

NATIVE ARC INCORPORATED
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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NATIVE ARC INCORPORATED SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Operational Summary

Committee Members

The following persons were Committee Members of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Diane Munrowd (Chairperson)	
Douglas West (Treasurer)	<i>July - October 2024 (leave of absence during this period)</i>
Linda McGowan (Interim Treasurer)	<i>July - October 2024</i>
Monique Aitkin (Treasurer)	<i>Appointed October 2024</i>
Pauline Mealor (Secretary)	
Anne Bellamy (General Member)	
Sue Henderson (General Member)	
Darren Hamley (General Member)	
Ada Chung (General Member)	
Dean Huxley (General Member)	<i>Ex officio non-voting as of April 2025</i>

Principal Activities

Native ARC Inc., trading as WA Wildlife, is a non-profit wildlife veterinary hospital and rehabilitation facility specialising in wildlife rescue, treatment, rehabilitation, environmental education, eco-tourism and community op shops.

The Hospital admits wildlife from a variety of sources including the public, veterinary clinics, local government, state government and other wildlife rescue/rehabilitation organisations.

WA Wildlife provides ongoing information, education and training opportunities to the community, educational institutions (primary, secondary and tertiary), small business and corporates to encourage behavioural change towards the environment.

Native ARC Inc. is a registered charity (licence number 21503) licensed in Western Australia under the *Charitable Collections Act 1946*.

Significant Changes

There were no significant changes in the nature of the organisation's activities during the fiscal year. However, the year was marked by important leadership changes with the appointment of a new Chairperson and a new Chief Executive Officer.

In addition, new Rules were adopted on 27 March 2025, although these have not significantly changed how the organisation is governed.

Operating Result

For the year ended 30 June 2025, the organisation recorded a deficit of \$12,549, compared with a surplus of \$363,015 in the previous financial year. The variance is due to significant grant income in 2024 for capital projects, which increased the reported surplus for that year.

Although the organisation reported an accounting deficit, cash reserves (working capital) increased during the year as a result of more diverse income streams and stronger cash flow management. This highlights the critical importance of maintaining diverse revenue sources and disciplined budgeting oversight to support the ongoing delivery of rescue, treatment and rehabilitation services.

Looking ahead, the organisation expects to see high depreciation expenses in future years as a result of recent capital projects, including the redevelopment of the WA Wildlife Hospital.

**NATIVE ARC INCORPORATED
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FOR THE YEAR ENDED 30 JUNE 2025**

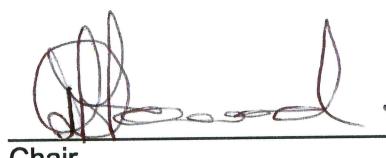
**Declaration by the Board of Directors
For the year ended 30 June 2025**

The Board of Directors has determined that the Association is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

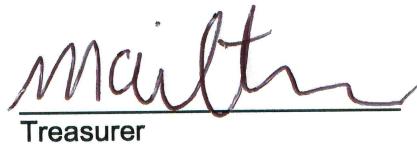
In the opinion of the Board of Directors the financial statements and notes to the financial statements are in accordance with the *Association Incorporation Act 2015 (WA)*, the *Australian Charities and Not-for-profits Commission Act 2012* and:

- comply with the Australian Accounting Standards applicable to the Association;
- gives a true and fair view of the financial position of Native ARC Incorporated as at 30 June 2025 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
- at the date of this statement, there are reasonable grounds to believe that Native ARC Incorporated will be able to pay its debts as and when they fall due and payable.

This statement is made in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and is signed for and on behalf of the Board of Directors by:



Chair



Treasurer

Date: 27/10/2025

DIRECTORS:

VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA
FAZ BASHI RCA, CPA

AUSTRALIAN AUDIT



ASSOCIATE DIRECTORS:

ROBERT CAMPBELL RCA, CA
SANTO CASILLI FCPA PFIIA

AUDITOR'S INDEPENDENCE DECLARATION

To the of Native Arc Inc

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 and section 80 of the Associations Incorporation Act 2015 (WA), in relation to our audit of the financial report of Native Arc Inc for the ended 30 June 2025, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b. No contraventions of the auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* in relation to the audit; and
- c. No contraventions of any applicable code of professional conduct in relation to the audit

Signed by:

B0AA193AF7A446C...

Faz Bashi [Abolfazl Kafash Bashi], CPA, RCA, BAcc, M. Accounting

Registered Company Auditor number 524128

Director

Australian Audit

Date: 29 October 2025

Australian Audit is a CA Practice

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DIRECTORS:

VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA
FAZ BASHI RCA, CPA

AUSTRALIAN AUDIT



ASSOCIATE DIRECTORS:

ROBERT CAMPBELL RCA, CA
SANTO CASILLI FCPA PFIIA

INDEPENDENT AUDITOR'S REPORT

To the members of Native Arc Inc

Opinion

We have audited the financial report of Native Arc Inc (the entity), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report has been prepared in accordance with requirements of the Associations Incorporation Act 2015 (WA) and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), including:

- a. giving a true and fair view of the entity's financial position as at 30 June 2025, and of its financial performance and its cash flows for the then ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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

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

Responsibilities of Management and The for the Financial Report

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Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards to the extent described in Note 1, the ACNC Act 2012 and the Associations Incorporation Act 2015 (WA). The responsibility of Management also includes such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 entity'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 entity 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 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.

Signed by:



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Faz Bashi [Abolfazl Kafash Bashi], CPA, RCA, BAcc, M. Accounting

Registered Company Auditor number 524128

Director

Australian Audit

Date: 29 October 2025

**NATIVE ARC INCORPORATED
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Statement of Comprehensive Income

	Notes	2025	2024
		\$	\$
REVENUE			
Grant income		412,406	602,982
Fee for service		448,772	389,683
Fundraising		23,174	78,792
Donations		412,354	247,777
Other Income		17,625	12,083
TOTAL REVENUE		1,314,331	1,331,317
EXPENDITURE			
Salaries & Staff Costs		(754,783)	(751,140)
Service provision expenses		(309,024)	(261,117)
Depreciation & Amortisation	4, 5	(190,737)	(146,964)
Administration		(88,002)	(148,277)
Fundraising		(9,041)	(52,403)
TOTAL EXPENDITURE		(1,351,587)	(1,359,901)
NET OPERATING DEFICIT FOR THE YEAR		(37,256)	(28,584)
Capital grants		24,707	391,599
NET SURPLUS/(DEFICIT) FOR THE YEAR		(12,549)	363,015
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(12,549)	363,015

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes

**NATIVE ARC INCORPORATED
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Statement of Financial Position

	Notes	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	540,060	351,767
Trade and other receivables	3	65,405	7,701
TOTAL CURRENT ASSETS		605,465	359,467
NON-CURRENT ASSETS			
Trade and other receivables	3	10,000	10,000
Property, plant & equipment	4	1,568,010	1,655,026
Right of use assets	5	6,912	179,033
TOTAL NON-CURRENT ASSETS		1,584,922	1,844,059
TOTAL ASSETS		2,190,387	2,203,526
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	73,880	69,485
Lease Liabilities	7	5,747	7,335
Unearned grant income	8	251,132	100,994
Provision for employee entitlements	9	117,584	100,523
TOTAL CURRENT LIABILITIES		448,343	278,337
NON-CURRENT LIABILITIES			
Lease Liabilities	7	-	19,315
Provision for employee entitlements	9	9,489	7,270
TOTAL NON-CURRENT LIABILITIES		9,489	26,585
TOTAL LIABILITIES		457,832	304,922
NET ASSETS		1,732,555	1,898,602
EQUITY			
Retained earnings		1,745,104	1,535,589
Surplus/(Deficit) for the year		(12,549)	363,015
TOTAL EQUITY		1,732,555	1,898,604

The above Statement of Financial Position should be read in conjunction with the accompanying notes

**NATIVE ARC INCORPORATED
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Statement of Changes in Equity

	Notes	Retained Surpluses \$	Total \$
Balance at 1 July 2023		1,535,589	1,535,589
Total surplus for year ended 30 June 2024		363,015	363,015
Adjustment to retained earnings for ROU asset election	5	<u>(153,500)</u>	<u>(153,500)</u>
Balance at 30 June 2024		<u>1,745,104</u>	<u>1,745,104</u>
Total deficit for the year ended 30 June 2025		(12,549)	(12,549)
Balance at 30 June 2025		<u>1,732,555</u>	<u>1,737,086</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

**NATIVE ARC INCORPORATED
SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Statement of Cash Flows

	Notes	2025	2024
		\$	\$
Cash flows from operating activities			
Receipts from grants and donations		1,434,237	1,736,357
Payments to suppliers and employees		<u>(1,141,022)</u>	<u>(1,820,646)</u>
Net cash flows used in provided by operating activities		<u>(293,165)</u>	<u>(84,289)</u>
Cash flows from investing activities			
Interest received		-	5,512
Purchase of property plant and equipment	4	<u>(83,969)</u>	<u>(503,206)</u>
Net cash used in investing activities		<u>(83,969)</u>	<u>(497,694)</u>
Cash flows from financing activities			
Repayment of lease liabilities		<u>(20,904)</u>	<u>(16,573)</u>
Net cash used in financing activities		<u>(20,904)</u>	<u>(16,573)</u>
Net increase/(decrease) in cash and cash equivalents		(188,293)	(598,556)
Cash and cash equivalents at the beginning of the financial year		351,767	950,323
Cash and cash equivalents at the end of the financial year	2	540,060	351,767
Reconciliation to cash flows from operations			
Operating Surplus/(Deficit)		(12,549)	363,015
Non-operating cash flows in net profit			
Depreciation		190,737	146,964
Change in working capital			
(Increase) / Decrease in trade and other receivables		(57,704)	19,410
Increase / (Decrease) in trade and other payables		10,753	(62,816)
Increase / (Decrease) in provisions		(33,296)	10,172
Increase / (Decrease) in funding in advance		<u>(150,138)</u>	<u>(561,034)</u>
Net cash provided/(used in) operating activities		<u>(293,165)</u>	<u>(84,289)</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

NATIVE ARC INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 1 - Statement of Material Accounting Policies

The Board of Directors has determined that Native ARC Incorporated (the "Association") is not a reporting entity because there are no users who are unable to command the compilation of reports to satisfy their information needs.

These financial statements have been prepared to meet the reporting requirements of the Western Australian Associations Incorporation Act 2015 and the Australian Charities and Not for Profits Commission (ACNC) Act 2012.

The financial statements for the year ended 30 June 2025 were approved and authorised for issue by the Board of Directors on the date the declaration is signed.

Basis of preparation

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act (WA) 2015.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of:

- AASB 18 Presentation and Disclosure in Financial Statements
- AASB 107 'Statement of Cash Flows',
- AASB 16 "Leases",
- AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors',
- AASB 1048 'Interpretation of Standards',
- AASB 1054 'Australian Additional Disclosures'. Basis of Measurement, and
- AASB 1058 "Income of Not-for-Profit Entities".

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

The amounts presented in the financial statements have been rounded to the nearest dollar.

Comparative Figures

All comparative information presented for the preceding financial year corresponds to the disclosures specified for the current financial year, except where an Australian Accounting Standard permits or requires otherwise.

Prior Period Error

The comparatives for the financial year ended 30 June 2024 have been restated to reflect an error in the depreciation rates applied to particular assets during that period. This resulted in an adjustment to opening retained earnings of \$32,534 and the opening carrying value of property, plant and equipment of \$48,386.

NATIVE ARC INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 1 - Statement of Material Accounting Policies (continued)

Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Association's functional currency.

Use of Estimates and Judgement

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. The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

Revenue Recognition

To determine whether and when to recognise revenue, the Association follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as the performance obligation(s) are satisfied.

The Association's main revenue sources and accounting policies are listed below:

Grant Revenue Contracts: Grants Revenue is measured with respect to the ability to meet the sufficiently specific criteria under the accounting standard *AASB 15 Revenue from Contracts with Customers*. If revenue or grant funding is a result of a contract with customer enforceable rights, and obligations that are sufficiently specific, revenue would be recognised in accordance with AASB 15 rather than AASB 1058 Income for Not-For-Profit Entities.

Government grants are recognised in the period in which the sufficiently specific criteria are met. If the agreement is not enforceable and/or does not contain sufficiently specific performance obligations, revenue is recognised on receipt in accordance with AASB 1058 Income for Not-for-Profit Entities.

Donations are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

NATIVE ARC INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

Note 1 - Statement of Material Accounting Policies (continued)

Income Tax

The entity is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

GST

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

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

Economic Dependence

The Association is dependent upon the ongoing receipt of grants and donations to ensure the ongoing continuance of its programs. At the date of this report, the Board of Directors has no reason to believe that this financial support will not continue.

New and Amended Accounting Standards

Compliance with IFRS to the extent required by non-reporting entities does not result in the special purpose financial report comprising the financial statements and notes thereto, complying with International Financial Report Standards (IFRS) because IFRS do not exclude non-reporting entities from the scope of its standards.

In the current year, the Association has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards (the AASB) that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2024. The adoption of these new and revised Standards and the Interpretations did not have any effect on the financial position or performance of the Association.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Association for the annual reporting period ended 30 June 2025. The Board of Directors has not early adopted any of these new or amended standards or interpretations. The Association has not yet fully assessed the impact of these new or amended standards.

NATIVE ARC INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 2 - Cash and Cash Equivalents

	2025	2024
	\$	\$
Current Assets		
Cash and cash equivalents	288,528	250,373
Restricted cash (grant funds)	251,132	100,994
Petty Cash	400	400
	<u>540,060</u>	<u>351,767</u>

Accounting policy for cash and cash equivalents

Cash and cash equivalents exclude deposits that are not readily convertible to known amounts of cash including amounts generally recognised as deposits that are held for a period exceeding 90 days. Consequently, term deposits with terms exceeding 90 days are separately recorded,

Restricted Cash

Native ARC Inc received grant income for specific projects or purposes. As required by the Australian Accounting Standards, amounts have been recognised in the Income Statement or Statement of Financial Position which are yet to be spent in the manner specified.

Note 3 – Trade and other receivables

	2025	2024
	\$	\$
Current Assets		
Trade receivables	62,660	7,701
Prepayments	2,745	-
	<u>65,405</u>	<u>7,701</u>
Non-current Assets		
Other receivables (security deposit)	<u>10,000</u>	<u>10,000</u>

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The incorporated association has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

NATIVE ARC INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 4 – Property, Plant & Equipment

	2025 \$	2024 \$
Non-current Assets		
Buildings - at cost	879,824	659,994
Less: Accumulated depreciation	(77,162)	(39,142)
	802,662	620,852
Plant and equipment – at cost	860,395	1,057,779
Less: Accumulated depreciation	(275,728)	(173,651)
	584,667	884,128
Furniture and Fittings – at cost	17,780	3,780
Less: Accumulated depreciation	(1,051)	(378)
	16,729	3,402
Motor vehicles – at cost	36,814	36,814
Less: Accumulated depreciation	(11,044)	(7,363)
	25,770	29,451
Intellectual property – at cost	10,000	-
Less: Accumulated depreciation	(1,493)	-
	8,507	-
Software – at cost	176,855	139,332
Less: Accumulated depreciation	(47,180)	(22,139)
	129,675	117,193
Total property, plant and equipment	1,568,010	1,655,026
	 2025 \$	 2024 \$
Opening book value	1,655,026	1,298,784
Add purchased property, plant and equipment	83,969	503,206
Less Depreciation	(170,985)	(146,964)
Closing book value	1,568,010	1,655,026

Accounting policy for property, plant and equipment

Property, plant and equipment are measured at cost less depreciation and any impairment losses. All assets are depreciated over their useful lives to the Association. Depreciation commences from the time the asset is available for its intended use.

NATIVE ARC INC.
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 4 – Property, Plant & Equipment (continued)

The carrying value of plant, property and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amount.

Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

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

Buildings	10 to 40 years
Plant and equipment	3 to 10 years
Furniture and fittings	10 years
Software	3 to 5 years
Intellectual property	5 to 7 years
Motor vehicles	5 years

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

Note 5 – Right of Use Assets

	2025	2024
	\$	\$
Non-current Assets		
Leases (at fair value)	46,549	210,334
Less Accumulated depreciation	<u>(39,637)</u>	<u>(31,301)</u>
	6,912	179,033

Election in relation to Peppercorn Lease

The Association has a peppercorn lease provided by the City of Cockburn for the Premises (comprising Animal Hospital, Education & Training Centre, Temporary Structure, etc.) with an annual rental of \$1 per annum. From 1 July 2024, The Board has elected to account for this lease at cost.

In prior years this lease was recognised as a right of use asset at fair value of \$163,785 on the balance sheet equivalent to the estimated market value of a similar lease – determined

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based on an annual equivalent commercial rental of \$18,200 per annum. It was being depreciated over the effective term of the lease (12 years).

Therefore at 30 June 2025, the right of use asset previously recognised at fair value on the balance sheet has been derecognised along with the associated accumulated depreciation resulting in an adjustment to opening retained earnings of \$153,500 (as disclosed in the Statement of Changes in Equity). Comparatives have been adjusted to reflect this election.

Note 6 – Trade and Other Payables

	2025	2024
	\$	\$
Current Liabilities		
Trade payables	422	27,017
Accrued expenses	33,100	25,175
GST Payable	20,873	5,728
Other payables	19,485	11,565
	<u>73,880</u>	<u>69,485</u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 7 – Lease Liabilities

	2025	2024
	\$	\$
Current Liability		
Op shop Lease (Yangebup)	<u>5,747</u>	<u>7,335</u>
Non-current Liability		
Op shop Lease (Yangebup)	- <u>19,315</u>	

Operating Leases

The Association also has a lease for its current op shop premises at Hilton with a rental of \$8,635 per annum. The Board has elected not to recognise the lease in accordance with AASB16 as they consider it to be of a short-term nature.

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Note 8 – Unearned Grant Income

	2025	2024
	\$	\$
Current Liability		
Grant revenue received in advance	<u>251,132</u>	<u>100,994</u>

Unearned grant income includes performance obligations that are yet to be satisfied at the end of the reporting period under AASB 15 Revenue from Contracts with Customers. For the Association, this includes grant and sponsorship funding arrangements which feature performance obligations that impact recognition.

Note 9 – Provisions for Employee Entitlements

	2025	2024
	\$	\$
Current Liabilities		
Provision for annual leave	79,002	74,584
Provision for long service leave	29,940	19,390
Superannuation payable	<u>8,643</u>	<u>6,549</u>
	<u>117,584</u>	<u>100,523</u>
Non-Current Liabilities		
Provision for long service leave	<u>9,489</u>	<u>7,270</u>

Note 10 – Key Management Personnel

The Association's Key Management Personnel includes the members of the Board and the Chief Executive Officer, Dean Huxley.

The compensation made to senior officers of the Association is set out below (including Superannuation). Management salaries are funded through a Grant from the City of Cockburn. No compensation was paid to any other Board member of the Association

	2025	2024
	\$	\$
Board Chair (D Munrowd) – appointed 1 July 2024	29,378	23,558
CEO (D Huxley) – appointed 1 July 2024 (includes 50 hours annual leave cashed out)	<u>116,322</u>	<u>98,407</u>

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Note 11 – Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by Australian Audit, the auditor of the incorporated association:

	2025	2024
	\$	\$
Audit services	4,200	4,000
Other services - Preparation of financial statements	-	1,800
Total	4,200	5,800

Note 12 – Related Party Transactions

One significant transaction involved New Release Media, owned by Dean Huxley's brother, for a total of \$500 related to the WWF Manual promotional video launch that took place on August 15, 2024.

This transaction was conducted on terms consistent with those offered to unrelated parties.

Note 13 – Subsequent Events

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.