

2022 ANNUAL REPORT

CONSERVATION ECOLOGY CENTRE &
WILDLIFE WONDERS



Conservation Ecology Centre



WILDLIFE
WONDERS



FROM THE CEO

We're thrilled to be able to share some of the highlights of 2022 with you.

As the world emerges from the ravages of the pandemic we have been reminded yet again that healthy ecosystems are vital to our own survival. It has been awe inspiring to see how dedicated people can identify shared objectives and work together (sometimes very creatively!) to achieve them.

The Conservation Ecology Centre team has worked tirelessly again this year to deliver vital projects - from addressing the emerging threat of feral pigs, to delivering our highly regarded internship program, to conducting critical research which will help inform planned burn practice to improve safety for both small mammals and regional communities, and delivering an innovative environmental education program through Wildlife Wonders.

Thank you for your interest and support.

LIZZIE CORKE OAM
CHIEF EXECUTIVE OFFICER



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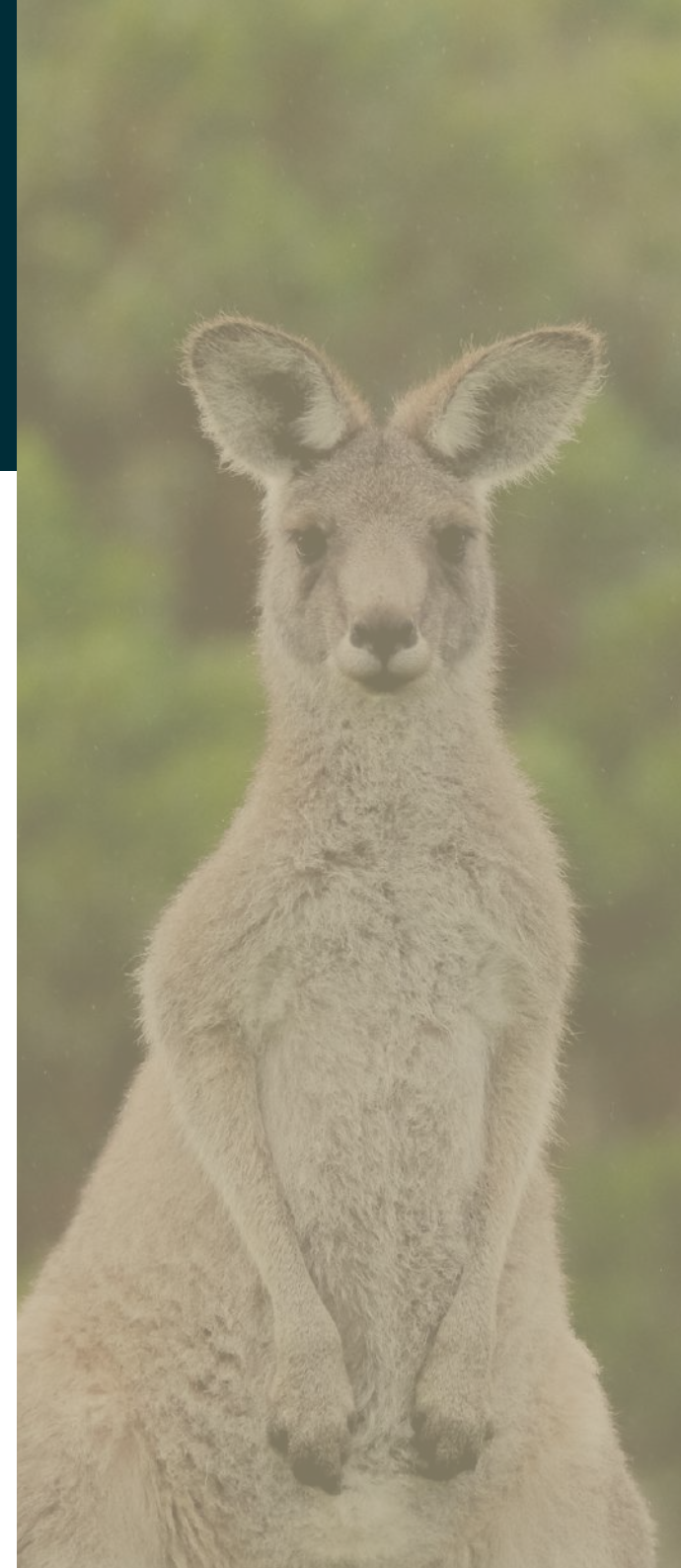
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WHO ARE WE?

BASED IN THE HEART OF THE OTWAYS, THE CONSERVATION ECOLOGY CENTRE IS A UNIFYING CONSERVATION VOICE FOR THE REGION.

The Conservation Ecology Centre (CEC) was established in 2000 to ensure that the landscapes of the Otways are healthy, resilient and cared for into the future.

The CEC is leading the way on collaboration and cohesive conservation strategy in the Otways by engaging and working together with all stakeholders in the region: universities and research groups, government agencies, NGOs, Traditional Owners, private land managers, local communities, and the broader general public.





**OUR VISION IS FOR
A HEALTHY AND RESILIENT
OTWAYS LANDSCAPE,
CARED FOR FOREVER.**

STRATEGIC PRIORITIES

LEARNING FROM COUNTRY

Facilitating research to increase understanding of the Otways landscape.



CARING FOR COUNTRY

Developing and delivering solutions to the most urgent conservation challenges facing the region.



CREATING A CARING COMMUNITY

Providing meaningful experiences for people to engage with nature, thereby building awareness and appreciation of wildlife and wild places.





THE YEAR IN NUMBERS

\$180,000 raised in donations from 300 generous donors

10,000 Facebook Followers

7,213 people joined a Walk with Wildlife tour

147 people joined a Dusk Discovery Tours

5,000 newsletter subscribers reached

1,000 seedlings planted during the Big Otway Tree Plant

300 donations received

212 feral pigs removed from the environment

200 feral deer processed for human consumption

150 community members engaged over 8 information days.

150 participants in the Otways Threatened Species Research Forum

14 Long-nosed Potoroos collared and tracked

992 days of field work completed

6 feral pigs collared and tracked

8 Conservation Research Internship placements hosted





LEARNING FROM COUNTRY

Conducting applied research to fill key knowledge gaps

HOW DO FERAL PIGS USE THE OTWAYS?

We're using GPS collars to better understand feral pig movements and how they use the landscape. In 2021, we began collecting data from GPS collars on four individual feral pigs (two adult male and two adult female). Detailed movement data over 4 months was collected from an individual boar (Bruce) until October 2021.

Through the use of these GPS collars we confirmed very different behavior between the male and female pigs, observing that mobs of sows tended to remain in one location, while breeding boars like Bruce travelled much further across the landscape, in one instance up to 10km per day.

Some of these initial results were presented at the Otways Threatened Species Research Forum 2021: [See that presentation here.](#)

We have now collared a total of 6 pigs across the Otways. In addition, we've deployed grids of monitoring cameras at three different locations across the Otways. The data from these camera grids is providing us with information about how pigs use the landscape and can also be used to study population dynamics as we are able to identify individual pigs in the photos.

This work is being undertaken as a part of the Australian Government's Wild Otways Initiative.



THE CARLISLE FIRE PROJECT

The Carlisle Heath is a significant area of heathy woodlands south-west of the town of Gellibrand, which is dominated and characterized by Silver Banksia, Scented Paperbark, Prickly Tea-Tree species, and the iconic Austal Grass Tree. These heathlands provide a stronghold for several mammal species of conservation concern, such as the Long-nosed Potoroo.

But the highly flammable vegetation also presents a significant wildfire risk to local communities. Effectively managing this landscape to maintain its current biodiversity values and minimise wildfire risk is a significant challenge for local land managers, particularly when threatening processes like fire and feral predators may interact.

The CEC is undertaking several inter-related projects in this region:

- *When the fox is away, potoroos can play: does fox control alter a threatened native mammal's response to fire?* – Funded by the **Hermon Slade Foundation** (2020 to 2022 and expanded into 2023 thanks to the generous support of individual donors).
- *Managing for Biodiversity and Bushfire Risk in Increasingly Flammable Country* – Funded by **The Ian Potter Foundation** (2021 to 2023).
- *Fox and feral cat control in planned-burn landscapes to protect threatened species in the Otway Ranges* – Funded through the Australian Government's **Wild Otways Initiative** (2021 to 2023).



MANAGING FOR BIODIVERSITY & BUSHFIRE RISK

Fire is a fundamental ecological process within the Australian landscape. Historically, planned burns have had two distinct and sometimes, mutually exclusive objectives: fuel hazard reduction and supporting ecological processes.

By combining a fire regime operations simulation tool (FROST) with 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.

Across the three planned burn blocks for 2021, we deployed around 4,860 cameras for a total of 5,200 trap nights to gain information about local fauna, both one month prior to fire and one month post-fire.

We also carried out forest fuel hazard and habitat structure assessments to inform what drives species distributions on a local scale and how fire impacts forest fuel loads and habitat at these sites.

In collaboration with Forest Fire Management Victoria, Parks Victoria and the Eastern Maar Aboriginal Corporation, we have begun to implement several burning strategies, which utilize diverse burning techniques to manipulate burn coverage in the Carlisle Heath.



FIRE & FERALS: DOUBLE HIT FOR NATIVE MAMMALS

As a part of the Wild Otways Initiative, the Conservation Ecology Centre is investigating the relationship between fire and feral pests (foxes and cats) in the Carlisle Heath region of the Otways.

This project is testing whether localised control of predators after planned burns can mitigate the impacts of predation on threatened mammal populations, such as the Long-nosed Potoroo,

We're also working with Forest Fire Management Victoria and Eastern Maar Aboriginal Corporation to 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.

Baseline data on predator activity pre-fire has been collected by attaching GPS tracking collars to 7 foxes and 5 cats in the Carlisle Heath.

We've also deployed a large predator camera grid and conducted fox scat surveys along a 16km road transect within the same study area.

Following the burns our camera monitoring grids will be reinstated to monitor the post-fire landscape, and we will track predators post fire to track their movements and activities for up to nine months.



WHAT HAPPENS TO POTOROOS AFTER A FIRE?

Through the use of novel GPS collaring – the first time this technology has been used on Long-nosed Potoroos – researchers from the CEC and the University of Melbourne have substantially improved our understanding of Long-nosed Potoroo ecology and the impact fires and invasive predators may have on their populations.

Unfortunately, ~80% of collared animals succumbed to predation post-fire, but the GPS data generated by the collars has been instrumental in helping us understand why this happens.

What we found was that potoroos displayed strong fidelity to their home ranges regardless of how much of the area burnt. This behaviour often resulted in potoroos spending extended periods either within burn scars or along burn edges – areas that are also likely to be selected by invasive predators who search these newly opened areas for easy food.

The results have encouraged fire practitioners to trial alternative ignition patterns with the aim of producing patchier burns in the region. Preliminary results from these trials are positive, with more individual potoroos surviving post-fire than ever before, but more replication is required before we can have confidence in these management interventions - we will be focusing on this in the next planned burn season.





CARING FOR COUNTRY

Driving best practice in conservation and land management

PROTECTING LEAFY GREENHOOD HABITAT

The leafy greenhood orchid is an extraordinary colony forming plant. There are several populations around Victoria, occurring in both coastal and alpine habitats, although nowhere in between. The species is threatened.

The leafy greenhood suffers adversely from intensive grazing, and changes to fire regimes leading to heightened competition with other native plants.

On Cape Otway, several greenhood colonies survive the exposed coastal conditions and the CEC has been actively monitoring these populations since 2016.

As a part of the *Wild Otways Initiative Community Grants Program* the CEC has been controlling woody native vegetation and collecting and propagating native seedlings to improve the habitat for Leafy Greenhoods on Cape Otway.

One thousand local provenance seedlings were planted on suitable leafy greenhood habitat during this year's Big Otway Tree Plant, and we've controlled woody weeds on half the site, so we can monitor whether opening the mid-storey improves the population's trajectory.

PHOTO: JACK DICKSON



CONTROLLING FERAL PIGS IN THE OTWAYS

Although we're only just starting to get a full understanding of how many pigs there are in the Otways and where they are located it's important that we act quickly to get on top of the problem.

Pigs are fast breeders, and a sow can have 20 piglets in a year, so if there are 10 sows in a group, that can mean an additional 200 pigs being added to a population per year, making management in a complex, multi-tenure landscape challenging.

Rather than elimination across the entirety of the region, we are focused on asset protection around priorities - whether that is of pasture and productive farmland in particular areas of the Otways, or natural assets like water courses, cultural heritage and threatened species in high conservation value areas.

The Otways landscape is a patchwork of land ownership so the Conservation Ecology Centre has worked with Parks Victoria, the Department of Environment, Energy & Climate Action, Landcare and private landholders to control feral pigs across the Otways as . As at June 2022, 198 pigs have been removed from fragile Otways ecosystems.

This work is being undertaken as a part of the Australian Government's Wild Otways Initiative.



COLLABORATION WITH FIELD GAME HARVESTERS

The control of deer in the Otways is likely to be an ongoing activity and, as such, needs to be sustainable, practical and economical while continuing to work towards environmental conservation.

As part of the Wild Otways Initiative, the Conservation Ecology Centre has been facilitating engagement between Wild Game Field Harvesters (WGFH) and landholders in the Southern Otways to increase deer control on private land. The hope is that we can turn local venison into a commercially viable product as a way of facilitating the ongoing control of deer in the Otways.

A Wild Game Field Harvester has begun harvesting deer across private properties in the Southern Otways after engagement took place between the CEC, landholders and the Wild Game Field Harvester.

A recently announced partnership between The Meat Crew and Feral Hunting Services (<https://colacherald.com.au/2022/05/deer-hunters-new-venture>) is the type of activity we think will facilitate the long-term reduction of feral deer numbers in the Otways, while also creating jobs, and a sustainable local food source.



ENGAGING THE COMMUNITY IN FERAL PEST CONTROL

Community engagement was identified early on as being crucial to the success of feral pig and deer control in the Otways. We are interested in ensuring the community were informed about the threats these feral animals pose to our unique ecosystems, but also that they are empowered to identify and report sightings, helping build our understanding of their activities in the Otways.

Coordinating with local Landcare networks has allowed us to deliver eight community engagement workshops over the past year to over 150 local landholders.

These forums allowed us to explain impacts of the growing pig and deer populations in the Otways, as well as informing the community how they could report feral animal activity via FeralScan, and demonstrating control methods to them.

As a result of these workshops we've seen an increase in the use of FeralScan and many landholders who reported sightings on their properties have then engaged in active management - assisting the CEC to locate monitoring sites, set up cameras and traps, and assist in free-feeding, ultimately resulting in feral pigs being controlled on their properties.

Such in-depth engagement has been key to the success of this program.



OTWAYS ECOLOGICAL RESEARCH FORUM

The annual Otways Threatened Species Research Forum brings together researchers, land managers, and other interested parties from across the Otways to share the latest ecological research being undertaken across the national park, state forests and on private land.

Close to 150 people participated in the August 2021 Forum, which was held online due to covid-19 and the recorded presentations are available [on YouTube here](#). Some featured projects not featuring in this report were:

- How camera traps and scats are helping track down the Pookila (New Holland Mouse), Koonoomoo (Smokey Mouse) and Tooarrana (Broad-toothed Rat), which are known from the Otways but rarely seen.
- How data, modelling and fancy new technology – like LiDAR scanners – are helping DELWP plan their fuel reduction burns in the Otways.
- How lizards, birds, snakes and small mammals have all been making use of the protection offered by post-fire refuges in the Otways.
- How identifying priority protection areas and developing management interventions in these areas will be crucial in protecting plant and animal biodiversity from 'dieback' caused by phytophthora in the Otways.





PAPERS & PRESENTATIONS

SCIENTIFIC PAPERS

Le Pla, M., Birnbaum, E., & Rees, M., Hradsky, B., Weeks, A., Rooyen, A., & Pascoe, J. (2022). Genetic sampling and an activity index indicate contrasting outcomes of lethal control for an invasive predator. *Austral Ecology*. 47. 10.1111/aec.13182.

Rutter, N., Stukas, A., & Howell, T., **Pascoe, J.** & Bennett, P. (2022). Improving access to conservation detection dogs: identifying motivations and understanding satisfaction in volunteer handlers. *Wildlife Research* 49(7) 624-636 10.1071/WR21113.



CONFERENCE PRESENTATIONS

- **Farley-Lehmer, T.** Striking a Balance Between Conservation and Bushfire Risk. *South-West Biodiversity Forum 2021*
- **Farley-Lehmer, T.** Managing both Fuel Hazard Reduction and Conservation in a Flammable System. *OTSRN Forum 2021*
- **Le Pla, M.** How do Long-nosed Potoroos respond to fire? *South-West Biodiversity Forum 2021*
- **Le Pla, M.** How do Long-nosed Potoroos respond to fire in the Carlisle Heath? *OTSRN Forum 2021*
- **Le Pla, M & Birnbaum, E.** Effect of Fire on the Carlisle Small Mammal Community. *OTSRN Forum 2021*
- **Pascoe, J.H.** Plenary. *Victorian Biodiversity Conference 2022.*
- **Wilson, T & Pascoe, J.H.** The Emerging Threat of Feral Pigs in the Otways. *OSTRN Forum 2021*



CREATING A CARING COMMUNITY

Fostering a lifelong interest in nature

WILDLIFE WONDERS - AN INNOVATIVE ECOTOURISM EXPERIENCE

Conceived and founded by the Conservation Ecology Centre, Wildlife Wonders aims to provide sustainable and reliable funding for nature conservation programs across the Otways region through an exceptional tourism experience.

The visitor experience is set around the opportunity to move through a spectacular nature sanctuary accompanied by a qualified Nature Guide, who will share the secrets of the bush and the plants and animals that call it home. Wildlife Wonders' signature experience, the 75-minute 'Walk with Wildlife' guided tour, departs regularly throughout the day.

Wildlife Wonders is Advanced Ecotourism Certified by Ecotourism Australia and epitomises the very best of ecotourism principles - it is a wildlife conservation reserve, expertly created to showcase the ecosystems and wildlife of the Great Ocean Road's Otways region and raise visitors' understanding of nature and conservation.

Our innovative approach and the remarkable visitor experience has been celebrated both locally and internationally. Wildlife Wonders was awarded a silver medal at the 2021 Victorian Tourism Awards after only four months of operation, and National Geographic rated Wildlife Wonders as one of the five best places in the world to experience nature in 2022.



WILDLIFE WONDERS

is a restorative nature experience with purpose.

WE ENGAGE VISITORS SENSES WITH THE NATURAL VALUES OF THE GREAT OCEAN ROAD

Wildlife Wonders is an experiential attraction where visitors can immerse themselves in the natural Otways environment as it once was, free of feral predators and abounding with wildlife.

WE SHARE INSPIRATIONAL STORIES

Of nature conservation, our social enterprise model, the local produce we serve at our café & the local handicrafts we sell in our gift shop.

WE INSPIRE PURPOSEFUL ACTION

We motivate visitors to become part of the story of wildlife conservation in the Otways. Just by taking a tour they are already contributing to conservation via our social enterprise model. We also facilitate a volunteer program and engage visitors via citizen science.



THE WONDERSMITHS



The Wondersmiths are an inspiring group from our local community who gather every Monday afternoon, rain, hail or shine, to assist with caring for the Wildlife Wonders sanctuary.

Planting, weeding, path maintenance and construction, mowing, oiling timbers, installing monitoring stations, digging pipelines and building emu ponds... there is nothing they can't do!

We are extremely grateful for their hard work and dedication.
(Photographed on a break because they move too quickly when they're working!)

COMMUNITY EVENTS

Women in Conservation Breakfast, bringing together women across the region who are working towards a healthier and more resilient environment.

Big Otway Tree Plant, planted 1,000 messmate and she oak seedlings to restore degraded woodland habitats at Cape Otway.

Hosted a live stream of the **Otways Ecological Research Forum**, making it possible for the wider community to learn about current conservation and research programs underway across the region.

Hosted 70 people for a **World Environment Day Forum**, enabling local groups to present their work to community members, generating interest and support.

Ran a **school program at Wildlife Wonders** which is curriculum aligned and delivered by qualified and experienced teachers.

Delivered the **Wildlife Wednesday** school holiday program, including wildlife watching, tree planting and nature craft.

Regular **kids activities** including Thursday morning Nature Storytime for pre-schoolers and Saturday morning Wildlife Talks.



ONLINE ENGAGEMENT

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.

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.

Our Wildlife Wonders social media posts 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 that every visit helps to fund. We also send a monthly "What's On" email to our subscribers.

CONSERVATION ECOLOGY CENTRE

- **2,960** newsletter subscribers (up 10%) with a 45% open rate
- **8,837** Facebook followers (up 15%)
- **2,600** Instagram followers (up 13%)
- **1,800** Twitter followers (up 6%)

WILDLIFE WONDERS

- **488** newsletter subscribers (up 43%) with a 50% open rate.
- **2,000** Facebook followers (up 50%)
- **1,300** Instagram followers (up 50%)



FOSTERING CONSERVATION CAREERS

Employment

Combined, the Conservation Ecology Centre and Wildlife Wonders are one of the most significant employers in the Otways, supporting 15FTE roles in 2022.

Internships

Throughout the last 14 years our Conservation Research Internship Program has supported 115 early career scientists, many of whom have gone on to further employment in the conservation science sector (and some of whom have come back to work in various roles at CEC and Wildlife Wonders).



PHOTO: DOUG GIMESY



GOVERNANCE

CEC GOVERNANCE

OUR PATRON

The Hon Steve Bracks AC

ADVISORY BOARD

Dr Deborah Seifert AM (Chair)

Mr Matthew Bridges

Mr John Clarke

Mrs Alison Corke

Prof Charles Corke

Mr Doug Humann AM

Dr Rik Thwaites

Prof Alan York

PUBLIC FUND MANAGEMENT COMMITTEE

Dr Deborah Seifert AM (Chair)

Mr Matthew Bridges

Mr John Clarke

Mrs Alison Corke

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

Prof Charles Corke

Ms Elizabeth Corke OAM

Mr Brian Massey

Mr Shayne Neal

Mr Tim Noonan

Conservation Ecology Trust

ABN 90 681 731 286

Special Purpose Financial Report – 30 June 2022

Conservation Ecology Trust

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Conservation Ecology Trust
Consolidated Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue	3	2,262,788	3,247,984
Interest revenue calculated using the effective interest method		-	8,164
Expenses			
Advertising		71,548	72,798
Accounting fees		8,834	12,915
Bank fees		8,745	2,976
Bad debts		-	-
Administration costs		19,727	11,400
Conference expenses		884	1,262
Conservation and research		276,373	414,733
Depreciation expense	4	108,109	162,625
Engagement expenses		343	4,241
Fuel and oil		22,755	11,687
Electricity, water and gas		17,903	8,469
Guest services		7,952	3,506
Insurance		26,198	37,512
Interest paid		266,343	320,929
Land management		701	-
Laundry and cleaning expenses		1,265	786
Leave provisions			73,478
Legal costs		-	4,049
Other expenses		37,280	71,898
Office supplies and postage		5,047	3,485
Professional fees		53,054	10,567
Purchases of inventory		117,266	43,590
Rates and taxes		(7,083)	25,065
Registrations and licenses		10,783	14,743
Repairs and maintenance		38,221	48,357
Staff training and welfare		6,272	24,866
Superannuation		93,734	
Telephone and internet		10,834	8,273
Travelling expenses		408	386
Uniform		8,692	10,223
Wages		944,953	655,116
Waste disposal		599	185
Wildlife husbandry		6,877	11,199
Workcover		13,643	3,752
Surplus/(Deficit) before income tax expense		84,528	1,181,077
Income tax expense		-	-
Surplus/(Deficit) after income tax expense for the year attributable to the members of Conservation Ecology Trust		84,528	1,181,077
Other comprehensive income for the year, net of tax		2,498,243	-
Total comprehensive income/(loss) for the year attributable to the members of Conservation Ecology Trust		<u>2,582,771</u>	<u>1,181,077</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Conservation Ecology Trust
Consolidated Statement of financial position
As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	5	715,194	636,558
Trade and other receivables	6	125,386	33,736
Inventory	7	56,299	42,261
Total current assets		<u>896,879</u>	<u>712,555</u>
Non-current assets			
Property, plant and equipment	8	11,005,886	8,422,529
Total non-current assets		<u>11,005,886</u>	<u>8,422,529</u>
Total assets		<u>11,902,765</u>	<u>9,135,084</u>
Liabilities			
Current liabilities			
Trade and other payables	9	341,502	414,947
Financial liabilities	10	141,988	1,268,330
Employee benefits	11	159,670	76,993
Total current liabilities		<u>643,160</u>	<u>1,760,270</u>
Non-current liabilities			
Scholarship fund held in trust		5,000	5,000
Financial liabilities	10	5,029,750	3,687,275
Employee benefits	11	11,889	52,344
Total non-current liabilities		<u>5,046,639</u>	<u>3,744,619</u>
Total liabilities		<u>5,689,799</u>	<u>5,504,889</u>
Net assets		<u>6,212,966</u>	<u>3,630,195</u>
Equity			
Settlers fund		10	10
Reserves	14	2,498,243	-
Retained earnings	13	3,714,713	3,630,185
Total equity		<u>6,212,966</u>	<u>3,630,195</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Conservation Ecology Trust
Consolidated Statement of changes in equity
For the year ended 30 June 2022

	Settlor's Fund \$	Reserve \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2020	10	-	2,449,108	2,449,118
Surplus/(Deficit) after income tax expense for the year	-	-	1,181,077	1,181,077
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	1,181,077	1,181,077
Balance at 30 June 2021	<u>10</u>	<u>-</u>	<u>3,630,185</u>	<u>3,630,195</u>
	Settlor's Fund \$	Reserve \$	Retained Surpluses \$	Total equity \$
Balance at 1 July 2021	10	-	3,630,185	3,630,195
Surplus after income tax expense for the year	-	-	84,528	84,528
Other comprehensive income for the year, net of tax	-	2,498,243	-	2,498,243
Total comprehensive income for the year	-	2,498,243	84,528	2,582,771
Balance at 30 June 2022	<u>10</u>	<u>2,498,243</u>	<u>3,714,713</u>	<u>6,212,966</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Conservation Ecology Trust
Consolidated Statement of cash flows
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers, grants, donations interest and others (inclusive of GST)		2,397,417	3,435,646
Payments to suppliers, employees and interest (inclusive of GST)		(2,075,348)	(1,765,636)
Interest paid		(266,343)	(414,733)
Net cash from operating activities	17	<u>55,726</u>	<u>1,255,277</u>
Cash flows from investing activities			
Proceeds from property, plant and equipment		-	-
Payments for property, plant and equipment	9	(193,224)	(2,396,440)
Net proceeds from/(contribution to) term deposits		-	-
Net cash used in investing activities		<u>(193,224)</u>	<u>(2,396,440)</u>
Cash flows from financing activities			
Proceeds from borrowings (Net)		216,133	993,745
Net cash from financing activities		<u>216,133</u>	<u>993,745</u>
Net increase/(decrease) in cash and cash equivalents		78,635	(147,418)
Cash and cash equivalents at the beginning of the financial year		<u>636,558</u>	<u>783,976</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>715,193</u></u>	<u><u>636,558</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. 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.

During the current year, the Trust adopted the requirements of *AASB124 Related Party Disclosures*.

General information

The financial statements cover Conservation Ecology Trust as a consolidated entity, consisting of Conservation Ecology Trust and CEC Marengo Ltd and Wildlife Wonders Ltd which were controlled by Conservation Ecology Trust at the end of and during the year (collectively, the "Trust"). 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 Trust 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 officers' opinion, the Trust is not a reporting entity 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*, and associated regulations. The Trust members 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.

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.

Principles 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 'Trust' or '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.

Note 1. Significant accounting policies (continued)

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.

Revenue recognition

The Consolidated Entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Consolidated Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated Entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Fundraising revenue

Fundraising revenue consists of services, events, fundraising and raffles and is recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the Consolidated Entity satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Consolidated Entity is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

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.

Note 1. Significant accounting policies (continued)

Volunteer services

The Consolidated Entity has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income tax

As the Consolidated Entity 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 classification

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.

Deferred tax assets and liabilities are always classified as non-current.

Comparative figures

Where required, comparative figures have been adjusted to conform with current year presentation.

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.

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

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.

Contract assets

Contract assets are recognised when the Consolidated Entity has transferred goods or services to the customer but where the Consolidated Entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Note 1. Significant accounting policies (continued)

Property, plant and equipment

Buildings are shown at fair value, based on periodic valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss. A revaluation of buildings was conducted as of 30 June 2022 by an independent firm of quantity surveyors.

Other property, 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 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	40-50 years
Motor vehicles	3 1/3 – 5 years
Plant and equipment	5 years

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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

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

Contract liabilities

Contract liabilities represent the Consolidated Entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Consolidated Entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Consolidated Entity has transferred the goods or services to the customer.

Note 1. 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.

Financial instruments

Recognition and measurement

Financial assets and liabilities are recognised when the Consolidated Entity becomes a party to the contractual provisions of the instrument. Investments and other financial assets 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. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Note 1. Significant accounting policies (continued)

Amortised cost is calculated as the amount at which the financial asset or liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortization of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life or contractual term of the financial instrument to the net carrying amount of the financial asset or liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be 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 a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

The Consolidated Entity has recognised its financial instruments at the reporting date as follows:

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Other financial assets

Other financial assets mostly comprise term deposits with banks and are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Going Concern

As at 30 June 2022, the Consolidated Entity has net current assets of \$253,719 and reported a net profit for the year of \$84,528 and net cash inflows from operating activities of \$55,726 (2021: net current liabilities of \$1,047,715, net profit of \$1,181,077 and net cash inflows from operating activities of \$1,255,277). Subsequent to year end, the terms of a loan classified as non-current as at 30 June 2023 was renegotiated and an amount of \$300,000 has become current. The proforma impact of this change is to reclassify the net current assets as at 30 June 2022 to a net current liability position of \$46,281. Notwithstanding this, the financial report has been prepared on the going concern basis. This basis has been adopted as the Directors believe that it is reasonably foreseeable that the Consolidated Entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

-The Consolidated Entity has an overall net asset position of \$6,212,966 as at 30 June 2022 and \$3,630,195 as at 30 June 2021; and;

-The unaudited results of the Consolidated Entity for the year ended 30 June 2023 reflected positive cash flows from operations and the budget through to 31 December 2024 forecast a result that approximates a break even position from operations to that point.

- The Directors have historically been successful in renegotiating the repayment terms of debt funding and also in the sourcing of new debt funding and grant funding for its activities.

Accordingly, the Directors believe that the Consolidated Entity will be able to pay its debts as and when due and that it is appropriate to adopt the going concern basis in preparation of the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Consolidated Entity does not continue as a going concern.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2022. The Consolidated Entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Consolidated Entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Consolidated Entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Consolidated Entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The Consolidated Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Conservation Ecology Trust
Notes to the financial statements
30 June 2022

Note 3. Revenue

	2022 \$	2021 \$
<i>Revenue from contracts with customers</i>		
Ecotourism revenue	483,328	677,683
Donations	189,347	434,426
Conservation revenue	821,887	-
	<u>1,494,562</u>	<u>1,112,109</u>
<i>Other revenue</i>		
Grants	618,681	1,913,433
Government funding – COVID19	-	219,373
Other revenue	149,545	3,069
	<u>768,226</u>	<u>2,135,875</u>
Revenue	<u><u>2,262,788</u></u>	<u><u>3,247,984</u></u>

Note 4. Expenses

	2022 \$	2021 \$
Surplus before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Buildings	2,258	105,540
Plant and equipment	89,770	45,721
Motor vehicles	16,081	11,364
	<u>108,109</u>	<u>162,625</u>
Total depreciation		
	<u>108,109</u>	<u>162,625</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	93,734	73,478
	<u>93,734</u>	<u>73,478</u>

Note 5. Current assets - cash and cash equivalents

	2022 \$	2021 \$
Cash on hand	400	400
Cash at bank	694,794	386,158
Term deposits	20,000	250,000
	<u>715,194</u>	<u>636,558</u>

Note 6. Current assets - trade and other receivables

	2022 \$	2021 \$
Trade receivables	125,386	33,736
	<u>125,386</u>	<u>33,736</u>

Note 7. Current assets - inventory

	2022 \$	2021 \$
Inventory	56,299	42,261
	<u>56,299</u>	<u>42,261</u>

Note 8. Non-current assets - property, plant and equipment

	2022 \$	2021 \$
Land	2,448,645	2,448,645
	<u>2,448,645</u>	<u>2,448,645</u>
Buildings - at fair value (2021: cost)	7,747,500	5,518,433
Less: Accumulated depreciation	-	(115,026)
	<u>7,747,500</u>	<u>5,403,405</u>
Plant and equipment - at cost	1,066,594	796,231
Less: Accumulated depreciation	(376,166)	(286,396)
	<u>690,428</u>	<u>509,835</u>
Motor vehicles - at cost	219,167	144,416
Less: Accumulated depreciation	(99,853)	(83,772)
	<u>119,314</u>	<u>60,644</u>
Total Property, plant and equipment	<u>11,005,887</u>	<u>8,422,529</u>

Reconciliations

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

	Land \$	Capital works In progress \$	Buildings \$	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2020	2,448,645	3,531,899	46,533	153,706	7,931	6,188,714
Additions	-	2,248,263	-	148,177	-	2,396,440
Transfers	-	(5,780,162)	5,462,412	253,673	64,077	-
Depreciation expense	-	-	(105,540)	(45,721)	(11,364)	(162,625)
Balance at 30 June 2021	2,448,645	-	5,403,405	509,835	60,644	8,422,529
Additions	-	-	81,466	37,007	74,751	193,224
Transfers	-	-	(233,356)	233,356	-	-
Revaluation	-	-	2,498,243	-	-	2,498,243
Depreciation expense	-	-	(2,258)	(89,770)	(16,081)	(108,109)
Balance at 30 June 2022	<u>2,448,645</u>	<u>-</u>	<u>7,747,500</u>	<u>690,428</u>	<u>119,314</u>	<u>11,005,887</u>

Note 9. Current liabilities - trade and other payables

	2022 \$	2021 \$
Trade payables	73,091	310,024
Accrued income	80,158	-
Other payables	166,146	104,923
Superannuation payable	22,107	-
	<u>341,502</u>	<u>414,947</u>

Note 10. Financial liabilities - borrowings

	2022 \$	2021 \$
Current financial liabilities		
Loan – Directors and Director related entities	71,783	1,260,947
Loan – Other private entities	14,901	7,382
Loan – bank	55,304	-
Total current financial liabilities	<u>141,988</u>	<u>1,268,330</u>
Non Current financial liabilities		
Loan – Directors and Director related entities	3,508,309	2,032,002
Loan – Other private entities	1,393,201	1,422,009
Loan - bank	128,240	233,264
Total non-current financial liabilities	<u>5,029,750</u>	<u>3,687,275</u>
Total financial liabilities	<u>5,171,738</u>	<u>4,955,605</u>

Note 11. Employee benefits

	2022 \$	2021 \$
Current employee benefits		
Provision for annual leave	107,098	76,993
Provision for long service leave	52,572	-
	<u>159,670</u>	<u>76,993</u>
Non-Current employee benefits		
Provision for annual leave	-	-
Provision for long service leave	11,889	52,344
	<u>11,889</u>	<u>52,344</u>
Total employee benefits	<u>171,559</u>	<u>129,336</u>

Note 12. Equity - retained surpluses

	2022 \$	2021 \$
Retained surpluses at the beginning of the financial year	3,630,185	2,449,108
Surplus after income tax expense for the year	84,528	1,181,077
Retained surpluses at the end of the financial year	<u>3,714,713</u>	<u>3,630,185</u>

**Pinnacle Consolidated Entity Special Purpose
Notes to the financial statements
30 June 2022**

Note 14. Equity - retained surpluses (continued)

Note 13. Equity - Reserves

	2022 \$	2021 \$
Revaluation reserve at the beginning of the year	-	-
Revaluation increment for the year	2,498,243	-
Revaluation reserve at the end of the financial year	<u>2,498,243</u>	<u>-</u>

Note 14. Parent entity

Conservation Ecology Trust is the parent entity.

Note 15. 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:

Subsidiary	Country of incorporation	Ownership interest	
		2022	2021
CEC Marengo Ltd	Australia	100%	100%
Wildlife Wonders Ltd	Australia	100%	100%

CEC Marengo Ltd and Wildlife Wonders Ltd are consolidated in accordance with AASB10 and the reporting requirements of the Australian Charities and Not for profit Commission, as the Parent Entity has the ability to control the activities of both entities and to use this to obtain benefits from the assets and activities of both entities.

Note 16. Key management personnel disclosures

Compensation

The aggregate compensation made to officers and other members of key management personnel of the Consolidated entity is set out below:

	2022 \$	2021 \$
Short-term employee benefits	126,764	310,270
Long-term employee benefits	12,676	14,396
Total	<u>139,440</u>	<u>324,666</u>

Note 17 Related parties

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties

Other than borrowings as noted below, there were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

Loans from related parties are disclosed in note 10 and include the Corke Family, the Neal Family, RE Ross Trust and Kabungarra Trust.

Note 18. Contingent liabilities

The Trust had no contingent liabilities as at 30 June 2022 and 2021.

Note 19. Commitments

The Trust had no commitments for expenditure as at 30 June 2022 and 2021.

Note 20. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Subsequent to year end, the Consolidated Entity has refinanced a loan totalling \$550,653 with a third party in October 2022. The terms of this loan has been amended to reduce the interest rate payable and modify its maturity. In addition, the Consolidated Entity has entered into a new borrowing facility amounting to \$300,000 with a related party in August 2022.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 21. Reconciliation of surplus after income tax to net cash from operating activities

	2022 \$	2021 \$
Surplus after income tax expense for the year	84,528	1,181,077
Adjustments for:		
Depreciation	108,109	162,625
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(91,650)	109,811
Decrease/(increase) in financial assets	-	-
Decrease/(increase) in inventory	(14,038)	(42,261)
Decrease in income in advance	-	(15,470)
Decrease in trade and other payables	(73,445)	(200,590)
Decrease in accruals	-	9,590
Increase in employee benefits	42,222	50,495
Net cash from/(used in) operating activities	<u>55,726</u>	<u>1,255,277</u>

Conservation Ecology Trust
Directors' declaration
30 June 2022

In the Directors' opinion:

- the Consolidated Entity is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

On behalf of the Directors

Elizabeth Corke

Elizabeth Corke
Director

23 January 2024
Apollo Bay

Independent Auditor's Report To the Members of Conservation Ecology Trust

Report on the Audit of the Financial Report

Qualified Opinion

I have audited the financial report of Conservation Ecology Trust, (the Entity), and its controlled subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising material accounting policy information, and the directors' declaration. In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, 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 2022 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 Qualified Opinion

The Group has not historically maintained a separate fixed asset register for plant and equipment which is a material class of fixed assets in the current year. Subsequent to 30 June 2022, management have commenced the process of compiling this register and validating it against a physical inspection of related assets. However, as at 30 June 2022, I was unable to obtain sufficient appropriate audit evidence about the existence and carrying amount of plant and equipment. Consequently, I was unable to determine whether any adjustments to these amounts were necessary.

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty related to going concern

I draw attention to Note 1: Going Concern of the financial report which discloses that the Group had net current assets of \$253,719 (2021: net current liabilities of \$1,047,715) and that subsequent to year end, the terms of a loan classified as non-current as at 30 June 2023 was renegotiated and an amount of \$300,000 has become current. The proforma impact of this change is to reclassify the net current assets as at 30 June 2022 to a net current liability position of \$46,281 which indicates that there is a material uncertainty for the Group to continue as a going concern. Notwithstanding this, the Directors are of the opinion that the Group will continue as a going concern. Should the measures planned by the Directors not generate the expected results, a material uncertainty exists that may cast significant doubts on the Groups ability to continue as a going concern. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that

might be necessary if the Group does not continue as a going concern. My opinion is not modified in respect of this matter.

Emphasis of matter – basis of accounting

Without modifying my opinion, I 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.

Trustees Responsibility for the Annual 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.

Assurance Practitioner's Responsibility

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if

such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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..

Richard Ainio.

Richard Ainio
Ainio Assurance
23 January 2024
Ballarat