assessment Act.

(k) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(l) Inventory

The inventory held by the Company are carbon credits which are held for sale. Upon receipt of the carbon credits, they are accounted for at fair value and at year end are assessed for the lower of cost and net realisable value.

4. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Investments in equity securities

The fair value of financial assets at fair value through profit or loss is based on inputs other than quoted prices that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

5. Revenue

	2023 $	2022 $
Revenue recognised under AASB 1058 Income for NFP entities		
Donations, gifts and sponsorship	24,652,268	19,544,702
Government and other grants	1,295,610	467,323
	25,947,878	20,012,025
Revenue from contracts with customers		
Government and other grants	60,800	72,600
Sanctuary income	3,092,479	2,474,355
Other revenue	5,554,153	4,680,070
	8,707,432	7,227,025
Total	34,655,310	27,239,050

	2023 $	2022 $
Revenue from contracts with customers		
Revenue at a point in time	4,100,779	3,035,985
Revenue earned over time	4,606,653	4,191,040
	8,707,432	7,227,025

6. Personnel expenses

	2023 $	2022 $
Salaries & wages	16,620,070	14,893,358
Contributions to defined contribution superannuation funds	1,698,636	1,438,694
(Decrease)/Increase in liability for long service leave	(1,996)	60,086
Increase in liability for annual leave	104,121	35,914
Workers' compensation insurance and fringe benefits tax	506,000	403,909
Staff recruitment, training and other	476,429	450,890
	19,403,260	17,282,851

7. Related parties

(a) Key management personnel compensation

The key management personnel compensation included in personnel expenses (see note 6) was $1,806,636 for the year ended 28 February 2023 (2022: $1,570,643).

The Non-Executive Directors of Australian Wildlife Conservancy are not remunerated.

(b) Related parties transactions

The Company rents car bays from the trustee for the Martin Copley Will Trust, an entity related to Sophie Chamberlain (Director). All dealings are in the ordinary course of business and on normal commercial terms. During the year ended 28 February 2023, the Company paid $14,520 (2022: $11,910) for the rent of car bays on this property. There was no amount outstanding as at 28 February 2023 (2022: $nil).

The Company rents an office in Sydney from Grant Samuel Services Pty Ltd, an entity related to Guy Fergusson (Director), except that the rent is paid on a substantially pro bono basis. During the year ended 28 February 2023, the Company paid $68,953 (2022: $6,016) for the rent of office space. There was no amount outstanding as at 28 February 2023 (2022: $nil).

There were no other payments to directors.

From time to time, directors of the Company or their director-related entities may make donations to the Company.

8. Finance income and expense

	2023 $	2022 $
Dividends and franking credits	1,188,237	106,524
Net gains (unrealised) on investments at fair value	(486,700)	1,714,243
Interest income	576,167	99,082
Financial income	1,277,704	1,919,849
Interest expense and financial services fees	(44,279)	(42,996)
Financial expenses	(44,279)	(42,996)
Net financing income	1,233,425	1,876,853

9. Cash and cash equivalents

	2023	2022
Current	**$**	**$**
Bank balances	1,390,713	823,319
Short term deposits	10,816,273	10,878,883
Cash and cash equivalents in statement of cash flows	12,206,986	11,702,202

As at 28 February 2023 the Company had term deposits invested at interest rates between 3.28% and 4.08% (at 28 February 2022 deposits were invested at interest rates between 0.10% and 0.50%.) The Company also held funds in an "At Call" investment account attracting 1.20% interest (2022: 0.10%).

10. Other financial assets

	2023	2022
Current	**$**	**$**
Term deposits	15,256,799	15,850,000
	15,256,799	15,850,000

As at 28 February 2023 the Company had Other financial assets consisting of term deposits invested at interest rates between 3.99% and 4.57% (at 28 February 2022 deposits were invested at interest rates between 0.30% and 0.50%).

11. Trade and other receivables

	2023	2022
Current	**$**	**$**
Trade receivables	238,967	148,241
Other receivables	756,491	940,116
Prepayments	1,128,403	943,844
	2,123,861	2,032,201

12. Inventory

Current	2023 $	2022 $
Carbon credits	-	441,592
Balance at 28 February	-	441,592

The Company held Australian Carbon Credit Units (ACCUs) at 28 February 2022 which the Company sold during the year.

13. Other investments

Non-Current	2023 $	2022 $
Investments at fair value		
Wholesale Managed Funds and ASX Quoted Managed Fund	16,765,339	16,681,168
	16,765,339	16,681,168

Financial Instruments

The following table shows the carrying amounts of financial assets and financial liabilities

	2023	2022
Finanicial assets measured at fair value through profit and loss	$	$
Wholesale Managed Funds and ASX Quoted Managed Fund	16,765,339	16,681,168
	16,765,339	16,681,168
Financial assets measured at amortised cost		
Trade receivables	238,967	148,241
Cash and cash equivalents	12,206,986	11,702,202
Term deposits	15,256,799	15,850,000
	27,702,752	27,700,443
Financial liabilites measured at amortised cost		
Trade payables	790,220	661,083
	790,220	661,083

The Company holds Wholesale Managed Funds and ASX Quoted Managed Funds. Wholesale managed fund units held at the reporting date are revalued to the redemption value at that date, as advised by the issuers of the units. Quoted Managed Funds held at reporting date are valued on the quoted market price.

14. Property, plant and equipment

	Freehold Land & Improve-ments	Leasehold Land & Improve-ments	Plant & Equipment	Under Construc-tion	Total
Cost or deemed cost					
Balance at 1 March 2021	12,019,670	30,705,878	30,030,956	549,633	73,306,137
Recognition of Right of Use Asset	-	(54,608)	-	-	(54,608)
Acquisitions / Donations	426,409	-	2,811,817	1,482,257	4,720,483
Disposals	-	-	(81,106)	-	(81,106)
Transfers	-	-	83,111	(83,111)	-
Depreciated Assets Written Off	-	-	(1,780,872)	-	(1,780,872)
Balance at 28 February 2022	12,446,079	30,651,270	31,063,906	1,948,779	76,110,034
Balance at 1 March 2022	12,446,079	30,651,270	31,063,906	1,948,779	76,110,034
Recognition of Right of Use Asset	-	1,103,592	-	-	1,103,592
Acquisitions / Donations	-	-	3,201,177	1,346,036	4,547,213
Disposals	-	-	(77,083)	-	(77,083)
Depreciated Assets Written Off	-	(71,234)	(2,499,782)	-	(2,571,016)
Balance at 28 February 2023	12,446,079	31,683,628	31,688,218	3,294,815	79,112,740
Depreciation and impairment Losses					
Balance at 1 March 2021	-	34,727	10,057,457	-	10,092,184
Depreciation charge	-	2,137	2,472,400	-	2,474,537
Disposals	-	-	(40,286)	-	(40,286)
Reclassification	-	-		-	-
Depreciated Assets Written Off	-	-	(1,505,244)	-	(1,505,244)
Balance at 28 February 2022	-	36,864	10,984,327	-	11,021,191
Balance at 1 March 2022	-	36,864	10,984,327	-	11,021,191
Depreciation charge	-	-	2,436,766	-	2,436,766
Disposals	-	-	(44,516)	-	(44,516)
Depreciated Assets Written Off	-	(36,864)	(1,629,643)	-	(1,666,507)
Balance at 28 February 2023	-	-	11,746,934	-	11,746,934
Carrying amounts					
At 1 March 2021	12,019,670	30,671,151	19,973,499	549,633	63,213,953
At 28 February 2022	12,446,079	30,614,406	20,079,579	1,948,779	65,088,843
At 28 February 2023	12,446,079	31,683,628	19,941,284	3,294,815	67,365,806

Leasehold land and improvements include the recognition of a right of use asset in relation to the Company's pastoral and office leases.

15. Trade and other payables

	2023	2022
Current	**$**	**$**
Trade payables	790,220	661,083
Other payables	120,911	81,796
Contract Liabilities	945,022	1,129,359
	1,856,153	1,872,238

16. Employee benefits

	2023	2022
Current	**$**	**$**
Liability for annual Leave	1,148,936	1,044,814
Accrued Salaries	491,529	362,029
Superannuation contributions	190,567	170,210
Liability for long service leave	610,162	651,895
	2,441,194	2,228,948
Non-current		
Liability for long service leave	193,147	153,409
	193,147	153,409
Total employee benefits	2,634,341	2,382,357

Defined contribution plans

The Company makes superannuation contributions to defined contribution plans. The amount recognised as an expense was $1,698,636 for the year ended 28 February 2023 (2022: $1,438,690).

17. Lease liability

Current	2023 $	2022 $
Lease Liability	522,878	339,171
	522,878	339,171

Non Current	2023 $	2022 $
Lease Liability	4,674,531	3,719,475
	4,674,531	3,719,475

Lease Payments Due	2023 $	2022 $
Less than one year	550,384	310,770
Between one and five years	1,428,202	1,184,796
More than five years	27,142,059	25,287,048
	29,120,645	26,782,613

Lease liability comprises of pastoral leases and office leases over the expected life of leases discounted back to present value using an incremental borrowing rate of 5% over a period of 101 to 189 years (including reasonably probable lease extensions) for pastoral leases. The pastoral leases which are held in WA, Qld, NT and NSW typically run for a period of between 10 and 99 years, with a statutory or other option to renew the lease after that date. Two of AWC's pastoral leases are perpetual and have no termination date. Office leases run for a period of up to 5 years and have been discounted back to present value using an incremental borrowing rate of 2.75% to 6.34%. Lease payments represent undiscounted future lease payments for the time period 1 year to 188 years.

18. Capital and reserves

Reconciliation of movement in capital and reserves

	Retained earnings	Total Equity
Balance at 1 March 2021	104,707,646	104,707,646
Total comprehensive Income	(1,224,881)	(1,224,881)
Balance at 28 February 2022	103,482,765	103,482,765
Balance at 1 March 2022	103,482,765	103,482,765
Total comprehensive Income	548,123	548,123
Balance at 28 February 2023	104,030,888	104,030,888

Australian Wildlife Conservancy is a not-for-profit, charitable organisation limited by guarantee and hence has no issued share capital. Each of the eleven members has guaranteed an amount of $50.

19. Reconciliation of cash flows from operating activities

	2023 $	2022 $
Surplus / (Deficit) for the period	548,123	(1,224,881)
Adjustments for:		
Depreciation and amortisation	2,722,037	2,629,028
Change in fair value of financial assets	84,171	(1,714,243)
Interest received	(576,167)	(99,082)
Dividends received	(287,365)	(106,524)
Inventory	-	(441,592)
(Profit) /Loss on sale of property, plant and equipment	(34,572)	10,817
Operating profit / (loss) before changes in working capital	2,456,227	(946,477)
Adjustments for changes in:		
Trade and other receivables	(91,438)	1,027,766
Trade and other payables	(38,486)	(37,901)
Employee benefits	251,984	461,262
Net cash from operating activities	2,578,287	504,650

20. Commitments for expenditure

Other commitments are expenditure for collaboration agreements where AWC and a third party have entered into an arrangement to manage and conserve an area of land.

	2023	2022
Non Current	$	$
Less than one year	1,090,000	1,090,000
Between one and five years	3,370,000	3,890,000
More than five and less than fifty years	-	570,000
	4,460,000	5,550,000

21. Contingencies

Under the terms of the grant agreements between Department of the Environment & Heritage and the Australian Wildlife Conservancy, the Company must seek to:

- Protect the land held at Brooklyn Pastoral Holding for 99 years, with a minimum investment of $750,000 over 5 years from the date of the agreement.
- Protect the land held at Scotia Sanctuary, Newhaven, Mornington, Marion Downs, Kalamurina, Wongalara, Taravale Station, Mt Zero and Pungalina for 99 years under voluntary conservation agreements.

The directors are of the opinion that provisions are not required in respect of these matters. The minimum investment at Brooklyn has already been exceeded.

In January 2023, as a result of Cyclone Ellie, AWC sanctuaries located in the East Kimberley received a significant amount of flooding. AWC has written off certain assets identified as damaged as a result of this flood where such damage could be assessed and reasonably estimated. There are other assets which require further assessment by engineers and other technical specialists to determine the full extent of damage. However, access to the site has been limited due to an ongoing wet season, availability of technical specialists has been restricted, and there has been severe disruption to transport infrastructure in the region; accordingly, the further assessment had not been completed at the reporting date. AWC has an open insurance claim with its insurer in relation to this event. The directors are of the opinion that provisions are not required in respect of these matters because the value of property loss and any amount receivable from the claim cannot be reliably estimated at reporting date.

22. Economic dependency

Approximately 13% (2022: 14%) of the Company's donations are from its directors and officers or director-related entities.

23. Subsequent events

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

24. Auditors' remuneration

	2023	2022
Audit of financial statements	$	$
Total paid to KPMG	46,575	46,575
	46,575	46,575

Australian Wildlife Conservancy

Directors' declaration

In the opinion of the directors of Australian Wildlife Conservancy ('the Company'):

(a) the Company is not publicly accountable as that term is defined for the purposes of the Australian Accounting Standards (AASB 1053).

(b) the financial statements and notes, set out on pages 10 to 30, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
   (i) giving a true and fair view of the Company's financial position as at 28 February 2023 and of its performance, for the financial year ended on that date; and
   (ii) complying with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profit Commission Regulations 2013.

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Nick Butcher	Sophie Chamberlain
Director	Director

Dated at Newhaven this 19th day of May 2023.

Independent Auditor's Report

To the Members of Australian Wildlife Conservancy

Opinion

We have audited the ***Financial Report***, of the Australian Wildlife Conservancy (the Company).

In our opinion the accompanying Financial Report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

i. Giving a true and fair view of the Company's financial position as at 28 February 2023, and of its financial performance and its cash flows for the year ended on that date; and

ii. Complying with *Australian Accounting Standards – Simplified Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNCR)*.

The ***Financial Report*** comprises:

i. Statement of financial position as at 28 February 2023;

ii. Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;

iii. Notes including a summary of significant accounting policies; and

iv. Directors' declaration of the Company.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Other information

Other Information is financial and non-financial information in Australian Wildlife Conservancy's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Requirements and the ACNC and ACNCR;

ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

iii. Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

i. To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

ii. To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

i. 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;

ii. 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 registered Company's internal control;

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

iv. 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 registered Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Company to cease to continue as a going concern; and

v. 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.

vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the Group Financial Report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for the audit opinion.

We communicate with the Directors of the registered Company 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.

KPMG

KPMG

Matthew Hingeley
Partner

Perth

19 May 2023

Australian Wildlife Conservancy

Declaration under the Charitable Fundraising Act 1991 (NSW)

I, Nick Butcher, being a Director of Australian Wildlife Conservancy, declare that the company is the holder of an authority under the Charitable Fundraising Act 1991 (NSW), registration number CFN 18200. All net surpluses obtained from fundraising appeals during the year ended 28 February 2023 were applied to conservation services, scientific research, visitor education programs and their administration.

I further declare that in my opinion:

a) the accounts give a true and fair view of the state of affairs of all the income and expenditure of the organisation with respect to fundraising appeals;
b) the balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the organisation;
c) the provisions of the Act, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the organisation; and
d) the internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

Forms of appeals

The forms of fundraising appeals conducted in NSW during the year ended 28 February 2023 were:

- organised functions for supporters by invitation only;
- applications to philanthropic foundations;
- contact with AWC supporters by email, telephone and in person; and
- donations via workplace ‘giving’ programs.

Comparative figures and ratios

The following percentages and ratios are provided for comparative purposes:

i. Total costs of fundraising as a percentage (ratio) of gross income from fundraising was 11.5% ($ 3.00m: $ 26.01m).

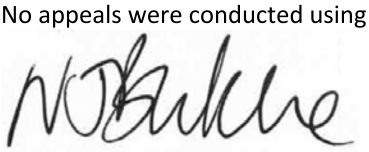
ii. Net surplus from fundraising as a percentage (ratio) of gross income from fundraising was 88.5% ($ 23.01m: $ 26.01m).

iii. Total cost of nature conservation services (*including capital expenditure*) as a percentage (ratio) of total expenditure was 83.8% ($ 31.39m: $ 37.46m).

iv. Total cost of nature conservation services (*including capital expenditure*) as a percentage (ratio) of total income was 87.4% ($31.39m: $ 35.93m).

Information on traders

No appeals were conducted using the services of traders.



Nick Butcher
Director