

2022-2023

ANNUAL REPORT



**BLACKWOOD
BIOSECURITY**

Land Lifestyle Livelihood

18th October 2023

Contents

Our Organisation, our Vision, our Mission.....	Page 3
Our Operational area.....	Page 4
Our Structure and Management.....	Page 5
Our Chairperson’s Report.....	Page 6
Our Treasurer’s Report.....	Page 7
Our Executive Officer’s Report.....	Page 8
Our Achievements.....	Page 9
Our Time.....	Page 14
Our Financials	Page 15

Our Organisation

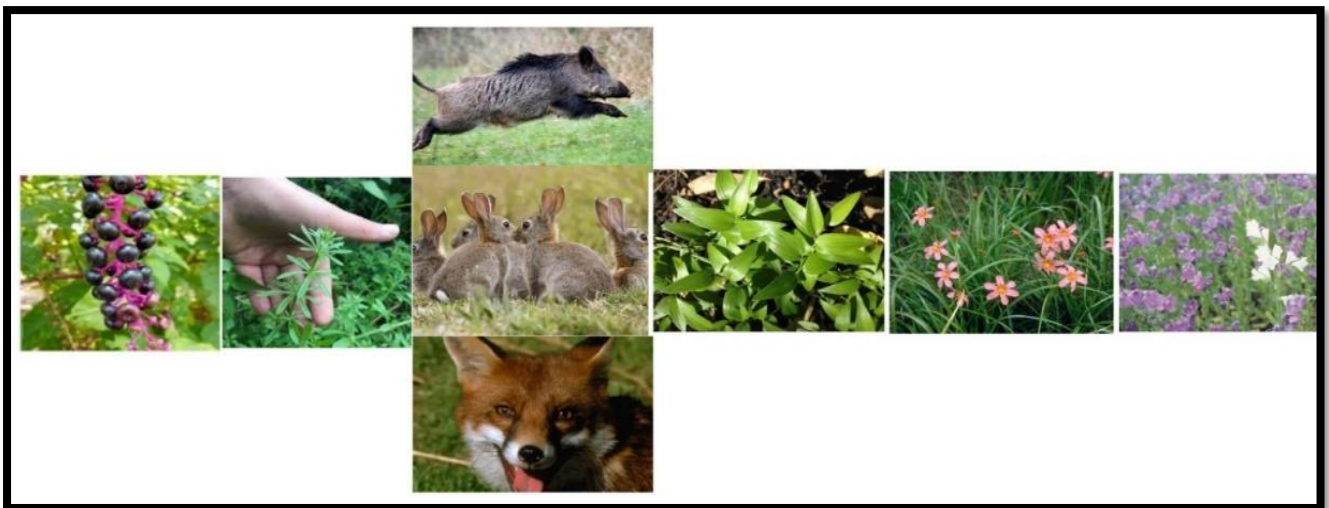
Blackwood Biosecurity Inc (BBI) is a community run not-for-profit organisation. We help landowners and land managers with their declared pest problems focusing on community awareness and education, achieving on-ground outcomes to compliment the great work that the majority of landowners are already doing. Blackwood Biosecurity Inc. operates under guidance from the Biosecurity and Agriculture Management Act 2007 and is primarily funded by the Department of Primary Industries and Regional Development (DPIRD).

Our Vision

As a community we work together to manage declared pests in our region. We share a common goal to protect land, lifestyle, and livelihood for the future. At all times we work with respect, care and professionalism.

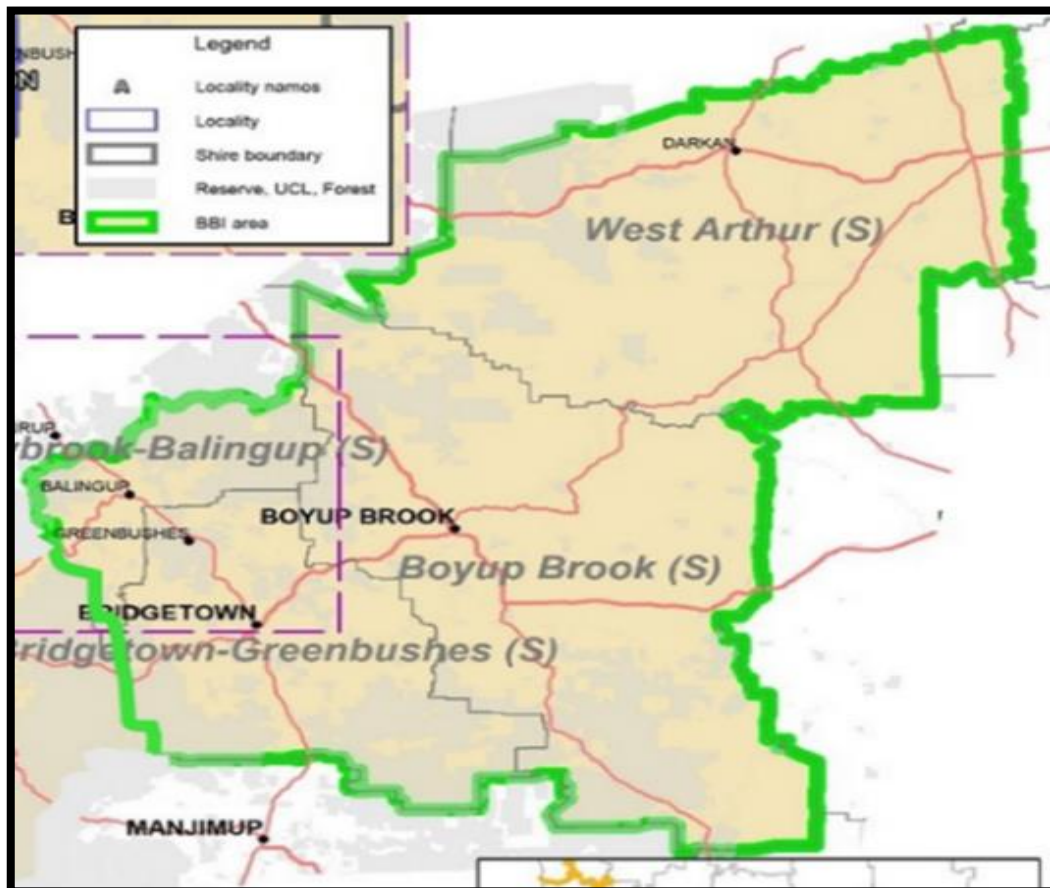
Our Mission

To take a leading role in assisting landholders and land managers within Blackwood Biosecurity Inc's operational area to meet their responsibilities under the Biosecurity and Agriculture Management Act (2007), and to control Declared Plant and Animal Pests on their land.



Our Operational Area

The Blackwood Biosecurity Inc. operational area includes the Shire of Bridgetown Greenbushes, Shire of Boyup Brook, Shire of West Arthur and the southern portion of Shire of Donnybrook Balingup i.e.: Balingup, Mullalyup, Grimwade, Southampton, and Wilga.



Our Structure and Management

Management Committee members (*Elected October 2022*)

Gwendalyn Banks	Chairperson
Phillipe Kaltenrieder	Vice Chairperson (Resigned 30 May 2023)
Margaret Morton	Secretary
Jenny Dewing	Treasurer
Julia Boyle	Committee Member
Leigh Carroll	Committee Member

Staff (*2022/23 financial year*)

Trish McCourt	Executive Officer (November 2022 – current)
Tracy Zemunik	Executive Officer (June 2022 – November 2022)
Jason Dearle	Operations Manager (October 2022 – current)
James Moyes	Biosecurity Officer (June 2022 – current)
Denyse MacNish	Communications & Community Engagement Officer (June 2022 – June 2023)
Trish McCourt	Communications & Community Engagement Officer (June 2022 – November 2022)

Our Chairperson's Report

The year from July 2022 to June 2023 was a year of establishment and growth. With the expertise of our then Executive Officer, Tracy Zemunik, we became fully independent and have enjoyed the progress that has come from a well-balanced working team.

Some restructuring was needed when our EO made the decision to return to full time study and Trish McCourt accepted to move into the position of EO with her co-worker, Denyse McNish, filling the Community Engagement and Communication roles.

It was at the AGM in October that Margaret Morton handed the reins of Chairperson to me. Marg has continued to be a valuable Committee Member. We have said goodbye to some of the members of the committee but have also welcomed new members. I thank all Committee Members past and present for their interest in and commitment to the Biosecurity of our region.

With the wonderful efforts of our team, communication has increased throughout the area covered by BBI. From the very informative Newsletters and Facebook messages to “on the ground” workshops, assistance with pests and weeds and engagement in the Darkan Fox Shoot, to name a few, we endeavour to meet the needs of our community.

When a street front office became available, we took the opportunity to move our office to 104 Hampton Street, Bridgetown. Whether it is landholders calling in or our engagement through our regular meet and greet visits in Boyup Brook and Darkan, we are providing a regular way of catching up with our community.

We have continued to expand our list of equipment that is available and ready to be used with or without the assistance of our Biosecurity Operations Manager, Jason Dearle, and Biosecurity Officer, James Moyes. All Landholders and managers in our designated area are able to access BBI resources to assist them with their Pest Management. Whether it is information or equipment, we are there to help.

We would like to see more of our community become members of BBI. There seems to be a perception that if you have paid your DPR (Declared Pest Rate) then you are a member. As we do not administer this government fee, then we are not aware of who has paid their rate. It is only by you contacting us for support with your declared pest issues, signing up for our Newsletter or applying to be a member, that we can actively engage with you. Through this engagement, you become informed of seasonal pests and weeds to look out for, resources available to help and workshops and activities coming up in your area.

While it is your responsibility to deal with the declared pest and weeds on your property, we are there to assist you in every way we can.

Gwendalyn Banks
Gwendalyn Banks (DPF 21, 2023 15:02 GMT+8)

Gwendalyn Banks

Chairperson

Blackwood Biosecurity Inc



Our Treasurer's Report

I present the Treasurer's report for Blackwood Biosecurity Inc. for the financial year ended 30 June 2023.

Australian Audit, a Perth based company again conducted the audit. As per their Management Letter presented to the Management Committee, they identified two matters which they believe need to be brought to attention for 2023/2024. These matters are in relation to a discrepancy in unacquitted Department of Primary Industries and Regional Development (DPRID) funds and the asset register.

Our primary source of funding is derived from the Declared Pest Rate (DPR), imposed by the West Australian Government (Revenue WA). The DPR is paid by landholders in our operational area and is matched dollar for dollar by the government.

Blackwood Biosecurity Inc lodged its 2022-2023 Operational Plan mid-2021 and with approval from DPIRD, the organisation received funds of \$529,920 from the Declared Pest Account (DPA).

60% of our expenditure for the year was applied to costs to support landholders manage declared pests including the resourcing of tools and equipment and vehicle expenses. The remaining 40% of expenditure was aligned to administration, governance, and community engagement costs.

DPA funding approved for the 2024 financial year, in line with conditions laid out in the Directions Notice issued by DPIRD is anticipated to be \$492,500.

Jenny Dewing



Treasurer -
Blackwood Biosecurity Inc.



Our Executive Officer's Report

"If everyone is moving forward together, then success takes care of itself" (*Henry Ford*)

Over the past (12) twelve months at least, we have certainly moved forward as a team, a committee, an organisation and a community, and we have achieved many successes along the way. In talking success, I will begin with the end in mind.

I want to thank the Blackwood Biosecurity Inc. committee and staff for their hard work and dedication to the cause, for honouring our collective work and for supporting myself and predecessor Tracy Zemunik.

I want to thank the community for believing in BBI and embracing a collaborative approach to managing declared pests in the region.

We have worked long hours, faced adversity, and on some days felt like it has been an uphill slog battling with those pests, but most days I have felt truly humbled by the commitment that has been shown by all. We have implemented the K5 programme, set traps, sprayed blackberry, chased pigs, un-bogged the work vehicle, relocated the administration office, run workshops and pulled together to make it work.

The journey and accomplishments (*see achievements section below*) have been worth it and I feel that our progress has paved the way for ongoing success and resiliency.

In reconnecting with our stakeholders and working side by side with property owners, I hope to think that our work has enriched all of our lives, and made a big dent in the declared pest population.

Every day over the past (12) twelve months I have seen us all benefit from the creativity, hard work, intelligence, dedication and leadership of our community, committee, and staff.

So, in looking forward for the next year, if we feel discouraged, exhausted, elated, or fulfilled, we will remember what we achieved during 2022-2023; it was a big deal and it was worth it!

Trish McCourt



Executive Officer

Blackwood Biosecurity Inc.



Our Achievements

Community Engagement and Promotions



This year, one of our priorities was to increase our profile.

To support this venture, we elevated our community engagement activities with a focus on face-to-face communication with landowners. This included a series of ‘pop up’ information booths targeted at gaining community input and feedback about the services of BBI. These activities helped us to shape both our Strategic Plan and Operational Plan that enabled us to receive funding to deliver our services. In combination with holding a series of focus group consultations with organisations such as the Bridgetown Greenbushes Landcare Group, Blackwood Basin Group, Ashbil Community Garden, various other volunteer groups and local government, we were able to really gain an understanding of the needs of landholders in relation to declared pests and create a new set of goals and objectives (as per the table below) for the years 2022 to 2025.

Goals	Objectives
G1 Support	G1.1 Render timely, efficient, and informed assistance to landowners in the management of declared weeds and pests.
G2 Education and enabling	G2.1 Implement contemporary industry appropriate learning opportunities and provide proactive approaches to build community self-determination.
G3 Collaboration	G3.1 Build partnerships and relationships with community groups, stakeholders and other Registered Biosecurity Groups to ensure shared responsibilities and to strengthen advocacy for the industry.
G4 Accountability	G4.1 Provide transparent, reliable and value driven evidence on the organisation’s performance, outcomes and results.
G5 Continuous improvement	G5.1 Ensure up-to-date pest management processes and practices to future proof the ‘biosecurity’ of the region.



We also held a series of lighthearted greet and meet ‘sausage sizzles’ to generally get to know our community better. Visitors were able to voice their concerns about declared pests, gain advise and information and request site visits to their properties. These ‘pop ups’ were held at a variety of locations including Darkan Agri Services, Boyup Brook Co-op, Bridgetown Hampton Street kiosk and the Balingup General Store.

To complement these activities, we availed ourselves at the Boyup Brook Community Resource Centre and the West Arthur Community Resource Centre once per month. We participated in local promotional opportunities such as the Regenerating Australia event hosted by Transition Bridgetown and attended a series of field days including the Bridgetown Agricultural Show, Dinninup Show, Balingup Small Farm Field Day, Rylington Park Field Day, and the Regen Festival.

Additionally, we introduced hard copy newsletters to compliment the e-newsletters already in circulation. We increased our presence in local media including the Boyup Brook Gazette and the West Arthur Bleat and finally, we conducted a large scale community engagement consultation via survey letters delivered to over 3,700 landholders.

In March 2023, we moved our head office to our new location being 104 Hampton Street, Bridgetown. This move proved very productive for our community engagement agenda, having main street frontage attracting passing visitors, improved accessibility, welcoming foyer and shed to store some of our free for loan equipment.



Workshops



Further to BBI’s participation at the above community engagement events and promotions, the organisation delivered and/or presented numerous workshops over the past 12 months. These interactive activities included winter and summer weeds workshops such as an interactive BBI presented session held in a private



garden on behalf of the Blackwood Valley Landholders Group. This event attracted approximately twenty landholders with particular attention afforded to Blackberry, Cotton Bush and Pokeweed. Other successful workshops were that of the Bridal Creeper management series that we hosted at the Ashbil Community Garden, Bridgetown, the Greenbushes Community Garden, the West Arthur Community Resource Centre and the Boyup Brook Community Resource Centre.



The Boyup Brook workshop was delivered in collaboration with the Blackwood Basin Group and included an excursion to 'The Billabong' where fifteen participants gained firsthand experience in making their own Bridal Creeper rust spray whilst learning about special applications to control other declared weeds in the area.

Interactive 'How To' mini workshops were also conducted throughout the year such as workshops with landholders and land managers on chemical preparations to manage pest vertebrate, and demonstrations such as setting up fox traps, the use of trail cameras and the practice of fox lights.



Information Sessions

To complement our hands on workshops for 2022-2023, BBI delivered several information sessions such as the 'Options for Humane Vertebrate Pest Management' session held at the Greenbushes Community Resource Centre, and a variety of small group information sharing opportunities held with landholders in various locations on a variety of other pest management controls.

This year, the infestation of rabbits in the area was one of the biggest hurdles in declared pest management for the region. In this respect, BBI introduced a Calicivirus (K5 HRDV1) programme that commenced with information events during December 2022. The events were presented on site in the Bridgetown Highlands, Bridgetown Gardens Estate, and locations in Boyup Brook and West Arthur. The sessions were informal and practical and designed to advise attendees of K5 release dates, pre-feeding techniques, and to provide general information about the virus.



All participants received a step-by-step guide on pre-feeding and rabbit control and were able to ask questions and register for the K5 release programme. For landowners unable to attend the sessions, a combination of property visits, social media advertising, hard print media and online communications were conducted to assist in delivering the information.

Field work



This year we enhanced our work in the field to ensure a more hands on approach in supporting landowners to manage declared pests. This work included handling traps, setting cameras, providing monitoring techniques, supporting local and state government mitigation activities, implementing baiting programmes such as the Hoggone® feral pig management system and more significantly, working with commercial farmers impacted by feral pigs with the release of 1080 to manage the pests.








We also supported landholders with rabbit warren smoking, weed spraying, and general pest management support, advice, and information.

In total, we visited approximately 417 properties in just 10 months and considering that there are only 260 working days in the year, this was a great accomplishment.

Our field work of course included our hands on release of the K5 HRDV1 virus from December through to May 2023, to over 600 sites across the region. All in all, the implementation of our K5 HRDV1 virus programme incorporated (7) seven stages and outcomes.



7 STAGES - CALICIVIRIS RABBIT CONTROL PROGRAMME

-  K5 Register - 150 Landholders
-  Information sessions - 4 formal & multiple one on one
-  K5 Vials purchased & cold stored
-  Participants commence pre-feeding
-  BBI staff personally release K5 - over 600 sites
-  BBI staff revisit sites, gauge success rate, release additional K5
-  BBI staff identify improvements for next programme.



Another success story out in the field was that of the eradication of over 35 pigs on one property alone. This outcome, being a major recognised achievement for our organisation and for feral pig management in the southwest, and created increased interest in feral pig baiting programmes from broad acre growers in the region. It is anticipated that this increase will escalate in the coming year and yes - we are prepared.

Our report in the field would not be complete without mention of BBI hosting a breakfast for a *Red Card Community Fox Shoot in West Arthur*. A Red Card Community Fox Shoot is a coordinated community predator management activity. The idea of these events is to make a greater impact through coordinating teams to conduct baiting and shooting activities at the same time across the landscape. The day proved very successful with 185 foxes being eradicated.



Equipment for free for loan

Having implemented a real hands-on approach over the last twelve (12) months to managing declared pests and further supporting our landowners, we increased our pest management equipment supplies. This included acquiring six (6) extra fox lights (solar powered), four (4) additional rabbit cage traps, four (4) extra fox cage traps, two (2) new backpack weed sprayers, four (4) extra leg hold traps, one (1) additional Hoggone® trap and a weed wiper. We can now boast a healthy supply of equipment that is available for free loan to our landowners.

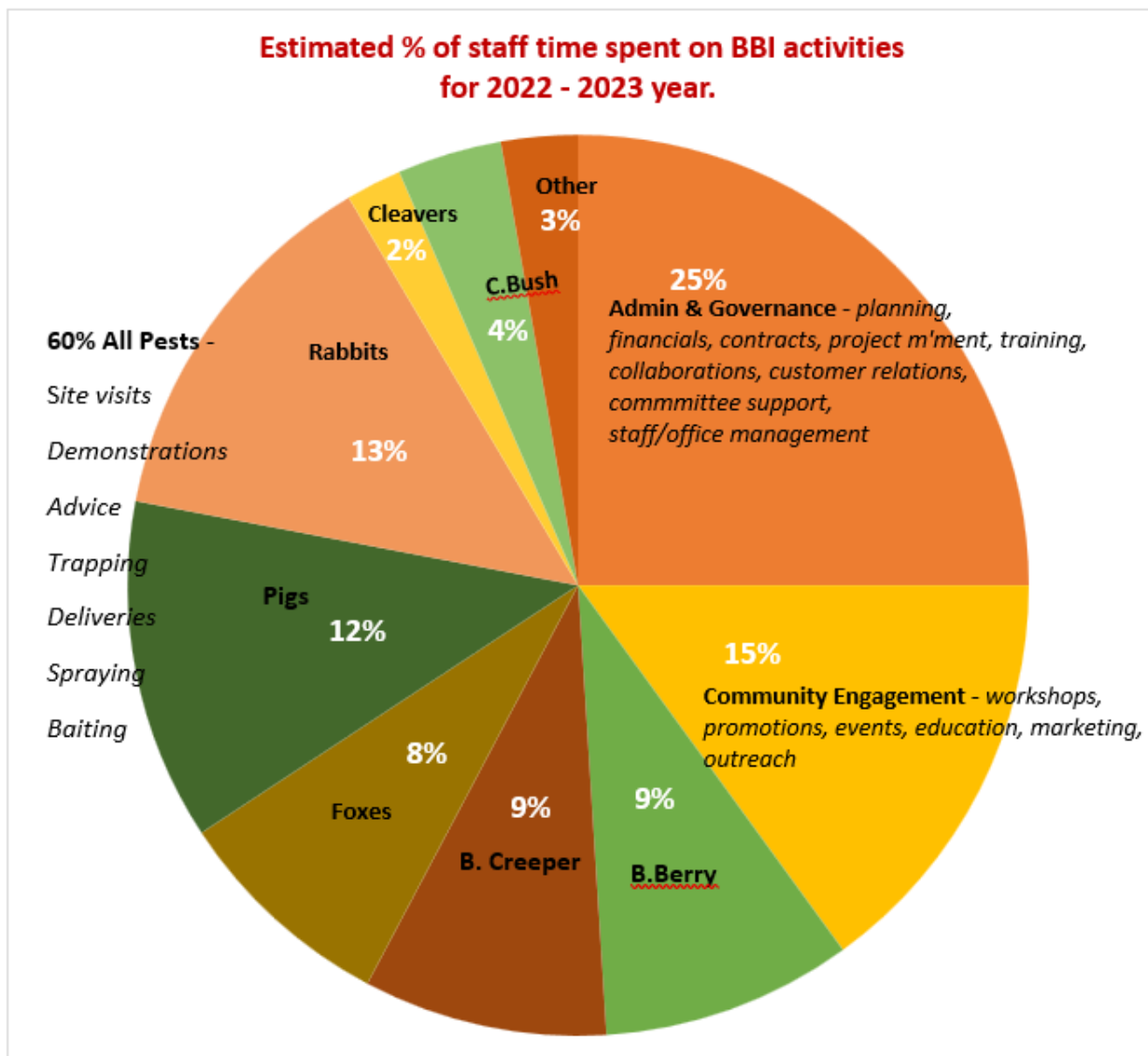


BBI staff demonstrate how to use the equipment and delivery is an option. Delivery has been particularly beneficial to landowners living in West Arthur.

Our Time

Our achievements have been numerous and successful this year, with staff and committee dedicating much time and effort to the many tasks required to effectively achieve our objectives. Left is a chart that captures an estimate of staff time invested across the various BBI task throughout 2022-2023.

BBI's focus on the specific activities fluctuated each month depending on seasonal pest issues, but it was and is important to us that hands on declared pest activities remain the greater proportion of our time spent. However, it is also important to appreciate that without the administration, governance and the general community engagement activities that we undertake, it would be a challenge to operate as an organisation.



Our Financials

Blackwood Biosecurity Inc

ABN 41 668 334 552

Special Purpose Financial Report - 30 June 2023

Blackwood Biosecurity Inc
Contents
30 June 2023

Management Committees' report.....	2
Management Committees' declaration.....	3
Statement of profit or loss and other comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8
Auditor's independence declaration	16
Independent auditor's report to the members of Blackwood Biosecurity Inc	17

General information

The financial statements cover Blackwood Biosecurity Inc as an individual entity. The financial statements are presented in Australian dollars, which is Blackwood Biosecurity Inc's functional and presentation currency.

Blackwood Biosecurity Inc is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business is:

104 Hampton Street,
Bridgetown, WA 6255

A description of the nature of the incorporated association's operations and its principal activities are included in the Management Committees' report, which is not part of the financial statements.

The financial statements were authorised for issue on 3rd October 2023.

Management Committees' report 30 June 2023

The Management Committees present their report, together with the financial statements, on the incorporated association Blackwood Biosecurity Inc for the year ended 30 June 2023.

Committee members

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

Gwendalyn Banks	Chairperson
Philippe Kaltenreider	Vice Chairperson resigned 30 May 2023
Margaret Morton	Secretary
Jennifer Dewing	Treasurer
Julia Boyle	Committee Member
Leigh Carroll	Committee Member
Eric Wheatley	Committee Member ceased 26 October 2022 due to ineligibility
Trish McCourt	Executive Officer
Tracy Zemunik	Executive Officer resigned November 2023

Review of operations

The net surplus of Blackwood Biosecurity Inc for the year ended 30 June 2023 amounted to \$ 106,672 (30 June 2022 :\$19,043)

Principal activities

The principal activity of the association during the financial year was to engage property owners and managers across tenure to co-operatively take ownership and control of priority declared pests across the Blackwood Biosecurity catchment area covering the Shire of Bridgetown-Greenbushes, Shire of Boyup Brook , Shire of West Arthur and the southern portion of the Shire of Donnybrook-Balingup covering the localities of Balingup, Southampton, Grimwade, Mulallyup and Wilga.

During the period, Blackwood Biosecurity Inc applied the accounting policies described in note 1 to these financial statements.

On behalf of the Management Committees


Gwendalyn Banks (Oct 2, 2023 13:30 GMT+8)

Gwendalyn Banks
Chair, Blackwood Biosecurity Inc.



Jenny Dewing
Treasurer, Blackwood Biosecurity Inc.

3rd October, 2023

Management Committees' declaration 30 June 2023

In the Management Committees' opinion:

- the incorporated association 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 Western Australian legislation the Associations Incorporation Act 2015, the Charitable Collections Act 1946 and associated regulations;
- 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 incorporated association's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the Management Committees

Gwendalyn Banks
Gwendalyn Banks (Oct 2, 2023 13:30 GMT+8)

Gwendalyn Banks
Chair, Blackwood Biosecurity Inc.

J. Dewing

Jenny Dewing
Treasurer, Blackwood Biosecurity Inc.

3rd October, 2023

Blackwood Biosecurity Inc
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue			
Declared Pest Account	3	529,920	250,405
Sundry payments		-	1,482
Other income		4,313	364
Interest revenue		555	-
Profit/(Loss) from disposal of assets		-	(3,757)
Total revenue		<u>534,788</u>	<u>248,494</u>
Expenses			
Administration		(70,547)	(41,407)
Employee benefits expense		(298,242)	(172,652)
Depreciation and amortisation expense		(10,639)	(5,799)
Motor vehicle		(18,450)	(137)
Rent		(15,717)	(5,395)
Other expenses		(14,521)	(4,061)
Total expenses		<u>(428,116)</u>	<u>(229,451)</u>
Surplus for the year	13	106,672	19,043
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>106,672</u></u>	<u><u>19,043</u></u>

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

Blackwood Biosecurity Inc
Statement of financial position
As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	4	177,612	300,563
Right-of-use assets	5	151,971	19,116
Other	6	-	2,795
Total current assets		<u>329,583</u>	<u>322,474</u>
Non-current assets			
Property, plant and equipment	7	<u>22,463</u>	<u>17,222</u>
Total non-current assets		<u>22,463</u>	<u>17,222</u>
Total assets		<u>352,046</u>	<u>339,696</u>
Liabilities			
Current liabilities			
Trade and other payables	8	24,090	21,577
Lease liabilities	9	30,040	19,116
Provisions	10	12,306	5,202
Unspent funding payable		-	239,515
Other	11	<u>14,109</u>	<u>11,388</u>
Total current liabilities		<u>80,545</u>	<u>296,798</u>
Non-current liabilities			
Lease liabilities	9	<u>121,931</u>	-
Total non-current liabilities		<u>121,931</u>	-
Total liabilities		<u>202,476</u>	<u>296,798</u>
Net assets		<u>149,570</u>	<u>42,898</u>
Equity			
Reserves	12	106,672	-
Retained surpluses	13	<u>42,898</u>	<u>42,898</u>
Total equity		<u>149,570</u>	<u>42,898</u>

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

Blackwood Biosecurity Inc
Statement of changes in equity
For the year ended 30 June 2023

	Reserves	Retained profits	Total equity
	\$	\$	\$
Balance at 1 July 2021	-	23,855	23,855
Surplus for the year	-	19,043	19,043
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	19,043	19,043
Balance at 30 June 2022	-	42,898	42,898
	Reserves	Retained profits	Total equity
	\$	\$	\$
Balance at 1 July 2022	-	42,898	42,898
Surplus for the year	-	106,672	106,672
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	106,672	106,672
<i>Transactions with members in their capacity as members:</i>			
Transfer to reserves	106,672	(106,672)	-
Balance at 30 June 2023	106,672	42,898	149,570

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

Blackwood Biosecurity Inc
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		534,234	540,938
Payments to suppliers and employees (inclusive of GST)		<u>(641,860)</u>	<u>(247,821)</u>
Net cash from/(used in) operating activities		<u>(107,626)</u>	<u>293,117</u>
Cash flows from investing activities			
Payments for property, plant and equipment	7	(15,880)	(13,779)
Proceeds from disposal of assets		-	100
Interest received		<u>555</u>	<u>-</u>
Net cash used in investing activities		<u>(15,325)</u>	<u>(13,679)</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(122,951)	279,438
Cash and cash equivalents at the beginning of the financial year		<u>300,563</u>	<u>21,125</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>177,612</u></u>	<u><u>300,563</u></u>

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

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The incorporated association 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 Management Committees' opinion, the incorporated association 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 Western Australian legislation the Associations Incorporation Act 2015, the Charitable Collections Act 1946 and associated regulations. The Management Committees have determined that the accounting policies adopted are appropriate to meet the needs of the members of Blackwood Biosecurity Inc.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of 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 the incorporated association'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.

Revenue recognition

The incorporated association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: 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.

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies (continued)

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.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

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.

Income tax

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

Current and non-current 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 incorporated association'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 incorporated association'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.

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.

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies (continued)

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.

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 incorporated association for the annual reporting period ended 30 June 2023. The incorporated association 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.

Estimation of useful lives of assets

The incorporated association 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.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Declared Pest Account

	2023 \$	2022 \$
Funding received: DPIRD Declared Pest Account	529,920	489,920
Less unspent funds: DPIRD Declared Pest Account	-	(239,515)
	<u>529,920</u>	<u>250,405</u>

Blackwood Biosecurity Inc. received an annually funding from the Declared Pest Account (DPA) administered by the Department of Primary Industries and Regional Development (DPIRD). The DPA consists of funds raised from the Declared Pest Rate plus matching funds from the State Government.

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 4. Cash and cash equivalents

	2023	2022
	\$	\$
Current assets		
Cash on hand	116	94
Cash at bank	177,496	300,469
	177,612	300,563

Accounting policy for 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.

Note 5. Right-of-use assets

	2023	2022
	\$	\$
Current assets		
Motor vehicles - right-of-use	35,442	-
Less: Accumulated depreciation	(10,025)	-
	25,417	-
Rental lease - right-of-use	129,448	21,771
Less: Accumulated depreciation	(2,894)	(2,655)
	126,554	19,116
	151,971	19,116

Accounting policy for 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 the incorporated association 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.

Note 6. Other

	2023	2022
	\$	\$
Current assets		
Other current assets	-	2,795
	-	2,795

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 7. Property, plant and equipment

	2023	2022
	\$	\$
<i>Non-current assets</i>		
Leasehold improvements - at cost	639	639
Less: Accumulated depreciation	<u>(150)</u>	<u>(22)</u>
	<u>489</u>	<u>617</u>
Plant and equipment - at cost	84,051	68,561
Less: Accumulated depreciation	<u>(64,847)</u>	<u>(56,898)</u>
	<u>19,204</u>	<u>11,663</u>
Computer equipment - at cost	6,239	5,849
Less: Accumulated depreciation	<u>(3,843)</u>	<u>(1,429)</u>
	<u>2,396</u>	<u>4,420</u>
Office equipment - at cost	1,395	1,395
Less: Accumulated depreciation	<u>(1,021)</u>	<u>(873)</u>
	<u>374</u>	<u>522</u>
	<u><u>22,463</u></u>	<u><u>17,222</u></u>

Accounting policy for property, plant and equipment

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:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

Note 8. Trade and other payables

	2023	2022
	\$	\$
<i>Current liabilities</i>		
Trade payables	4,722	2,239
BAS payable	<u>19,368</u>	<u>19,338</u>
	<u>24,090</u>	<u>21,577</u>

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 8. Trade and other payables (continued)

Accounting policy for trade and other payables

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

Note 9. Lease liabilities

	2023	2022
	\$	\$
<i>Current liabilities</i>		
Lease liability - Rental office premises	12,260	19,116
Lease liability - MV	17,780	-
	30,040	19,116
<i>Non-current liabilities</i>		
Lease liability	114,294	-
Lease liability - MV	7,637	-
	121,931	-
	151,971	19,116

Accounting policy for 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 incorporated association'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.

Note 10. Provisions

	2023	2022
	\$	\$
<i>Current liabilities</i>		
Annual leave	12,029	4,764
Employee benefits	277	438
	12,306	5,202
	12,306	5,202

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 10. Provisions (continued)

Accounting policy for 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.

Note 11. Other

	2023	2022
	\$	\$
<i>Current liabilities</i>		
Accrued expenses	14,109	11,388

Note 12. Reserves

	2023	2022
	\$	\$
Reserves Unacquitted funding – DPIRD	106,672	-

Note 13. Retained surpluses

	2023	2022
	\$	\$
Retained surpluses at the beginning of the financial year	42,898	23,855
Surplus for the year	106,672	19,043
Transfer to other reserves	(106,672)	-
Retained surpluses at the end of the financial year	42,898	42,898

Note 14. Economic dependency

The ongoing operations of Blackwood Biosecurity Group Inc. are reliant on the agreement with the Department of Primary Industries and Regional Development for grant funding from the Declared Pest Account. For Blackwood Biosecurity Group to continue to operate on a going concern basis, the grant funding support from the Department of Primary Industries and Regional Development to meet ongoing operations is vital.

Blackwood Biosecurity Inc
Notes to the financial statements
30 June 2023

Note 15. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

DIRECTORS:

ROBERT CAMPBELL RCA, CA
VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA

ASSOCIATE DIRECTOR:

SANTO CASILLI FCPA PFIIA

AUDITOR'S INDEPENDENCE DECLARATION

To the Management Committee of Blackwood Biosecurity Inc (BBI)

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 and section 80 of the Associations Incorporation Act 2015 (WA), in relation to our audit of the financial report of Blackwood Biosecurity Inc (BBI) for the year ended 30 June 2023, to the best of my knowledge and belief, there have been:

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

Australian Audit



Chassey Cedric Davids, CA, RCA, AMIIA, BCom
Registered Company Auditor number 490152

Director

Australian Audit

Perth, Western Australia

Date: 3 October 2023

DIRECTORS:

ROBERT CAMPBELL RCA, CA
VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA

ASSOCIATE DIRECTOR:

SANTO CASILLI FCPA PFIIA

INDEPENDENT AUDITOR'S REPORT

To the members of Blackwood Biosecurity Inc (BBI)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Blackwood Biosecurity Inc (BBI) (the entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

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

- a. giving a true and fair view of the entity's financial position as at 30 June 2023, and of its financial performance and its cash flows for the year then ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with the Associations Incorporation Act 2015 (WA), the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the entity to meet the requirements of the ACNC Act and the Associations Incorporation Act 2015 (WA). As



a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and The Management Committee for the Financial Report

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

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the Management Committee 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the entity has complied with 60-30(3)(b), (c) and (d) of the ACNC Act and 82(1)(b), (c) and (d) of the Associations Incorporation Act 2015 (WA):

- a. by providing us with all information, explanation and assistance necessary for the conduct of the audit;
- b. by keeping financial records sufficient to enable a financial report to be prepared and audited;
- c. by keeping other records required by Part 3-2 of the ACNC Act, including those records required by Section 50-5 that correctly record its operations, so as to enable any recognised assessment activity to be carried out in relation to the entity; and
- d. by keeping other records required by Part 5 of the *Associations Incorporation Act 2015 (WA)*, including those records required by Section 66 that correctly record its operations, so as to enable true and fair financial statements to be prepared.

Australian Audit

Chassey Cedric Davids, CA, RCA, AMIIA, BCom
Registered Company Auditor number 490152

Director

Australian Audit

Perth, Western Australia

Date: 3 October 2023