

Canning Agricultural Horticultural and Recreational Society (Inc.)
ABN 89 724 335 208

Financial Report

For the Year Ended 31 December 2023

Canning Agricultural Horticultural and Recreational Society (Inc.)

ABN 89 724 335 208

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For the Year Ended 31 December 2023

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Canning Agricultural Horticultural and Recreational Society (Inc.)

ABN 89 724 335 208

Committee's Report

For the Year Ended 31 December 2023

The committee members submit the financial report of Canning Agricultural Horticultural and Recreational Society (Inc.) for the financial year ended 31 December 2023.

Committee members

The names of committee members throughout the year and at the date of this report are:

Maxine Wylie	President
Raymond Porter	Vice President
Colin Dawkins	Member
Geoffrey Crocos	Member
Geoffrey Moor	Member
Jennifer Outram	Member
Colleen Edmeades	Member
Maureen Chew	Member (retired on 18 April 2023)
Leonard Robinson	Member
Claire Porter	Member
Afra Yusya	Member
Bradley Lewis-McKnight	Member (elected on 18 April 2023)
Victoria Jones	Member

Principal activities

The principal activities of the Association during the financial year were:

- Provide premises and buildings for use by members, community groups and the general public to conduct cultural, commercial and social activities;
- Provide Bunnings with leased premise for the use as a retail warehouse;
- Provide WAGRA with leased premises for the conduct of greyhound racing;
- Provide the Commonwealth of Australia leased premises for use by the Air Training Corp; and
- Conduct the annual Canning Show and other community events.

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The surplus/(deficit) of the Association for the financial year amounted to \$ 332,871 (2022: \$ (24,809)).

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Committee's Report

For the Year Ended 31 December 2023

Events after the reporting date

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

Auditor's independence declaration

The auditor's independence declaration in accordance with section 80 of the *Associations Incorporation Act 2015 (WA)* for the year ended 31 December 2023 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Members of the Committee:

Committee member: *Maxine L. Mylie* Committee member: *[Signature]*

²⁶
Dated 31 March 2024

[Signature]

Auditor's Independence Declaration under Section 80 of the Associations Incorporation Act 2015 (WA)

To: the Committee of Canning Agricultural Horticultural and Recreational Society (Inc.)

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2023 there have been:

- (i) no contraventions of the auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

DRY KIRKNESS (AUDIT) PTY LTD

Date: 31st March 2024
West Perth
Western Australia

B ROTHMAN
Director

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2023

		2023	2022
	Note	\$	\$
Revenue	4	1,944,305	1,827,043
Administration expense	5	(895,007)	(809,367)
Buildings and grounds expense	5	(564,144)	(380,097)
Canning Show expense		(73,238)	(87,502)
Events and functions expense		(77,552)	(73,625)
Net loss on retirement of property, plant and equipment		(1,493)	(501,261)
Surplus/(Deficit) before income tax		332,871	(24,809)
Income tax expense	2(d)	-	-
Surplus/(Deficit) for the year		332,871	(24,809)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Revaluation changes for property, plant and equipment		1,966,848	-
Total other comprehensive income for the year		1,966,848	-
Total comprehensive income for the year		2,299,719	(24,809)

The accompanying notes form part of these financial statements.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Statement of Financial Position

As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	170,204	2,426,669
Trade and other receivables	7	29,614	65,535
TOTAL CURRENT ASSETS		199,818	2,492,204
NON-CURRENT ASSETS			
Property, plant and equipment	8	43,461,466	38,184,277
TOTAL NON-CURRENT ASSETS		43,461,466	38,184,277
TOTAL ASSETS		43,661,284	40,676,481
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	141,106	278,583
Employee benefits	11	46,337	46,337
Other liabilities	12	238,111	248,650
TOTAL CURRENT LIABILITIES		425,554	573,570
NON-CURRENT LIABILITIES			
Borrowings	10	970,100	-
Employee benefits	11	1,621	1,621
Other liabilities	12	112,325	249,325
TOTAL NON-CURRENT LIABILITIES		1,084,046	250,946
TOTAL LIABILITIES		1,509,600	824,516
NET ASSETS		42,151,684	39,851,965
EQUITY			
Asset revaluation reserve		30,943,447	28,976,599
Retained earnings		11,208,237	10,875,366
TOTAL EQUITY		42,151,684	39,851,965

The accompanying notes form part of these financial statements.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Statement of Changes in Equity

For the Year Ended 31 December 2023

2023

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2023	10,875,366	28,976,599	39,851,965
Surplus for the year	332,871	-	332,871
Revaluation increment/(decrement)	-	1,966,848	1,966,848
Balance at 31 December 2023	11,208,237	30,943,447	42,151,684

2022

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2022	10,900,175	28,976,599	39,876,774
Deficit for the year	(24,809)	-	(24,809)
Balance at 31 December 2022	10,875,366	28,976,599	39,851,965

The accompanying notes form part of these financial statements.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Statement of Cash Flows

For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,928,387	1,868,423
Payments to suppliers and employees	(1,589,901)	(1,159,635)
Interest paid	(31,430)	-
Interest received	-	17,984
Net cash provided by operating activities	20(b) <u>307,056</u>	<u>726,772</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(3,533,621)</u>	<u>(4,075,752)</u>
Net cash used in investing activities	<u>(3,533,621)</u>	<u>(4,075,752)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	<u>970,100</u>	-
Net cash provided by financing activities	<u>970,100</u>	-
Net decrease in cash and cash equivalents held	(2,256,465)	(3,348,980)
Cash and cash equivalents at beginning of year	<u>2,426,669</u>	<u>5,775,649</u>
Cash and cash equivalents at end of financial year	20(a) <u><u>170,204</u></u>	<u><u>2,426,669</u></u>

The accompanying notes form part of these financial statements.

Canning Agricultural Horticultural and Recreational Society (Inc.)

ABN 89 724 335 208

Notes to the Financial Statements

For the Year Ended 31 December 2023

The financial report covers Canning Agricultural Horticultural and Recreational Society (Inc.) as an individual entity. Canning Agricultural Horticultural and Recreational Society (Inc.) ("the Association") is a not-for-profit Association incorporated in Western Australia under the *Associations Incorporation Act 2015 (WA)* ("the Act").

The functional and presentation currency of Canning Agricultural Horticultural and Recreational Society (Inc.) is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures and the Act.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Revenue and other income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information (Continued)

(a) Revenue and other income (Continued)

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Rental income

The Association ("Lessor") has reviewed its leases and has classified them as operating leases in accordance with AASB 16 *Leases* on the basis that the Association substantially retains all of the risks and benefits incident to ownership of the leased items. Lease revenue is recognised on a straight-line basis over the lease term, net of any incentives.

Event income

Event income is recognised at a point in time when the given performance obligation is met, that is, when customers receive and consume the benefits of the services as the Association provides them, the revenue recognition model is based on the time elapsed output method.

Interest income

Interest is recognised using the effective interest method.

(b) Volunteer services

The Association utilises volunteers to conduct its Annual Canning Show over two days in November of each calendar year. AASB 1058 requires the recognition of volunteer services where they would have been purchased if not donated and the fair value of the services can be reliably measured.

The Association has determined that the fair value of volunteer services cannot be reliably measured and therefore, no amounts are included in the financial statements for services donated by volunteers.

(c) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost or revaluation model.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information (Continued)

(c) Property, plant and equipment (Continued)

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	10 - 15%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(d) Income Tax

The Association is a not-for-profit association and is self-assessed as not subject to income tax.

(e) Financial instruments

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information (Continued)

(e) Financial instruments (Continued)

Financial assets (Continued)

Amortised cost

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Financial liabilities

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

3 Critical Accounting Estimates and Judgments

The Committee make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

Key estimates - useful lives of property, plant and equipment

As described in Note 2(c), the Association reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgements - employee benefits

For the purpose of measurement, AASB119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the Association expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the Association believes that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

4 Revenue and Other Income

	2023	2022
Note	\$	\$
Revenue from contracts with customers (AASB 15)		
- Canning Show	178,365	190,477
- Event ticket sales	41,701	32,989
- Member subscriptions	5,848	5,792
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Other	37,745	33,530
Other		
- Rental income	1,680,646	1,552,656
- Interest income	-	11,599
	<u>1,944,305</u>	<u>1,827,043</u>

5 Result for the Year

The result for the year includes the following specific income and expenses:

Canning Show gate admission income	99,938	90,188
Showgrounds hire	36,800	35,507
Rental income:		
- Bunnings lease	1,096,864	1,063,218
- WAGRA lease	279,411	261,424
- Department of Defence lease	111,183	65,425
- Halls	193,188	162,589
- depreciation expense	(221,787)	(221,521)
Employee benefit expenses	(400,526)	(370,467)

6 Cash and Cash Equivalents

Cash on hand	350	287
Operating account	168,893	2,426,320
Debit mastercard	961	62
	<u>170,204</u>	<u>2,426,669</u>

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7 Trade and Other Receivables

CURRENT		
Trade receivables	13 28,097	3,815
GST receivable	-	61,601
Deposit	13 1,517	119
	<u>29,614</u>	<u>65,535</u>

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

8 Property, plant and equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At independent valuation - CAHRS	21,690,000	9,486,000
At independent valuation - WAGRA and commercial site	18,684,000	17,062,784
Total freehold land	<u>40,374,000</u>	<u>26,548,784</u>
Buildings		
At independent valuation - CAHRS	1,940,000	2,893,783
At independent valuation - WAGRA and commercial site	1,370,000	145,950
At cost	-	5,029,061
Accumulated depreciation	<u>(274,000)</u>	<u>(1,186,867)</u>
Total buildings	<u>3,036,000</u>	<u>6,881,927</u>
Total land and buildings	<u>43,410,000</u>	<u>33,430,711</u>
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	-	4,684,444
Plant and equipment		
At independent valuation	158,752	158,752
At cost	178,997	180,490
Accumulated depreciation	<u>(286,283)</u>	<u>(270,120)</u>
Total plant and equipment	<u>51,466</u>	<u>69,122</u>
Total property, plant and equipment	<u>43,461,466</u>	<u>38,184,277</u>

The Association's land and buildings were revalued at 31 December 2023 by independent valuers - McGees Property. Valuations were made on the basis of open market value in an arms length transaction based on similar properties for land and the capitalisation rate method for buildings. The revaluation increment was credited against the asset revaluation reserve in equity.

(a) Movements in Carrying Amounts

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

	Capital Works in Progress	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$	\$
Year ended 31 December 2023					
Balance at the beginning of year	4,684,444	26,548,784	6,881,927	69,122	38,184,277
Additions	3,408,456	-	125,165	-	3,533,621
Disposals	-	-	-	(1,493)	(1,493)
Depreciation expense	-	-	(205,624)	(16,163)	(221,787)
Revaluation increase/(decrease)	<u>(8,092,900)</u>	<u>13,825,216</u>	<u>(3,765,468)</u>	<u>-</u>	<u>1,966,848</u>
Balance at the end of the year	<u>-</u>	<u>40,374,000</u>	<u>3,036,000</u>	<u>51,466</u>	<u>43,461,466</u>

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

8 Property, plant and equipment (Continued)

(b) Leased land and building

The Association leases buildings to external parties with rental payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

	<u>< 1 year</u>	<u>1 to 5</u>	<u>> 5 years</u>	<u>Total</u>
	\$	\$	\$	\$
2023				
Undiscounted lease payments	1,219,932	5,654,274	27,611,721	34,485,927

9 Trade and Other Payables

	Note	2023 \$	2022 \$
CURRENT			
Trade payables	13	62,160	191,995
Deposits	13	16,719	18,752
GST/PAYG payable		14,758	15,254
Other payables	13	5,688	4,312
Refundable bonds	13	35,826	36,710
Superannuation payable	13	5,955	11,560
		<u>141,106</u>	<u>278,583</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10 Borrowings

NON-CURRENT

Secured liabilities:

Bank loans	13	970,100	-
Total non-current borrowings		<u>970,100</u>	<u>-</u>

The loan is interest only at 6.28% p.a., expiring 3 August 2027. The loan is secured by Registered Mortgage over land and buildings held at 1430 Albany Highway, Cannington.

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Notes to the Financial Statements

For the Year Ended 31 December 2023

11 Employee Benefits

	Note	2023 \$	2022 \$
CURRENT			
Annual leave		25,233	25,233
Long service leave		<u>21,104</u>	<u>21,104</u>
		<u>46,337</u>	<u>46,337</u>
NON-CURRENT			
Long service leave		<u>1,621</u>	<u>1,621</u>
		<u>1,621</u>	<u>1,621</u>

12 Other Liabilities

CURRENT			
Rent received in advance		101,111	111,650
Demolition costs and development contributions - Bunnings	13	<u>137,000</u>	<u>137,000</u>
		<u>238,111</u>	<u>248,650</u>
NON-CURRENT			
Demolition costs and development contributions - Bunnings	13	<u>112,325</u>	<u>249,325</u>
		<u>112,325</u>	<u>249,325</u>

13 Financial Risk Management

Financial assets

Held at amortised cost

Cash and cash equivalents	6	170,204	2,426,669
Trade and other receivables	7	<u>29,614</u>	<u>3,934</u>

Total financial assets

199,818 2,430,603

Financial liabilities

Measured at amortised cost

Trade and other payables	9	126,348	263,329
Other liabilities	12	249,325	386,325
Borrowings	10	<u>970,100</u>	<u>-</u>

Total financial liabilities

1,345,773 649,654

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

14 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association is \$ 120,981 (2022: \$ 115,485).

15 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor, Dry Kirkness for:		
- auditing or reviewing the financial statements	<u>10,641</u>	<u>10,255</u>
Total	<u><u>10,641</u></u>	<u><u>10,255</u></u>

16 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2023 (31 December 2022:None).

17 Capital Expenditure Commitments

Capital expenditure commitments contracted for:

- Design and construction works for Cannington Central	<u>343,772</u>	<u>4,056,778</u>
	<u><u>343,772</u></u>	<u><u>4,056,778</u></u>

The Cannington Central works was completed in February 2024. The project is funded by a loan facility of \$4 million which as provided by BankWest. Refer to Note 10 and 20(c).

18 Leases

The Association has a peppercorn lease with the Station Street Men's Shed Inc. ("SSMS") for the purpose of housing a Men's Shed.

Pursuant to a Memorandum of Understanding between the parties, the Association receives a peppercorn rental for the lease of the former Greyhounds WA building, known as the "Rugby Change Rooms" and shared use of a car parking area. The initial term commenced on 28 July 2015 for a period of two years with options to renew for two further terms of four years each.

19 Related Parties

(a) The Association's main related parties are as follows:

Key management personnel - refer to Note 14.

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

(b) Transactions with related parties

There were no related parties transactions in the year. (2022: \$Nil)

Canning Agricultural Horticultural and Recreational Society (Inc.)

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Notes to the Financial Statements

For the Year Ended 31 December 2023

20 Cash Flow Information

(a) Reconciliation of cash

	2023	2022
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	170,204	2,426,669

(b) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net (deficit)/surplus to net cash provided by operating activities:

Surplus/(Deficit) for the year	332,871	(24,809)
Cash flows excluded from surplus/(deficit) attributable to operating activities		
Non-cash flows in (deficit)/surplus:		
- depreciation expense	221,787	221,521
- net loss on retirements of property, plant and equipment	1,493	501,261
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(25,680)	17,730
- increase/(decrease) in trade and other payables	(75,876)	123,416
- increase/(decrease) in other liabilities	(147,539)	(112,347)
Cash flows from operations	<u>307,056</u>	<u>726,772</u>

(c) Loan facilities

The Association has a bank loan facility amounting to \$4,000,000. At 31 December 2023, \$970,100 of this facility was used. (2022: \$100). The loan facility will expire on 3 August 2027.

21 Events after the end of the Reporting Period

The financial report was authorised for issue on ~~26/3/24~~ by the Committee.

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

22 Statutory Information

The registered office and principal place of business of the Association is:
Canning Agricultural Horticultural and Recreational Society (Inc.)
Gate 1 Corner Station Street & Albany Highway,
Cannington WA 6107

Canning Agricultural Horticultural and Recreational Society (Inc.)

ABN 89 724 335 208

Committee's Declaration

The members of the Committee of the Association declare that the financial statements and notes, as set out on pages 4 to 18, are in accordance with the *Associations Incorporation Act 2015 (WA)* and:

- a. comply with Australian Accounting Standards - Simplified Disclosures;
- b. give a true and fair view of the financial position as at 31 December 2023 and of the performance and cash flows for the year ended on that date of the Association; and
- c. there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee.

Committee member.....*Maxine D. Wyle*..... Committee member*[Signature]*.....

Dated *26 March 2024*

INDEPENDENT AUDITOR'S REPORT

To the members of Canning Agricultural Horticultural and Recreational Society (Inc.)

Opinion

We have audited the financial report of Canning Agricultural Horticultural and Recreational Society (Inc.) ("the Association"), which comprises the statement of financial position as at 31 December 2023, 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 material accounting policy information, and the Committee's declaration.

In our opinion, the accompanying financial report of Canning Agricultural Horticultural and Recreational Society (Inc.), has been prepared in accordance with the requirements of the *Associations Incorporation Act 2015 (WA)*, including:

- (a) giving a true and fair view of the Association's financial position as at 31 December 2023 and of its financial performance and its cash flows 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*.

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 auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

The Committee members are responsible for the other information. The other information comprises the information included in the Committee's Report for the year ended 31 December 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 Committee for the Financial Report

The Committee members of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Associations Incorporation Act 2015 (WA)* and for such internal control as the Committee members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee members 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 Committee members either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 Committee members.
- Conclude on the appropriateness of the Committee members' 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 the Committee members 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.

DRY KIRKNESS (AUDIT) PTY LTD

Date: 31st March 2024
West Perth
Western Australia

B ROTHMAN
Director