



Conservation Ecology Centre
Cape Otway



WILDLIFE
WONDERS
THE WILD SIDE OF THE GREAT OCEAN ROAD

2021 ANNUAL REPORT

CONSERVATION ECOLOGY CENTRE &
WILDLIFE WONDERS

PHOTO: EMMA CATHERINE

FROM THE CEO

As a CEO of an organisation involved in both conservation and ecotourism, the past year has been one of contrast.

On one hand, our newly opened Wildlife Wonders social enterprise faced significant challenges for visitation with the closure of international borders, and we were busy figuring out how to appeal to the domestic traveler and best showcase our amazing Otways region to those who live in its backyard.

On the other hand, our research and conservation team were successful in obtaining significant funding from the Australian Government's Wild Otways Initiative and have never been busier. Three new staff have joined our conservation and research team, and due to the remote nature of our work, we've been able to continue our vital conservation activities throughout the pandemic.

I am always so proud of how our team handle things – but never more so than when the going gets tough. We achieved so much this year, which is a testament to them, and the principles of this organisation. Operating sustainably and supporting both our community and the environment has stood us in good stead throughout the tumultuous global events of 2020 and 2021, and will help us to continue to deliver on our important work into the future.

LIZZIE CORKE OAM
CHIEF EXECUTIVE OFFICER





A YEAR IN REVIEW

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Our purpose, vision and values

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OUR VISION

A healthy and resilient Otways landscape, cared for forever.



OUR MISSION

To generate knowledge to nurture Country



OUR VALUES

Integrity // Respect // Results





LEARNING FROM COUNTRY

CONDUCTING APPLIED RESEARCH TO FILL KEY KNOWLEDGE GAPS

THE WILD OTWAYS INITIATIVE

Feral Pig & Deer Management (Biodiversity Response Planning & Wild Otways Initiative)

Feral pigs have been identified as an emerging threat in the Otways requiring immediate attention. The CEC commenced work with local land management agencies to determine the extent of feral pigs in the Otways and to quickly bring their numbers under control. We encouraged the local community, and land management agencies to use FeralScan to report pig sightings in the Otways and, as a result, were able to deploy traps in the appropriate locations.

We are now using remote cameras and GPS collars to improve knowledge of how pigs are using the Otways environment. We have also increased our engagement with the local community and Landcare to prepare for trialling of a new pig bait, and the control of deer by prime-safe accredited shooters.

Fire, foxes & cats (ARC funding & Wild Otways Initiative)

Building on the work we have been conducting with The University of Melbourne this project will investigate whether localised control of predators after planned burns can mitigate the impacts of predation on threatened mammal populations.

We will also modify planned burn practice, including by increasing the size of unburnt patches within burn blocks, and measure whether this improves post-fire survival of threatened mammals. This project will also support a full PhD scholarship for our ecologist Mark Le Pla.

The \$6 million Wild Otways Initiative commenced in 2020, funded through the Australian Government's Environment Restoration Fund and is being rolled out by the Corangamite Catchment Management Authority to support on-ground biodiversity projects in the Otways.



EXPANDING THE OTWAY ARK

For the past 5 years the CEC has been undertaking research and land management activities in support of Parks Victoria's Otway Ark program – a landscape-scale fox-baiting and monitoring program that stretches across 85,000 ha of Great Otway National Park.

Given the patchwork nature of the National Park reserve, we sought to improve biodiversity outcomes by expanding the baiting program to incorporate strategic areas of Otway Forest Park, private forestry and a large block of private properties. Baiting of these expansion areas began in 2019 and we also extended the Otway Ark monitoring program onto private land.

This program has been valuable in increasing collaboration and understanding between landowners and land managers and helping to set the scene for effective landscape-scale programs in the future.

ESTIMATING FOX DENSITY WITH GENETICS

Using genetic sampling to estimate fox density continues to produce valuable insights into the effectiveness of the Otway Ark's lethal baiting in the wet forests of the Otway Ranges, and scat surveys are now being undertaken in additional landscapes such as the woodlands of Glenelg and the Mallee of North-West Victoria as a result of DELWP funding secured by University of Melbourne post-doctoral research fellow Dr Bronwyn Hradsky.

This funding has also allowed the development of an alternative approach to genetic analysis using Single Nucleotide Polymorphisms (SNPs) instead of microsatellites, which may improve the cost-effectiveness of this approach for land managers.





POTOROOS RESPONSE TO FIRE

With generous support from the Hermon Slade Foundation, and in collaboration with land managers Forest Fire Management Victoria, the CEC is employing cutting-edge GPS tracking technology to monitor the survival and movements of Long-nosed Potoroos in relation to planned burn operations in the Otways.

This novel study will enable the collection of high-resolution data on potoroo behaviour and movements before, during and immediately after planned burns for the first time. We aim to provide key insight into how fire extent, severity, and availability of unburnt refuges can influence potoroo survival and recovery post-fire.



FUEL HAZARD REDUCTION & CONSERVATION

A resilient future in the face of climate change depends on finding a balance between managing fuel hazards and preserving and enhancing habitats for biodiversity.

Collaboration between land managers and researchers is critical. In the Otways, dry lightning strikes are becoming frequent summer events, especially in the heathlands – an ecosystem which represents a critical bastion for threatened species but also the region's greatest exposure to catastrophic bushfire.

By combining a fire regime operations simulation tool (FROST) with a population viability analysis (PVA), we are testing the effectiveness of several planned burn scenarios at minimizing the impact of wildfire in the Carlisle heath, and how these scenarios will impact the native Long-nosed Potoroo population. This project is supported by the The Ian Potter Foundation.



CARING FOR COUNTRY

DRIVING BEST PRACTICE IN CONSERVATION AND LAND
MANAGEMENT

WOODLAND RESTORATION

CAPE OTWAY PRESCRIBED BURNS PROGRAM

We implemented a low intensity burns program on Cape Otway in collaboration with Country Fire Authority (CFA), and coordinated the replanting of EVC appropriate species with community volunteers during the annual The Big Otway Tree Plant.

We also designed and have established a monitoring program that will measure the effectiveness of these efforts –focusing on how soil chemistry, invertebrate diversity and flora communities respond to the application of winter burns.

We had numerous windows of clear weather this winter which have allowed us to conduct three burns with paired control sites. We are still processing invertebrate and soil data which will be paired with information about the response of vegetation.

BIG OTWAY TREE PLANT

In 2021 we were lucky enough to be able to hold our annual Big Otway Tree Plant between Covid lockdowns. Over the course of the weekend, we planted 2,000 more trees, which will help to restore koala habitat on Cape Otway lost to agriculture and over-browsing by koalas.

We've now planted over 100,000 trees as a part of this program, but almost as important is the impact of the event on the volunteers, many of whom develop a deep connection with the program and return to plant with us year after year.

The mental health benefits of the weekend were also readily apparent this year, especially for those who had spent much of the past year in lockdown.



OTWAYS THREATENED SPECIES NETWORK

We have developed a network of land management agencies, research institutions and community conservation groups involved in the management and research of threatened species and threatening processes in the Otways.

The Otway Threatened Species Network (OTSRN) comprises over 220 members and has proven invaluable for gathering data and developing projects focused on land management application through combining skills, expertise and resources.

Due to COVID-19, we were unable to host our annual Otways Threatened Species Research Forum in 2020, but updates from the network were made [available online here](#).

LANDCARE & FIELD DAYS

Community engagement forms a significant component of our work including the expansion of the Otway Ark program and the Wild Otways' pig and deer management project.

Working with private land holders, both directly and through Landcare, gives us the opportunity to expand environmental management outside of protected areas (like National Parks), and to educate the community about the benefits of having a healthy ecosystem on their properties. We've found this approach has significantly increased our ability to deliver improved environmental outcomes, including fox and pig control.

In addition to our direct engagement with private landholders, we've also collaborated with the Central, Southern and Eastern Otways Landcare Groups to deliver workshops and share project information with about 50 participants in the first half of 2021. We've also engaged with the entire membership of these groups through their regular newsletters.



Credit: Doug Gimesy



SCIENTIFIC PAPERS

Rutter, N.J., Howell, T., Stukas, A., **Pascoe, J.** & Bennett P.C. (2021). Diving in Nose First: The Influence of Unfamiliar Search Scale and Environmental Context on the Search Performance of Volunteer Conservation Detection Dog–Handler Teams. *Animals* 11(4):1177 DOI:10.3390/ani11041177

Rutter, N.J., Howell, T., Stukas, A., **Pascoe, J.** & Bennett P.C. (2021). Can volunteers train their pet dogs to detect a novel odor in a controlled environment in under 12 weeks? *Journal of Veterinary Behavior Clinical Applications and Research* 43 DOI:10.1016/j.jveb.2020.09.004

Swan, M., **Le Pla, M.**, Di Stefano, J., **Pascoe, J.** & Penman, T.D. (2021). Species distribution models for conservation planning in fire-prone landscapes. *Biodiversity and Conservation* 30(3):1-18 DOI:10.1007/s10531-021-02136-4

Rutter, N.J., Mynott, J.H., Howell, T., Stukas, A., **Pascoe, J.**, Bennett P.C. & Murphy N.P. (2021). Buzzing with possibilities: Training and olfactory generalization in conservation detection dogs for an endangered stonefly species. *Aquatic Conservation Marine and Freshwater Ecosystems* 31(96) DOI:10.1002/aqc.3531



CONFERENCE PRESENTATIONS

Le Pla, M. Pieces of the puzzle: Insights into fox control in the Otway Ranges using non-invasive genetic sampling. *18th Australasian Vertebrate Pest Conference, May 2021*



CREATING A CARING COMMUNITY

FOSTERING LIFELONG INTEREST IN NATURE

PHOTO: EMMA CATHERINE

WILDLIFE WONDERS IS OPEN!

Wildlife Wonders invites you to the wild side of the Great Ocean Road, to explore a spectacular Australian bushland environment, where the forest meets the sea.

Whether you join us for a guided walk, unwind with a coffee, or find a delightful gift in our shop, your visit directly supports the ongoing environmental conservation of the unique Otways environment.

Wildlife Wonders officially opened on 12 February 2021, just as Victoria was thrown into a snap 5-day lockdown. But, on 18 February we were finally able to open our doors to the public.

Since then, visitors have been delighted by the kangaroos, koalas, wallabies and abundant birdlife-including two cheeky emus-who call Wildlife Wonders home. Some have even been lucky enough to spot bandicoot or potoroo during their visit.

While the main attraction at Wildlife Wonders is our 75-minute guided wildlife walk, there is also a beautiful café and gift shop on-site which are open to the public.

BY JUNE 2021 WE'D HAD...

- 561 Walk with Wildlife tour bookings
- 252 reviews across internal and external platforms (averaging 4.9/5 stars)
- 1,162 Facebook followers, with posts reaching over 4,000 people.
- 871 Instagram followers
- 342 Wildlife Wonders newsletter subscribers
- 30 media stories, in local, national and international publications



WILDLIFE WONDERS COMMUNITY ENGAGEMENT

Our school holiday program has been extremely successful, both in terms of attendance and also on-sales of tours and café sales.

Melbourne and Victoria got a much-needed break from lockdowns over the June/July school holidays, and we were able to fill up our first ever 'Wildlife Wednesday' school holiday program to capacity!!

The program included an interactive guided tour through the protected habitat area of Wildlife Wonders, surveying animals via camera traps to ensure the wildlife are safe and healthy, learning about koalas and wallabies, using binoculars, planting trees to create future habitat, and helping with the community-based artwork 'Protected' that symbolises the protected habitat in the Otways.

Our Nature Guides had an absolute ball, and we were thrilled to hear from the kids and parents alike that they also had an amazing time.

Our Saturday morning 'Children's Wildlife Talks' and mid-week 'Storytime' for pre-schoolers have also delighted locals and visitors alike and were quickly included in a regular calendar of events that now also includes movie screenings, author talks, and photography masterclasses.

Plus:

- Our amazing volunteers, the "Wondersmiths" meet twice weekly to assist with planting, weeding and maintenance - and are treated to a coffee and cake in the Emu Café.
- We've hosted AGMs and meetings for local Landcare Groups.
- We partnered with Great Ocean Road Health to welcome some of their clients for a free tour as a part of Seniors Week.





SHARING CONSERVATION STORIES ONLINE

Engaging the broader community in our activities, explaining the need for conservation, sharing how research is conducted, and letting people know what they can do to help, are key aspects in our aim to foster lifelong interest in nature.

While we do a lot of this work in person, especially at Wildlife Wonders, we also engage with a significant audience online via both the Conservation Ecology Centre and Wildlife Wonders.

CONSERVATION ECOLOGY CENTRE

Through a seasonal research update and our social media accounts we show people the research and conservation activities we undertake every day across the Otways, taking them to places few people experience and explaining why our work to protect these places is important.

Newsletter - 2,700 subscribers (30% open rate)

Facebook - 7,700 followers

Instagram - 2,300 followers

Twitter - 1,700 followers

WILDLIFE WONDERS

Our Wildlife Wonders communications aim to both educate and entertain, showing people the wonderful experience they can have at Wildlife Wonders, as well as sharing important information about our events, the animals who live here, and the research every visit helps to fund.

Newsletter - 342 subscribers (50% open rate)

Facebook - 1,162 followers

Instagram - 871 followers

FOSTERING CONSERVATION CAREERS

Over the past 12 months the Conservation Ecology Centre and Wildlife Wonders have employed 23 new staff.

To undertake work on our pig & deer control projects under the Wild Otways Initiative, we've employed a Conservation Project Manager and Conservation Project Officer.

A fire ecologist has also joined us to study how we can best manage land for both fuel hazard reduction and conservation in a flammable system. Their position is being supported by The Ian Potter Foundation.

The opening of Wildlife Wonders has offered an exciting opportunity for local employment with 13 new roles established for Nature Guides, Hospitality and Management.

CONSERVATION INTERNS

The Conservation Ecology Centre's Internship Program also marked its 13th year, offering three-month voluntary placements to young scientists embarking on conservation careers.

Normally eight placements are offered each year. This year travel restrictions and extended lockdowns meant that we offered extended roles to incumbents and flexibility for appointed interns to postpone placements into 2022.



A koala is perched on a tree trunk, looking towards the camera. The background is a soft-focus green forest. The text 'GOVERNANCE & FINANCIALS' is overlaid in a bold, yellow, sans-serif font across the middle of the image.

GOVERNANCE & FINANCIALS

PHOTO: DOUG GIMESY

CEC GOVERNANCE

Our Patron

The Hon Steve Bracks AC (Patron)

Advisory Board

Dr Deborah Seifert AM (Chair)

Mr Matthew Bridges

Mr John Clarke

Mrs Alison Corke

Assoc Prof Charles Corke

Mr Doug Humann AM

Dr Rik Thwaites

Prof Alan York

Public Fund Management Committee

Dr Deborah Seifert AM

Mr Matthew Bridges

Mr John Clarke

Mrs Alison Corke

Assoc Prof Charles Corke

Mr Doug Humann AM

Dr Rik Thwaites

Prof Alan York

OUR TEAM

The Conservation Ecology Centre is a scientific organisation generating knowledge to nurture Country. We combine rigorous research with practical land management applications to develop and deliver solutions to the most urgent conservation challenges in the Otway region. The contribution of our Board members is critical to this success.

WILDLIFE WONDERS

Board

Ms Leonie Foster

Mr Matthew Bridges

Mr Andrew Buchanan

Assoc Prof Charles Corke

Ms Elizabeth Corke OAM

Mr Brian Massey

Mr Shayne Neal

Mr Tim Noonan



CONSERVATION ECOLOGY TRUST
ABN 90 681 731 286
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements
- Certificate by Members of the Trust
- Independent Audit Report

Conservation Ecology Trust

Statement of Profit or Loss and Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	3	<u>3,256,148</u>	<u>2,881,978</u>
Expenses			
Advertising		72,798	27,404
Accounting fees		12,915	28,385
Bank fees		2,976	13,217
Bad debts		-	7,049
Administration cost		11,400	36,720
Conference expenses		1,262	5,811
Conservation & research		414,733	192,345
Depreciation	4	162,625	83,549
Engagement expenses		4,241	824
Fuel & oil		11,687	20,589
Electricity & gas		8,469	5,582
Guest services		3,506	9,759
Insurance		37,512	23,494
Interest paid		320,929	75,823
Land management		-	22,064
Laundry & dry cleaning		786	4,310
Leave provisions		73,478	58,143
Legal costs		4,049	18,625
Other expenses		71,899	12,865
Office supplies & postage		3,485	6,171
Professional fees		10,567	-
Purchases		43,590	37,787
Rates & taxes		25,065	540
Registrations & licences		14,743	12,380
Repairs & maintenance		48,357	23,976
Staff training & welfare		24,866	2,297
Telephone		8,273	8,139
Travelling expenses		386	4,644
Uniform		10,223	966
Wages		655,116	417,135
Waste disposal		185	1,320
Wildlife husbandry supplies		11,199	1,606
Workcover		3,752	13,285
		<u>2,075,071</u>	<u>1,132,676</u>
Profit for the year		<u>1,181,077</u>	<u>1,749,302</u>

Conservation Ecology Trust

Statement of Financial Position As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	5	636,558	783,979
Trade and other receivables	6	33,736	143,547
Inventory		42,261	-
Total Current Assets		712,555	927,526
Non Current Assets			
Property, plant and equipment	7	8,422,529	6,188,714
Total Non Current Assets		8,422,529	6,188,714
Total Assets		9,135,084	7,116,240
Liabilities			
Current Liabilities			
Trade and other payables	8	414,947	621,417
Financial liabilities	9	1,268,330	1,150,000
Provision for Annual Leave	10	76,993	47,209
Total Current Liabilities		1,760,270	1,818,626
Non Current Liabilities			
Scholarship fund held in trust		5,000	5,000
Financial liabilities	9	3,687,275	2,811,863
Provision for Long Service Leave	10	52,344	31,633
Total Non Current Liabilities		3,744,619	2,848,496
Total Liabilities		5,504,889	4,667,122
Net Assets		3,630,195	2,449,118
Equity			
Settlor's fund		10	10
Retained earnings		3,630,185	2,449,108
Total Equity		3,630,195	2,449,118

Conservation Ecology Trust

Statement of Changes in Equity For the Year Ended 30 June 2021

	Settlor's fund	Retained earnings	Total equity
	\$	\$	\$
2021			
Balance at 1 July 2020	10	2,449,108	2,449,118
Adjustments from prior periods	16	-	-
Profit attributable to members	-	1,181,077	1,181,077
Balance at 30 June 2021	10	3,630,185	3,630,195

	Settlor's fund	Retained earnings	Total equity
	\$	\$	\$
2020			
Balance at 1 July 2019	10	699,806	699,816
Adjustments from prior periods	-	-	-
Profit attributable to members	-	1,749,302	1,749,302
Balance at 30 June 2020	10	2,449,108	2,449,118



Notes to the Financial Statements
For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies

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

General information

The financial statements cover the Conservation Ecology Trust as a Consolidated Entity consisting of Conservation Ecology Trust and CEC Marengo Ltd and Wildlife Wonders Ltd which are the entities it controlled at the end of, or during the year. The financial statements are presented in Australian dollars, which is Conservation Ecology Trust's functional and presentation currency.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the Trustees' opinion, the Trust and Consolidated Entity are not reporting entities because there are no users dependent on general purpose financial statements.

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. The officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of Conservation Ecology Trust.

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 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.



Notes to the Financial Statements
For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

Principle of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Conservation Ecology Trust ('Parent Entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Conservation Ecology Trust and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent. Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Entity. Losses incurred by the Consolidated Entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Interests in subsidiaries are accounted for at cost, less any impairment, in the Parent Entity. Dividends received from subsidiaries are recognised as other income by the Parent Entity and its receipt may be an indicator of an impairment of the investment.

**Notes to the Financial Statements
For the Year Ended 30 June 2021**

1 Summary of Significant Accounting Policies (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Consolidated Entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue

Sale revenue generally consists of events, fundraising and raffles. Amounts disclosed as revenue are net of sales returns and trade discounts.

Grants revenue

Grants are recognised as revenue, in accordance with AASB 1004, when the consolidated entities gain control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant. Non-Reciprocal grants are recognised as revenue when the grant is received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the Incorporated Association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classifications

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.



Notes to the Financial Statements
For the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the consolidated statement of financial position.

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 provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Consolidated Entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the consolidated statement of financial position, in current liabilities.

**Notes to the Financial Statements
For the Year Ended 30 June 2021**

1 Summary of Significant Accounting Policies (continued)

Investments and other financial assets

Investments and other financial assets, other than interests in subsidiaries or associates, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or (ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Except for effective hedging instruments, derivatives are also categorised as fair value through profit or loss. Fair value movements are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The Consolidated Entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available for-sale reserve.

**Notes to the Financial Statements
For the Year Ended 30 June 2021**

1 Summary of Significant Accounting Policies (continued)

Property, plant and equipment

Land and buildings are shown at cost. Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Buildings	2 - 2.5%
Plant and equipment	20 - 30%
Motor vehicles	18 - 20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company 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.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Consolidated Entity has a present (legal or constructive) obligation as a result of a past event, it is probable the Consolidated Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Notes to the Financial Statements
For the Year Ended 30 June 2021**

1 Summary of Significant Accounting Policies (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.



Notes to the Financial Statements
For the Year Ended 30 June 2021

2 Critical accounting judgements, estimates and assumptions

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Consolidation of CEC Marengo Ltd and Wildlife Wonders Ltd (collectively subsidiaries)

Where necessary comparative information has been reclassified and restated as required to be consistent with current year disclosures.

Conservation Ecology Trust

Notes to the Financial Statements For the Year Ended 30 June 2021

	2021	2020
	\$	\$
3 Revenue		
Ecotourism revenue	677,684	210,713
Grants	1,913,433	2,153,313
Donations	434,426	379,020
COVID-19 stimulus	219,373	111,417
Interest received	8,164	13,415
Other revenue	3,069	14,100
Total revenue	<u>3,256,148</u>	<u>2,881,978</u>
4 Depreciation		
Buildings	105,540	1,400
Plant and equipment	45,721	67,045
Motor vehicles	11,364	15,104
Total depreciation	<u>162,625</u>	<u>83,549</u>
5 Cash and Cash Equivalents		
Cash at bank and on hand	386,558	783,979
Term deposits	250,000	-
Total cash and cash equivalents	<u>636,558</u>	<u>783,979</u>
6 Trade and Other Receivables		
Current		
Trade receivables	33,736	143,547
Total Trade and Other Receivables	<u>33,736</u>	<u>143,547</u>

Conservation Ecology Trust

Notes to the Financial Statements For the Year Ended 30 June 2021

	2021 \$	2020 \$
7 Property, Plant and Equipment		
Land		
At cost	2,448,644	2,448,645
Total Land	<u>2,448,644</u>	<u>2,448,645</u>
Buildings		
At cost	5,518,433	56,021
Accumulated depreciation	(115,028)	(9,488)
Total Buildings	<u>5,403,405</u>	<u>46,533</u>
Capital works in progress		
At Cost	-	3,531,899
Total capital works in progress at cost	<u>-</u>	<u>3,531,899</u>
Plant and equipment		
At cost	796,231	394,381
Accumulated depreciation	(286,396)	(240,675)
Total plant and equipment	<u>509,835</u>	<u>153,706</u>
Motor Vehicles		
At cost	144,416	80,339
Accumulated depreciation	(83,772)	(72,408)
Total Motor Vehicles	<u>60,644</u>	<u>7,931</u>
Total Property Plant and Equipment	<u><u>8,422,529</u></u>	<u><u>6,188,714</u></u>

Property, Plant and Equipment Reconciliation

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land \$	Buildings \$	Capital works in progress \$	Plant and equipment \$	Motor Vehicles \$	Total \$
Balance at 1 July 2019	2,462,145	47,933	1,485,350	220,751	23,035	4,239,214
Adjustments	(13,500)	-	-	-	-	(13,500)
Additions	-	-	2,046,549	-	-	2,046,549
Transfers	-	-	-	-	-	-
Depreciation expense	-	(1,400)	-	(67,045)	(15,104)	(83,549)
Balance at 30 June 2020	<u>2,448,645</u>	<u>46,533</u>	<u>3,531,899</u>	<u>153,706</u>	<u>7,931</u>	<u>6,188,714</u>
Balance at 1 July 2020	2,448,645	46,533	3,531,899	153,706	7,931	6,188,714
Additions	-	-	2,248,263	148,177	-	2,396,440
Transfers	-	5,462,412	(5,780,162)	253,673	64,077	-
Depreciation expense	-	(105,540)	-	(45,721)	(11,364)	(162,625)
Balance at 30 June 2021	<u>2,448,645</u>	<u>5,403,405</u>	<u>-</u>	<u>509,835</u>	<u>60,644</u>	<u>8,422,529</u>

Conservation Ecology Trust

Notes to the Financial Statements For the Year Ended 30 June 2021

	2021 \$	2020 \$
8 Trade and Other Payables		
Trade Payables	310,024	562,658
Other payables	104,923	58,759
Total Trade and Other Payables	414,947	621,417
9 Financial liabilities		
Current financial liabilities		
Loan - Corke	1,260,947	1,150,000
Loan - CEC Marengo Ltd	7,382	-
Total current financial liabilities	1,268,330	1,150,000
Non-current financial liabilities		
Loan - Private individuals and entities	3,687,275	2,811,863
Total non-current financial liabilities	3,687,275	2,811,863
<p>A portion of loans (\$1.7m) are guaranteed with charge over land at 475 Great Ocean Road, Apollo Bay.</p>		
10 Employee benefits		
Current		
Provision for annual leave	76,993	47,209
Provision for long service leave	-	-
Total current employee benefits	76,993	47,209
Non-current		
Provision for long service leave	52,344	31,633
Total non-current financial liabilities	52,344	31,633
Total employee benefits	129,336	78,842

Conservation Ecology Trust

Notes to the Financial Statements For the Year Ended 30 June 2021

11 Contingent liabilities

The Consolidated Entity had no contingent liabilities as at 30 June 2021 or 30 June 2020.

12 Commitments

The Consolidated Entity had no commitments for expenditures as at 30 June 2021 or 30 June 2020.

13 Parent entity

Conservation Ecology Trust is the Parent Entity.

14 Interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1:

Subsidiaries	Country of incorporation	Ownership interest	
		2021	2020
CEC Marengo Ltd	Australia	100%	100%
Wildlife Wonders Ltd	Australia	100%	100%

CEC Marengo Ltd and Wildlife Wonders Ltd are consolidated in accordance with AASB 10, as the Parent Entity has the ability to control the activities of both subsidiaries and to use this to obtain benefits from the assets and activities of both subsidiaries.

Conservation Ecology Trust

Notes to the Financial Statements For the Year Ended 30 June 2021

	2021	2020
	\$	\$
15 Reconciliation of surplus after income tax to net cash from operating activities		
Profit for the Year	1,181,077	1,749,302
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- Depreciation	162,625	83,549
Changes in Assets and Liabilities		
- (increase)/decrease in trade and other receivables	109,811	(54,434)
- (increase)/decrease in financial assets	-	20,385
- (increase)/decrease in inventories	(42,261)	-
- (increase)/decrease in income in advance	(15,470)	-
- increase/(decrease) in trade and other payables	(200,590)	371,036
- increase/(decrease) in accruals	9,590	(15,319)
- increase/(decrease) in employee benefits	50,495	(45,694)
Cash flow from Operations	1,255,277	2,108,825

16 Prior-period adjustments to Retained Earnings

During the year a historical error was identified in the prior period consolidation processes that resulted in the cumulative overstatement of grants revenue and construction in progress. This error has been corrected through an adjustment to the profit and loss and construction in progress in FY2020. The correction of the prior period error has no impact to the current financial year. No other adjustment to the financial report has been required.

Conservation Ecology Trust

Certificate by Member of the Trust

Annual statements give true and fair view of financial performance and position of the Incorporated Association:

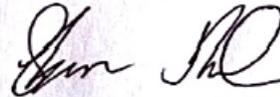
In the opinion of the Trustees' the financial report as set out:

The Directors of the Company declare that the financial statements:

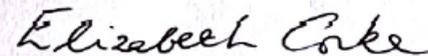
- 1 Comply with basis of preparation and accounting policies as set out in note 1; and
- 2 Give a true and fair view of the financial position of the Trust as at 30 June 2021 and of the performance for the year ended on that date.

In the Trustees' opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Trustee



Trustee



Dated

30/5/2022

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CONSERVATION ECOLOGY TRUST

REPORT ON THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of the Conservation Ecology Trust (the Trust), which comprises the Consolidated Balance Sheet as at 30 June 2021, the Consolidated Profit and Loss and Other Comprehensive Income Statements, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Trustees' Declaration.

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

- (a) giving a true and fair view of the Entity's financial position as at 30 June 2021 and of its financial performance for the year 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 Trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Conservation Ecology Trust to meet its reporting requirements. As a result, the financial report may not be suitable for another purpose.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe West VIC, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

Trustee's Responsibility for the Financial Report

The Trustee of the Trust is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation is described in Note 1 to the financial report is appropriate to meet the needs of the members. The Trustee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, management is responsible for assessing the Trust'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 management either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trustee of the Trust is responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibility

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustees' 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 Trust'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 Trust 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 Trustee 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 the audit.

CROWE WEST VIC

A handwritten signature in black ink, appearing to read "Martin Thompson".

MARTIN THOMPSON
Senior Partner

31 May 2022