Northern Agricultural Catchments Council Incorporated

ABN: 15 441 877 135

Financial Statements

For the year ended 30 June 2026

Northern Agricultural Catchments Council Incorporated

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Northern Agricultural Catchments Council Incorporated

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	2026	2025
		$	$
Revenue			
Revenue		2,884,134	2,500,725
Service Income		2,853,364	2,162,943
Reversal of impairment loss		-	143,500
Other income		207,744	258,369
Total Income		5,945,242	5,065,537
Expenditure			
Depreciation expenses		(77,696)	(68,582)
Employee expenses		(1,501,117)	(1,389,063)
Project costs		(2,559,690)	(1,746,572)
Governance expenses		(40,326)	(35,358)
Administrative expenses		(794,911)	(706,767)
Total Expenditure		(4,973,740)	(3,946,341)
Surplus for the year		971,502	1,119,196
Other comprehensive income			
Gain on revaluation of land and buildings		-	15,892
Total other comprehensive income for the year		-	15,892
Total comprehensive income for the year		971,502	1,135,088

The accompanying notes form part of these financial statements.

Northern Agricultural Catchments Council Incorporated

Statement of financial position

As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	5	1,632,389	844,973
Trade and other receivables	6	1,795,690	1,032,631
Financial assets	7	1,730,285	1,665,500
Prepaid expenses		87,615	50,694
Total current assets		5,245,979	3,593,798
Non-current assets			
Property, plant and equipment	8	2,366,412	2,275,870
Right-of-use assets		-	945
Total non-current assets		2,366,412	2,276,815
Total assets		7,612,391	5,870,613
Liabilities			
Current liabilities			
Trade and other payables	9	924,053	224,065
Borrowings	10	8,136	8,136
Provisions	11	331,811	205,868
Unexpended grants		473,750	463,681
Lease liabilities		-	389
Total current liabilities		1,737,750	902,139
Non-current liabilities			
Borrowings	10	27,733	33,835
Provisions		43,248	102,481
Total non-current liabilities		70,981	136,316
Total liabilities		1,808,731	1,038,455
Net assets		5,803,660	4,832,158
Equity			
Retained Surpluses		5,787,768	4,816,266
Asset Revaluation Reserve		15,892	15,892
Total equity		5,803,660	4,832,158

The accompanying notes form part of these financial statements.

Northern Agricultural Catchments Council Incorporated

Statement of changes in equity

For the year ended 30 June 2026

2025	Retained earnings $	Revaluation surplus $	Total $
Opening Retained Earnings 1 July 2024	3,697,070	-	3,697,070
Surplus for the year	1,119,196	-	1,119,196
Other comprehensive income for the year	-	15,892	15,892
Balance at 30 June 2025	4,816,266	15,892	4,832,158

2026	Retained earnings $	Revaluation surplus $	Total $
Opening Retained Earnings 1 July 2025	4,816,266	15,892	4,832,158
Surplus for the year	971,502	-	971,502
Other comprehensive income for the year	-	-	-
Balance 30 June 2026	5,787,768	15,892	5,803,660

The accompanying notes form part of these financial statements.

Northern Agricultural Catchments Council Incorporated

Statement of cash flows

For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		5,167,412	4,240,241
Payments to suppliers and employees		(4,191,509)	(3,960,611)
Interest received		50,079	65,508
Net cash provided by operating activities	12	1,025,982	345,138
Cash flows from investing activities			
Transfer from / (to) term deposits		(64,785)	(65,508)
Payments for plant and equipment		(167,290)	-
Net cash (used in) investing activities		(232,075)	(65,508)
Cash flows from financing activities			
Proceeds from borrowings		-	46,039
Repayment of borrowings		(6,102)	(4,068)
Repayment of lease liabilities		(389)	(13,482)
Net cash (used in)/provided by financing activities		(6,491)	28,489
Net increase in cash held		787,416	308,119
Cash assets at beginning of year		844,973	536,854
Cash assets at end of the year	5	1,632,389	844,973

The accompanying notes form part of these financial statements.

1. Introduction

The financial report includes the financial statements and notes of Northern Agricultural Catchments Council Incorporated ("NACC NRM" or "the Association") as an individual entity. Northern Agricultural Catchments Council Incorporated is a not-for-profit Incorporated Association, incorporated and domiciled in Australia.

The financial report is presented in Australian dollars, which is the Association's functional and presentation currency.

The financial report was authorised for issue by the Directors on 11 September 2026.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

These are special purpose financial statements prepared for distribution to the Members of of Northern Agricultural Catchments Council Incorporated ("NACC NRM" or "the Association") and for internal management reporting purposes to fulfill the Board of Management's ("Board") financial reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012, Associations Incorporation Act 2015 (WA),* and the Association's Constitution. The Board has determined that the Association is not a reporting entity. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Northern Agricultural Catchments Council.

The accounting policies used in the preparation of the financial statements are consistent with the financial reporting requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and the Association's Constitution, and are, in the opinion of the Board appropriate to meet the needs of the members.

The full requirements of Australian Accounting Standards and other professional reporting requirements do not have mandatory applicability to the Association because it is not a reporting entity. The Board has, however, prepared the financial statements 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.

2. Basis of preparation (continued)

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, 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 NACC NRM'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 4.

3. Material accounting policy information

a. Cash and cash equivalents

Cash and cash equivalents include 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.

b. Revenue

NACC NRM recognises revenue as follows:

Grant Income
Where the contract outcomes can be reliably measured:
In accordance with AASB 15 Revenue from Contracts with Customers, revenue is recognised at an amount that reflects the consideration to which NACC NRM is expected to be entitled in exchange for transferring goods/services to a customer.

For each contract with a customer, NACC identifies: (i) the performance obligations in the contract;
(ii) the transaction price which takes into account estimates of variable consideration and the time value of money;
(iii) 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
(iv) 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.

3. Material accounting policy information (continued)

b. Revenue (continued)

Revenue that falls under AASB 15 Revenue from Contracts with Customers is recorded in the statement of financial position (funds received in advance) when received, and recognised progressively, as performance obligations are satisfied.

Where the contract outcomes cannot be reliably measured:
Revenue is measured at the fair value of contributions received. Income arising from the contribution of an asset to NACC NRM is recognised when received, in accordance with AASB 1058 Income of Not-for-Profit Entities.

Service Income
NACC NRM has an executed Service Agreement in place with the Federal Government as part of the Regional Land Partnerships Program.

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

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.

c. Trade and other receivables

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

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

3. Material accounting policy information (continued)

d. Income tax

As NACC NRM 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.

e. Property, plant and equipment

Plant and equipment is stated at historical cost or fair value less where applicable any accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment are recognised as non-current assets in the Statement of Financial Position.

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:

Plant and Equipment	2-5 years
Motor Vehicles	5 years
Building	30 years

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

Land for use in general operation and administration of NACC NRM is stated at fair value (cost up to 30 June 2024. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

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

f. Investments and other financial assets

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.

3. Material accounting policy information (continued)

f. Investments and other financial assets (continued)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the NACC NRM has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met:
(i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
(ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets
The NACC NRM recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the NACC NRM's assessment at the end of each reporting period as to whether the
financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

3. Material accounting policy information (continued)

g. Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where NACC NRM expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

NACC NRM has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

h. Trade and other payables

These amounts represent liabilities for goods and services provided to NACC NRM 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.

3. Material accounting policy information (continued)

i. Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the NACC NRM's incremental borrowing rate.
Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

j. Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, 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 amounts expected to be paid when the liabilities are settled

3. Material accounting policy information (continued)

k. 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.

l. 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;
(i) it is either expected to be realised or intended to be sold or consumed in NACC NRM's normal operating cycle;
(ii) it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; and
(iii) 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;
(i) it is either expected to be settled in NACC NRM's normal operating cycle;
(ii) it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; and
(iii) 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.

3. Material accounting policy information (continued)

m. New Accounting Standards and Interpretations not yet mandatory or early adopted

NACC NRM 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.

n. Going Concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realization of assets and extinguishment of liabilities in the ordinary course of business. The Association is dependent upon the continuous receipt of funding from various departments to continue its operations from year to year and as such the going concern basis of preparation is dependent on the Association continuing to receive such funding on a timely basis.

The Directors are of the opinion that such funding will continue to be received and therefore consider the going concern basis of preparation appropriate.

4. Critical accounting estimates and judgements

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.

a. Key estimates - useful lives of assets

NACC NRM determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation 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.

4. Critical accounting estimates and judgements (continued)

b. Key estimates - employee benefits provision

Short-term employee benefits are defined as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Association expects most employees will take their annual leave entitlements within 12 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

c. Key estimates - revenue recognition

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

5. Cash and cash equivalents

	2026 $	2025 $
Cash at bank	1,632,389	844,973

6. Trade and other receivables

Current	2026 $	2025 $
Trade receivables		
Accounts receivable	33,043	98,657
Accrued income	1,727,342	923,908
GST	35,305	10,066
	1,795,690	1,032,631

7. Financial assets

Current	2026 $	2025 $
Financial assets	1,730,285	1,665,500

8. Property, plant and equipment

Summary	2026 $	2025 $
Land at Valuation	750,000	750,000
Buildings at Valuation	1,525,000	1,525,000
Less Accumulated Deprecation on Buildings	(60,433)	(5,969)
Solar Panels at Cost	41,854	-
Less Accumulated Depreciation on Solar Panels	(501)	-
Motor Vehicles at Cost	218,631	93,193
Less Accumulated Deprecation on Motor Vehicles	(108,139)	(86,354)
	2,366,412	2,275,870

An independent valuation was obtained in June 2025 which indicated a fair value of $2,275,000 ($750,000 for land and $1,525,000 for buildings).

9. Trade and other payables

Current	2026	2025
	$	$
Trade payables		
Business credit cards	6,058	7,761
Accounts payable	503,042	65,120
Paid parental leave payable	5,689	-
PAYG liability	25,707	18,657
Superannuation payable	-	16,880
FBT	5,465	5,465
Accrued expenses	378,092	110,182
	924,053	224,065

NACC NRM has a $19,500 credit card facility. The balance of the used facility at 30 June 2026 was $6,058 (2025: $7,761)

10. Borrowings

Current	2026	2025
	$	$
Secured		
Solar panel loan	8,136	8,136

Non-current	2026	2025
	$	$
Secured		
Solar panel loan	27,733	33,835

NACC NRM entered into a solar panel repayment loan during the prior year with Citizens Own Renewable Energy Network Australia Inc (Operations). The solar panels were installed in the current year.

11. Provisions

Description	2026 $	2025 $
Current liabilities		
Annual leave	113,765	101,096
Long service leave	218,046	104,772
	331,811	205,868
Non-current liabilities		
Long service leave	43,248	102,481
	43,248	102,481

12. Reconciliation of surplus to net cash provided by operating activities

Description	2026 $	2025 $
Surplus for the year	971,502	1,119,196
Adjustment for:		
Depreciation	77,696	68,582
(Reversal of) / impairment loss		(143,500)
Interest paid on lease liabilities		(325)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(737,821)	(760,718)
(Increase)/decrease in prepaid expenses	(36,921)	(13,624)
Increase/(decrease) in provisions	66,708	24,753
Increase/(decrease) in trade and other payables	674,749	(93,659)
Increase/(decrease) in unexpended grants	10,069	144,433
Net cash used in operating activities	1,025,982	345,138

13. Key management personnel remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of NACC NRM, directly or indirectly, including any director (whether executive of otherwise) is considered a key management personnel in accordance with AASB 124 *Related Parties .*

Description	2026 $	2025 $
Short term benefits	199,676	187,748
Post-employment benefits	20,428	19,024
	220,104	206,772

There were no other material transactions during the current or prior year.

14. Commitments, contingents and subsequent events

No matters or circumstances has arisen since 30 June 2026 that has significantly affected, or may significantly affect the NACC NRM's operation, the results of those operations or the NACC NRM's state of affairs in future financial years.

There were no capital commitments as at 30 June 2026 (2025: $46,039).

15. Statutory information

The registered office and principal place of business of the Association is:

Northern Agricultural Catchments Council Incorporated
4 Walton Close
Geraldton Western Australia Australia
6530

Northern Agricultural Catchments Council Incorporated

Directors' declaration

In the Directors' opinion:

Northern Agricultural Catchments Council is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 2 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, Associations Incorporation Act 2015 (WA), Charitable Collections Act 1946* and associated regulations;

- The attached financial statements and notes comply with the Accounting Standards as described in note 2 and note 3 to the financial statements;

- The attached financial statements and notes give a true and fair view of the Northern Agricultural Catchments Council 's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

- There are reasonable grounds to believe that the Northern Agricultural Catchments Council will be able to pay its debts as and when they become due and payable.

On behalf of the Directors

Elisabeth McLellan
Chair

Dated: 6 October 2026

AMD
Chartered Accountants & Advisors

AMD. Works for me.

AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF NORTHERN AGRICULTURAL CATCHMENTS COUNCIL INCORPORATED

I declare that to the best of my knowledge and belief, during the year ended 30 June 2026, there have been no contraventions of**:**

i) The auditor independence requirements as set out in Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* and section 80 of the *Associations Incorporation Act (WA) 2015* in relation to the audit; and

ii) Any applicable code of professional conduct in relation to the audit.

AMD Chartered Accountants

MARIA CAVALLO FCA
Director

Bunbury, WA

Dated this 3 day of September 2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NORTHERN AGRICULTURAL CATCHMENTS COUNCIL INCORPORATED.

Opinion

We have audited the financial report of Northern Agricultural Catchments Council Incorporated which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

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

i) giving a true and fair view, in all material respects of the financial position of Northern Agricultural Catchments Council Incorporated as at 30 June 2026, and of its financial performance and its cash flows for the year then ended; and

ii) complying with Australian Accounting Standards to the extent described in Note 3, the *Associations Incorporation Act (WA) 2015* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022.*

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 Northern Agricultural Catchments Council Incorporated in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter- Basis of Accounting

We draw attention to Note 2 and Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Northern Agricultural Catchments Council Incorporated to meet the requirements of the *Associations Incorporation Act (WA) 2015* and *Australian Charities and Not-for-profits Commissions Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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Emphasis of Matter – Economic Dependency
We draw attention to Note 3(n) to the financial statements which outlines the ongoing operation of Northern Agricultural Catchments Council Incorporated is dependent upon the continued receipt of funding from various Government departments to continue its operations. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report
Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act (WA) 2015* and the *Australian Charities and Not-for-profits Commissions Act 2012* and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing Northern Agricultural Catchments Council Incorporated's financial reporting process.

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

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

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

- Conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AMD Chartered Accountants

MARIA CAVALLO FCA
Director

Level 1, 53 Victoria Street, Bunbury Western Australia Dated this 7 day of October 2026