

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Financial Statements

For the Year Ended 30 June 2023

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

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Narara Ecovillage Co-operative Ltd

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Directors' Report

30 June 2023

Your directors present their report, together with the financial statements of the Group, being Narara Ecovillage Co-operative Limited and its controlled entity, for the financial year ended 30 June 2023.

1. General information

Directors

The names of the directors in office at any time during the year ended 30 June 2023 are:

Names	Position	Appointed/Resigned
Edward Hughes	Director	Appointed 13 November 2022
Gina Price	Independent Director	
Jonathon Ellis	Director	
Laurence Perrin	Director	Resigned 13 November 2022
Lynita Clark	Director	
Richard Denham	Director	Resigned 13 November 2022
Rodion Kashubin	Director	
Verena Olivier	Chair	

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Principal activities

The purpose of the Narara Ecovillage Co-operative Ltd (NEV) is to, on behalf of its members, establish an ecovillage promoting social, environment and economic sustainability. The Narara Ecovillage development includes a mix of residential housing, agriculture, recreational and commercial facilities.

2. Operating results and review of operations for the year

Review of operations

The 2023 financial year saw significant milestones in NEV's history as well as some challenges:

- a) Stage 2 development works near completion;
- b) Planning proposal approved at the state level;
- c) Voluntary Planning Agreement negotiated subject to public exhibition;
- d) NEV Water - Relinquishing our water licence
- e) NEV Power - Continued development of the smart grid;
- f) Development of community land and facilities;
- g) Working towards our strategic objectives

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Directors' Report

30 June 2023

2. Operating results and review of operations for the year

a) Stage 2 development works near completion

After a year of more than our fair share of rain, resulting in unavoidable delays, our civil works contractor, Robson, finished up on site at the end of May. Our landscaping crew then stepped in to apply the finishing touches and we were able to submit our subdivision documentation to the Central Coast Council in early August. At the time of writing, we are responding to initial queries at council regarding our certificate of subdivision and we anticipate the subdivision of the land being approved with lot titles issued from Land Registry Services by the end of the year.

Whilst project costs increased due to both time delays and external supply chain pressures, the project is on track to deliver the environmental and social goals we were seeking. The Stage 2 area includes a central village green which is expected to draw neighbours together and adjacent, we have reserved a lot for a future common house.

We are hoping that a title deed may be one of the many Christmas 'gifts' for members in 2023, however this doesn't mark the end of the project. We currently have 3 more standard lots for sale and 5 larger lots. We are currently reviewing opportunities the larger lots may provide to the community, including options for smaller (450m²) lots or multi-unit dwellings, shop-top housing or other community facilities. The sale of these larger lots, anticipated to be completed in 2025, will mark the completion of the main subdivision project at Narara which commenced 10 years ago.

b) Planning proposal approved at the state level

In August 2023, we received good news on the planning proposal that has been many years in the making and faced many changes at a Council level. It has now been approved at the State government level and is with the Central Coast Council once more for final procedures including drafting required changes to statutory planning codes and public exhibition prior to approval. Once approved, we will have the option to develop up to 4 lots to include multi-unit dwelling and a new minimum lots size of 450m² will be permitted. In addition, we will have the option for 1,500m² of commercial use within the Administration Building, Visitor Centre, and Grafting Shed, being buildings retained from the previous use of the site as a horticultural research station. The commercial use will underpin the formation of a "Village Centre" sought by the Co-operative as set out in the Village's masterplan.

It is anticipated the planning proposal will get its final tick of approval by Christmas.

c) Voluntary Planning Agreement subject to public exhibition

Wording of amendments to the draft VPA Deed was agreed with Council. The amendment will allow for the area known as the floodplain, being the land identified for transfer to Council in the original VPA, to be substituted with an equivalent area of land located in the conservation zone owned by the ecovillage on the western edge of its landholding. The amendment awaits public display before formal adoption by Council. Council have advised that due to a shortfall in their resourcing the advertising of the amendment to the public will be delayed so that it occurs in parallel with the display of the Planning Proposal, which is anticipated to occur in October 2023.

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2. Operating results and review of operations for the year

d) NEV Water - Relinquishing our water licence

IPART have notified us that under the amended WIC Act which comes into effect on 1 July 2023 NEV Water will become exempt from water industry regulation. Our existing water licence will continue during a 12-month transition period after which no licence is required and the new WIC regulations will cease to have an effect. NEV Water plans to continue to maintain its existing protocols and processes to maintain a high standard of water quality. The removal of the regulation will avoid the need for costly external audit of our systems.

During the year NEV Water invested in new technology to upgrade the SCADA control systems used to manage water levels and treatment in the potable and non-potable water systems. This has provided improved management of the water dosing systems and enabled improved management of the waste water systems.

The new Central Coast Council potable water connection at the front gate was completed as part of the Stage 2 development. We now have 2 council potable water connections which provides a high degree of resilience. NEV Water continues to research ways we can make use of our dam water to supply non potable water to a standard which can be used in the purple pipe second water reticulation provided to all our residents. We have now signed an MOU with the University of Western Sydney to support a post graduate research project to develop a sand filter prototype system. We are working on finding grants and external donations to support this project.

e) NEV Power - Continued development of the smart grid

It's been another big 12 months for NEV Power. The project has achieved:

- Completion of the ARENA project with the submission of the final ARENA milestone report.
- Payment of the final grant monies by ARENA
- Implementation of the LORAWAN communication network to connect our customers smart grid meters to our central console server.

Milestone 4B of the ARENA grant required the battery installation, installation of over 300kW of PV and having completed 50 house builds. These targets have now been achieved and the ARENA payments have been paid. NEV Power is now working with ARENA on the final audit of the project in order to finalise the Milestone 5 payment which may include a part refund of a previous milestone payment which was greater than anticipated. This expected adjustment has been accounted for in the total reported revenue for the financial year.

We held a very successful community battery launch event in October. Our Federal MP Dr Gordon Reid and our State MP Liesel Tesch attended as well as Dr Alice Howe Director of Environment and Planning Central Coast Council, Leon Chanter Associate Director ARENA and Stephen Sproul from Hitachi attending. We achieved some good coverage including an interview on ABC local radio.

We have faced some challenging issues in the energy marketplace. Our HV energy contract was up for renewal in October. In the new contract we lost the value of the excess PV energy we export to the grid. Our net energy exported for 22/23 was over 170,000kWh. This has meant we have had to reduce the feed in tariff we pay to our customers down to only 1 c/kWh. We are continuing to look for better energy contracts and for ways to make use of the community battery stored energy with an energy market contract.

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30 June 2023

2. Operating results and review of operations for the year

The final piece of the smart grid project is the smart controls. We have now successfully implemented an advanced low energy communication network which has enabled us to receive regular 5 minute updates from our customers' smart grid meters and inverters. This new information will enable us to establish time of use billing for all our customers in the coming year. We are planning to use an external vendor to provide enhanced information and billing to our customers.

These smart controls will provide house-level real-time data, responsive control of the PV inverters and provide the framework to make intelligent decisions regarding the battery such as saving power for (literally) a rainy day versus exporting to the grid.

The whole NEV Power team continues to work exceptionally well together bringing their unique skill sets to the project donating large numbers of volunteer hours.

f) Development of community land and facilities

Paperbark House

We finally received our occupation certificate for the onsite guest accommodation in the heart of the village, named Paperbark House. Offering 8 very large rooms, separate bathrooms and a shared living room and kitchen, the space is barely recognisable from what it once was (laboratories). It is a much-used accommodation option for family and friends visiting members who live in the Village, the general public visiting for one of our events or workshops and for members waiting to move into their own homes.

Administration Building

The replacement of the very weathered fascia boards of the Admin building has given the building a face-lift. There are just a few more sections to complete the project.

Meanwhile on the inside, and with the very generous funding of \$25,000 from an anonymous donor, we have revitalised our members' lounge and kitchen. Stripping the 30+ year-old commercial carpets, pokey kitchen and mish-mash of shelving, a team of volunteers has equipped this space with a kitchen fit for a large community with two sinks, two stoves, two ovens and plenty of bench space for a team to cook together. Using pre-loved furnishings, offcuts and end of line stock wherever possible, an impressive transformation was achieved over 5 months and completed in August 2023.

Triple Span

The team of volunteers working at the triple span have also transformed the space and produce is commonly sold to the community at competitive rates - and it just couldn't get any fresher from the garden to the kitchen with just a couple of hundred "food mile" metres.

g) Working towards our strategic objectives

In 2022 the community developed and agreed on a set of 6 strategic objectives, formalised within the NEV Strategic Plan 2022 to 2030. These objectives include increasing biodiversity, increasing on and off-site food production, increasing cultural indicators, reflecting members' rating for social capital, reducing household carbon emissions, increased outreach through various events and increase in regenerative businesses within the Village.

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2. Operating results and review of operations for the year

Despite the Stage 2 development project being the key focus for the past 12 months, work has commenced on these strategies including:

- work on a green transport plan and the introduction of an electric vehicle for car sharing;
- plans under development for a community farmer to help us increase our growing potential; and
- events such as our second Ecovillage Experience Weekend, Deep Ecology Workshop and Sustainable House tours run by NEV Education.

We also celebrated our 10-year anniversary earlier this year, with highlights including the food prepared by our members and the dancing accompanied by our Ceilidh band.

Membership growth and financial stability

Our membership numbers have now stabilised at the approximate 100 memberships that were anticipated for the existing and planned 100 lots across both Stage 1 and Stage 2 of the development. At the time of writing, we have 105 memberships comprising 183 adults and 65 children.

With 97 adult members now living in the Village, more in the local area, the community comes together regularly for both organised and informal gatherings, for work and for play. From crafting evenings to community dinners, bushfire hazard reduction, working bees to steering circle meetings, neighbourhood garden projects to all-ages soccer games, there's always something on in the Village.

The Co-op set a budget for the 2022-23 year with a goal to break even for all operational aspects. This goal was exceeded with an operational surplus of \$98,148 excluding subsidiaries. The ARENA funding was \$218,069. The target of a nil deficit budget for the Co-op excluding the land development project and utility businesses has been set again for the 2023-24 financial year and the mid-term goal is to bring the small losses in the utility businesses down to break-even with the increase in customers following the completion of house building in both Stages 1 and 2.

Conclusion

Narara Ecovillage Cooperative Ltd has now been in existence for over ten years and has endured significant bureaucratic challenges and delays, both at the State and Council level, particularly in the last six years with the amalgamation of Councils and more recently the administration appointment for the Central Coast Council being a particularly difficult setback.

It is a continued credit to the membership that these challenges have been weathered and that despite the trials and tribulations we have nearly completed the second phase of our land subdivision and look forward to settling down, literally and figuratively, into community life post development activities.

Operating results

The consolidated profit of the group after tax amounted to \$ 295,999 (2022 loss: \$ 598,643).

Dividends paid or recommended

No dividends were declared or paid during the period. No recommendation for payment of dividends has been made.

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30 June 2023

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the group during the year.

Matters or circumstances arising after the end of the year

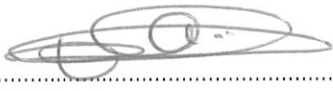
There were no matters of significance arising after the end of the year.

Future developments

The Narara Ecovillage Development is envisaged to be carried out in multiple stages. The development works for Stage 2 is largely complete and the majority of land sales are expected to be completed in the coming 9 months.

Signed in accordance with a resolution of the Board of Directors:


Director:
Edward Hughes


Director:
Verena Olivier

Dated 1 November 2023

Narara Ecovillage Co-operative Ltd

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**Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2023**

		2023	2022
	Note	\$	\$
Revenue	3(a)	705,926	7,964,444
Other income	3(b)	331,135	178,703
Cost of sales		(150,873)	(7,797,707)
Contractors and consultants		(149,020)	(220,997)
Depreciation expense	11(a)	(134,412)	(109,967)
Employee benefits expense		(124,985)	-
Finance costs		(43,612)	(52,665)
Insurance		(27,588)	(40,967)
Other expenses		(58,414)	(76,999)
Professional fees		(22,728)	(59,708)
Project costs		(11,305)	(8,976)
Rates and charges		(20,906)	(35,123)
Repairs and maintenance		(51,755)	(88,543)
Smart grid expenses		(33,964)	-
Stage 3 planning costs		-	(250,138)
Profit/(loss) before income tax		207,499	(598,643)
Income tax (expense)/benefit	4(a)	88,500	-
Profit from continuing operations		295,999	(598,643)
Profit/(loss) for the year		295,999	(598,643)
Revaluation of land	11(a)	354,000	-
Income tax applicable	4(c)	(88,500)	-
Other comprehensive income for the year, net of tax		265,500	-
Total comprehensive income/(loss) for the year		561,499	(598,643)

The accompanying notes form part of these financial statements.

Narara Ecovillage Co-operative Ltd

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,265,926	2,486,199
Trade and other receivables	7	187,343	89,871
Inventories	8	15,195,942	8,502,868
Non-current assets held for sale	9	344,264	344,264
Other assets	10	22,339	21,394
TOTAL CURRENT ASSETS		<u>17,015,814</u>	<u>11,444,596</u>
NON-CURRENT ASSETS			
Trade and other receivables	7	142,939	132,939
Property, plant and equipment	11	4,528,709	4,227,236
TOTAL NON-CURRENT ASSETS		<u>4,671,648</u>	<u>4,360,175</u>
TOTAL ASSETS		<u>21,687,462</u>	<u>15,804,771</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	1,527,405	702,077
Borrowings	13	9,515,579	7,391,730
Contract liabilities	14	5,929,269	3,688,970
TOTAL CURRENT LIABILITIES		<u>16,972,253</u>	<u>11,782,777</u>
NON-CURRENT LIABILITIES			
Trade and other payables	12	1,745,416	1,807,492
Borrowings	13	1,386,240	1,075,444
TOTAL NON-CURRENT LIABILITIES BEFORE MEMBERS' SHARE CAPITAL		<u>3,131,652</u>	<u>2,882,936</u>
Members' share capital	15	3,173,000	3,290,000
TOTAL NON-CURRENT LIABILITIES		<u>6,304,652</u>	<u>6,172,936</u>
TOTAL LIABILITIES		<u>23,276,905</u>	<u>17,955,713</u>
NET ASSETS		<u>(1,589,443)</u>	<u>(2,150,942)</u>
EQUITY			
Reserves		643,079	377,579
Accumulated losses		(2,232,522)	(2,528,521)
TOTAL EQUITY		<u>(1,589,443)</u>	<u>(2,150,942)</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Accumulated losses	Asset revaluation surplus	Total
	\$	\$	\$
Balance at 1 July 2022	(2,528,521)	377,579	(2,150,942)
Profit/(loss) attributable to members	295,999	-	295,999
Revaluation surplus	-	354,000	354,000
Income tax applicable	-	(88,500)	(88,500)
Balance at 30 June 2023	(2,232,522)	643,079	(1,589,443)

2022

	Accumulated losses	Asset revaluation surplus	Total
	\$	\$	\$
Balance at 1 July 2021	(1,929,878)	377,579	(1,552,299)
Profit/(loss) attributable to members	(598,643)	-	(598,643)
Balance at 30 June 2022	(2,528,521)	377,579	(2,150,942)

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members and customers	3,059,517	4,250,734
Payments to suppliers	(6,582,377)	(1,520,800)
Rent received	109,805	62,160
Interest received	634	2,927
Interest paid	(43,612)	(52,665)
Net cash provided by / (used in) operating activities	<u>(3,456,033)</u>	<u>2,742,356</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	11(a) (81,885)	(746,401)
Net cash used by investing activities	<u>(81,885)</u>	<u>(746,401)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	273,000	760,000
Redemption of shares	(390,000)	(1,240,000)
Proceeds from borrowings	4,635,292	1,742,606
Repayment of borrowings	(2,200,647)	(2,063,300)
Net cash provided by / (used in) financing activities	<u>2,317,645</u>	<u>(800,694)</u>
Net increase (decrease) in cash and cash equivalents held	(1,220,273)	1,195,261
Cash and cash equivalents at beginning of year	2,486,199	1,290,938
Cash and cash equivalents at end of the year	6 <u>1,265,926</u>	<u>2,486,199</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report includes the consolidated financial statements of Narara Ecovillage Co-operative and its controlled entity (the Group).

Narara Ecovillage Co-operative Ltd is a registered trading co-operative under *Co-operatives National Law (NSW)* (Co-operative No. NSWC29882). The co-operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

1 Summary of significant accounting policies

(a) Basis of preparation

The financial statements of Narara Ecovillage Co-operative Ltd are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures and the *Co-operatives National Law (NSW)*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

NEV Power Pty Ltd is the only controlled entity of Narara Ecovillage Co-operative Limited. NEV Power Pty Ltd is a proprietary company domiciled in Australia and 100% owned by Narara Ecovillage Co-operative Limited.

(c) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

The revenue recognition policies for the principal revenue streams of the Group are:

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Summary of significant accounting policies

(c) Revenue and other income

Sale of land and cluster units

Revenue from the sale of land and cluster lots is recognised at the point that title is transferred to the purchasing member(s). Instalments received from members for the purchase of land and cluster lots are recognised as a contact liability until this title transfer occurs.

The sale and transfer of title for the cluster units occurred in the 2022 year.

Food co-op and cafe

Revenue from the sale of goods from NEV's food co-op and cafe is recognised at the point of sale.

Electricity and water supply charges

Revenue from the sale of electricity and water to NEV's members is recognised on a quarterly basis as the charges are incurred.

Accommodation, storage and hire

Revenue from the rent and hire of buildings and facilities owned by the co-operative is recognised in the period in which it relates.

Member contributions

Member contributions are invoiced monthly to members based on a set annual rate. Revenue is recognised on a straight line basis over the financial year.

Grant revenue

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, revenue is recognised in accordance with AASB 15 Revenue from Contracts with Customers when each performance obligation is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control within grant agreements.

For grants that arise from contracts without sufficiently specific and enforceable performance obligations, income is recognised in accordance with AASB 1058 Income for not-for-profit entities at fair value upon receipt.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Summary of significant accounting policies

(d) Inventory - land developed for sale

During initial phases of the project, property and associated development costs including related finance costs are capitalised and carried at cost. Impairment testing is carried out annually as these inventories are required to be carried at the lower of cost and net realisable value.

The cost of land inventory is not necessarily reflective of the value of the land and any difference between the value and the cost will be recognised as a profit in the accounts when the sale is recorded. Where properties change their nature, for example if certain houses and their land are retained for ongoing investment purposes they will be transferred to property, plant and equipment at the time this decision is made.

(e) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. These assets include the Foreman's Cottage which is separate to the land development recorded as inventory. The Foreman's Cottage is currently being leased by the co-operative until the final settlement for the sale has occurred.

Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets classified as held for sale are not amortised or depreciated.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Land and buildings

Three of the lots within the Narara Ecovillage have been revalued in the 2023 year based on land values issued by the Valuer General. In the absence of an external valuer, there are two lots that have not been revalued because of the mixed use of these lots, being partly held for sale and partly held for community use.

Buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line or diminishing value basis over the asset's useful life to the co-operative, commencing when the asset is ready for use.

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Summary of significant accounting policies

(f) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and equipment	10% - 40%
Furniture, fixtures and fittings	15% - 50%
Smart grid equipment - battery, inverter, grid protection and control panel	4% - 10%
Computer software	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the co-operative becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are comprised of trade and other receivables measured at amortised cost.

Financial liabilities

The co-operative's financial liabilities are comprised of trade payables and borrowings measured at amortised cost.

Impairment of financial assets

Objective evidence that a financial asset is impaired includes default by a debtor or evidence that the debtor is likely to enter bankruptcy. At the end of each reporting period, the co-operative assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. At the end of the reporting period the co-operative assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Summary of significant accounting policies

(i) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the co-operative during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Some amounts are noted as deferred payables and as a result have terms in excess of 30 days. These deferred payables are compound interest bearing and incur interest at a rate of 7% p.a up to 30 June 2017, 6% p.a. from 1 July 2017 to 30 June 2018, 5% from 1 July 2018 to 30 June 2020, 4% from 1 July 2020 to 31 January 2023, 4.50% from 1 February 2023 to 31 May 2023 and 4.95% from 1 June 2023.

(j) Income tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Current assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Summary of significant accounting policies

(k) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Members' share capital

In accordance with AASB Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments, as the co-operative does not have an unconditional right to refuse the redemption of members' shares, members' share capital in the cooperative is classified as financial liability, rather than equity, in the statement of financial position. The financial liability is initially recognised and subsequently measured at fair value.

(m) Economic dependence and going concern

Narara Ecovillage Co-operative Ltd is dependent on financial support from members in the form of loans and deferred trade payables. Member support has been provided since the project started and will need to continue in order to ensure the ongoing viability of the Co-operative.

2 Critical accounting estimates and judgements

Key judgement - allocation of costs

In preparing these financial statements judgement has been made in the allocation of costs to the following areas:

- development costs
- occupancy and holding costs expensed

Interest paid on member loans is considered to be wholly attributable to the development costs and accordingly has been capitalised into land inventory. Interest revenue received has been offset against interest paid before the net amount has been capitalised to the project.

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Revenue and other income

(a) Revenue from continuing operations

	2023	2022
	\$	\$
- Cluster unit sales	-	7,439,824
- Food co-op and cafe	121,122	99,940
- Electricity supply	33,263	15,435
- Electricity installation (smart grid)	29,650	-
- Courses and workshops	28,251	24,531
- Water supply	61,417	59,899
- Other sales	20,236	7,897
- Accommodation, storage and hire	109,805	62,160
- Member contributions and levies	302,183	254,757
	<u>705,927</u>	<u>7,964,443</u>

(b) Other income

- Contracting income - Community Association	41,631	41,718
- Donations and sponsorship	39,872	81,774
- Fair share	9,681	6,633
- Grants received - Smart grid (ARENA)	218,069	-
- Grants received - Other	16,313	-
- Insurance proceeds	-	13,126
- Interest income	634	2,927
- Sundry income	4,936	32,525
	<u>331,136</u>	<u>178,703</u>

Interest income from investments has been offset against interest expense from loans and the net amount has been capitalised into the development.

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Income tax expense

(a) The major components of tax expense (income) comprise:

	2023	2022
	\$	\$
Deferred tax expense		
Reversal of prior year deferred tax not recognised	(88,500)	-
Total income tax expense /(benefit)	<u>(88,500)</u>	<u>-</u>

(b) Reconciliation of income tax to accounting profit:

Profit/(loss) for the year	207,499	(598,643)
Tax at 25% (2022: 25%)	51,874	(149,661)
Add:		
Tax effect of:		
- income tax losses not yet recognised as a deferred tax asset	-	149,661
Less:		
- Reversal of prior year deferred tax asset not recognised	(88,500)	-
- Recoupment of prior year tax losses previously derecognised	(51,874)	-
Income tax expense/(benefit)	<u>(88,500)</u>	<u>-</u>

(c) Amounts recognised directly in equity

Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity.

Revaluation of land	88,500	-
	<u>88,500</u>	<u>-</u>

5 Tax assets and liabilities

Deferred tax assets have not been recognised in respect of the following:

Tax losses	3,112,583	3,162,484
Temporary differences regarding black hole expenditure	-	1,974
	<u>3,112,583</u>	<u>3,164,458</u>

Deferred tax assets have not been recognised in respect of these items because it is not yet probable that future taxable profit will be available against which the group can utilise the benefits therein. This probability and accounting policy will be reviewed in the 2023/24 year.

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

6 Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	4,144	2,460
Cash at bank	1,261,782	2,483,739
	<u>1,265,926</u>	<u>2,486,199</u>

7 Trade and other receivables

CURRENT

Trade receivables	39,735	29,494
GST receivable	147,520	60,013
Accrued income	88	364
	<u>187,343</u>	<u>89,871</u>

NON-CURRENT

Bonds	142,939	132,939
	<u>142,939</u>	<u>132,939</u>

8 Inventories

CURRENT

At cost:

Food stock on hand	18,018	20,756
Land held for sale	15,164,270	8,479,738
Inventories - Other	13,654	2,374
	<u>15,195,942</u>	<u>8,502,868</u>

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

9 Non-current assets held for sale

	2023	2022
	\$	\$
Land and buildings - Foreman's Cottage	344,264	344,264
	<u>344,264</u>	<u>344,264</u>

The contract of sale has been exchanged for the Foreman's Cottage and the sale will complete when the subdivision of Stage 2 is registered which is expected to occur early 2024.

10 Other assets

CURRENT

Prepayments	22,339	21,394
	<u>22,339</u>	<u>21,394</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, plant and equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At valuation	2,170,154	1,816,154
Total land	<u>2,170,154</u>	<u>1,816,154</u>
Buildings		
At cost	1,021,479	1,011,292
Accumulated depreciation	(68,391)	(47,330)
Total buildings	<u>953,088</u>	<u>963,962</u>
Total land and buildings	<u>3,123,242</u>	<u>2,780,116</u>
Smart grid		
At cost	1,466,523	1,432,102
Accumulated depreciation	(207,098)	(118,436)
Total smart grid	<u>1,259,425</u>	<u>1,313,666</u>
Plant and equipment		
At cost	250,561	244,222
Accumulated depreciation	(146,505)	(131,696)
Total plant and equipment	<u>104,056</u>	<u>112,526</u>
Furniture, fixtures and fittings		
At cost	81,298	50,360
Accumulated depreciation	(42,281)	(33,391)
Total furniture, fixtures and fittings	<u>39,017</u>	<u>16,969</u>
Computer software		
At cost	4,222	4,222
Accumulated depreciation	(1,253)	(263)
Total computer software	<u>2,969</u>	<u>3,959</u>
	<u><u>4,528,709</u></u>	<u><u>4,227,236</u></u>

Three of the lots within the Narara Ecovillage have been revalued this year in accordance with land values issued by the Valuer General. In the absence of an external valuer, there are two lots that have not been revalued because of the mixed use of these lots, being partly held for sale and partly held for community use.

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Consolidated	Land \$	Buildings & improvements \$	Plant and equipment \$	Furniture, fixtures and fittings \$	Computer software \$	Smart grid \$	Total \$
Year ended 30 June 2023							
Balance at the beginning of year	1,816,154	963,962	112,526	16,969	3,959	1,313,666	4,227,236
Additions	-	10,187	6,339	30,938	-	34,421	81,885
Depreciation expense	-	(21,061)	(14,809)	(8,890)	(990)	(88,662)	(134,412)
Revaluation increase recognised in equity	354,000	-	-	-	-	-	354,000
Balance at the end of the year	2,170,154	953,088	104,056	39,017	2,969	1,259,425	4,528,709
Year ended 30 June 2022							
Balance at the beginning of year	1,816,154	704,005	76,725	22,064	-	971,854	3,590,802
Additions	-	274,278	50,250	3,050	4,222	414,601	746,401
Depreciation expense	-	(14,321)	(14,449)	(8,145)	(263)	(72,789)	(109,967)
Balance at the end of the year	1,816,154	963,962	112,526	16,969	3,959	1,313,666	4,227,236

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Trade and other payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	1,396,642	551,593
Income received in advance	16,585	26,937
Sundry payables and accrued expenses	101,261	122,618
PAYG withholding payable	7,086	-
Bonds held	560	929
GST payable	5,271	-
	<u>1,527,405</u>	<u>702,077</u>
NON-CURRENT		
Unsecured liabilities		
Trade payables	1,745,416	1,807,492
	<u>1,745,416</u>	<u>1,807,492</u>

92% (2022: 91%) of non-current trade payables are amounts due to related parties. These related parties are members of Narara Ecovillage Co-operative Ltd who are contracted to perform essential project tasks. The remaining 8% (2022: 9%) is owed to Kirsten Hay and Dave Roberts. These are deferred amounts that will be paid in Stage 2 and accrue a fixed interest rate of 7% p.a. up to 30 June 2017, 6% p.a. for the year ended 30 June 2018, 5% up to 30 June 2020, 4% up to 31 January 2023, 4% up to 31 May 2023 and 4.95% from 1 June 2023. The interest compounds annually.

13 Borrowings

CURRENT		
Loans from members	7,506,157	5,240,795
Loans from non-members	2,009,422	2,150,935
	<u>9,515,579</u>	<u>7,391,730</u>
NON-CURRENT		
Loans from members - interest free	440,158	444,085
Loans from members	946,082	631,359
	<u>1,386,240</u>	<u>1,075,444</u>

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

13 Borrowings

Interest free loans were provided by members to fund the Solar photovoltaic array, campground facilities and other renovations. These loans are interest free and are to be repaid after the sale of Stage 2 land. Interest bearing member loans were extended to the Co-operative primarily from members in order to allow the Co-operative the ability to purchase and develop the land. These loans are to be repaid after the sale of Stage 2 land.

In 2023, 2022 and 2021, new loans were received to allow other loans to be repaid in line with the loan agreement terms. Interest is payable at 4.95% for unsecured short term loans and 3.75% for loans which have been offered as secured loans through the Narara Loan Security Trust which holds a mortgage over Lots 49 and 50 within the subdivision. Generally, interest is paid monthly, however where it is being accumulated, it has been accrued and capitalised into the principal of the loan. Total interest capitalised for the year ended 30 June 2023 was \$120,091 (2022: \$98,503).

The unsecured loan agreements allow for early repayment of loans if they are applied to lot purchase Instalments.

14 Contact liabilities

	2023	2022
	\$	\$
CURRENT		
Land sale deposits - Stage 2	5,390,000	3,270,001
Other deposits - Foreman's Cottage	439,269	418,969
Other deferred income	100,000	-
	<u>5,929,269</u>	<u>3,688,970</u>

15 Members' equity

The co-operative has one class of shares, with 3,173,000 on issue (2022: 3,290,000). All shares have a face value of \$1 and are fully paid to the value of \$3,173,000 as at 30 June 2023 (2022: \$3,290,000).

Members' holdings are of varying value and members are entitled to share in the income of the Narara Ecovillage Co-operative Ltd in proportion to their investment. Upon liquidation, holders would be entitled to a pro-rata share of the co-operative's net assets.

Whilst members' equity is similar to share equity for a company, the nuance for a co-operative described at Note 1(l) means it is disclosed as a liability. The co-operative repurchases shares from members quarterly in accordance with the rules of the co-operative when a request is made to exit the Narara Ecovillage Co-operative.

The movement in members' share capital between 30 June 2022 and 30 June 2023 includes the transfer of 20,000 and 50,000 shares from 4 stage 2 members from shares to a deposit on their lot.

Notes to the Financial Statements

For the Year Ended 30 June 2023

16 Related party transactions

Related parties

The Co-operative's related parties include key management personnel.

Key management personnel are any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

This includes the directors of Narara Ecovillage Co-operative Ltd who are contracted to perform essential project tasks.

Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Income earned and paid (1)	Loan interest earned	Loans to the Co-operative 30 June 2023	Lot and instalments paid to NEV Co-op
Lynita Clark	-	2,763	79,027	195,000
Edward Hughes	-	-	-	195,000
Rodion Kashubin	-	-	-	195,000
Verena Olivier	100,000	7,806	97,364	-
Gina Price	1,600	-	-	-
	<u>101,600</u>	<u>10,569</u>	<u>176,391</u>	<u>585,000</u>

(1) Income earned and paid includes allowances and consultancy fees, excluding GST, which was paid during the financial year. It includes a one-off payment for the addition of an easement to the land title of a neighbouring parcel of land owned by a Director.

Notes to the Financial Statements

For the Year Ended 30 June 2023

17 Key management personnel shareholdings

The number of ordinary shares in Narara Ecovillage Co-operative Ltd held by each key management person of the group for the year ended 30 June 2023 is as follows:

	Balance at beginning of year	Applied as lot instalments	Shares buybacks	Balance at end of year
30 June 2023				
Edward Hughes (jointly held)	30,000	-	-	30,000
Jonathan Ellis (jointly held)	30,000	-	-	30,000
Lynita Clark (jointly held)	30,000	-	-	30,000
Rodion Kashubin (jointly held)	30,000	-	-	30,000
Verena Olivier (jointly held)	50,000	-	(20,000)	30,000
	<u>170,000</u>	<u>-</u>	<u>(20,000)</u>	<u>150,000</u>

	Balance at beginning of year	Applied as lot instalments	Other	Balance at end of year
30 June 2022				
Edward Hughes (jointly held)	50,000	(20,000)	-	30,000
Jonathan Ellis (jointly held)	30,000	-	-	30,000
Lynita Clark (jointly held)	50,000	(20,000)	-	30,000
Rodion Kashubin (jointly held)	50,000	(20,000)	-	30,000
Verena Olivier (jointly held)	50,000	-	-	50,000
	<u>230,000</u>	<u>(60,000)</u>	<u>-</u>	<u>170,000</u>

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Notes to the Financial Statements

For the Year Ended 30 June 2023

18 Remuneration of auditors

	2023	2022
	\$	\$
Remuneration of Boyce Assurance Services Pty Ltd		
- 2023 Audit fees	15,000	-
- 2022 Audit fees	-	22,000
	<u>15,000</u>	<u>22,000</u>
Remuneration of Boyce Pty Ltd		
- Taxation services	1,131	1,155
	<u>16,131</u>	<u>23,155</u>

19 Events after the end of the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs or the Group in the future financial years.

20 Co-operative details

The registered office of the Co-operative is:

Narara Ecovillage Co-operative Ltd

33 Gungandi

NARARA NSW 2250

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Directors' Declaration

The directors of the co-operative declare that:

1. The financial statements and notes are in accordance with the *Co-operatives National Law (NSW)* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year then ended.
2. In the directors' opinion, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.



Director

Edward Hughes



Director

Verena Olivier

Dated 1 November 2023

Narara Ecovillage Co-operative Ltd

Independent Auditor's Report to the members of Narara Ecovillage Co-operative Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Narara Ecovillage Co-operative Ltd (the co-operative) and its subsidiary (the group), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, 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 directors' declaration.

In our opinion, the accompanying financial report of the group is in accordance with the *Co-operatives National Law (NSW) and Co-operatives National Regulations (NSW)*, including:

- (i) giving a true and fair view of the group's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures.

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 group in accordance with the auditor independence requirements of 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.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Directors' Report and Profit and Loss Statements, (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the co-operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Co-operatives National Law (NSW)* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to wind up the group or to cease operations, or have no realistic alternative but to do so.

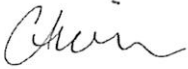
Auditor's Responsibilities for the Audit of the Financial Report

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 the 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 group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 group'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 group 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 directors 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.



Caroline Wilcher
Director
Boyce Assurance Services Pty Ltd (278282)

Dubbo

Dated 10 November 2023

Narara Ecovillage Co-operative Ltd

ABN 86 789 868 574

Disclaimer

The additional financial information on the accompanying pages is in accordance with the books and records of the Group which have been subjected to the auditing procedures applied in our audit for the year ended 30 June 2023. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Narara Ecovillage Co-operative Ltd) in respect of such data, including any errors or omissions therein however caused.

Signed



Caroline Wilcher
Director
Boyce Assurance Services Pty Ltd

Dated 10 November 2023

Profit and Loss

Narara Ecovillage Co-operative Ltd
For the year ended 30 June 2023

Account	2023	2022
Trading Income		
Accommodation Income	55,095	29,978
Bushfire Levy	5,477	4,582
Cafe sales income	60,934	48,950
Camping donations	3,695	4,265
Co-op member contributions	296,706	250,175
Course / workshop fees	28,251	24,531
Donation Income	33,738	60,803
Fair Share Revenue	9,681	6,633
Food sales income	60,187	50,990
Grant Income	16,313	0
Hire of Rooms	38,287	19,345
Interest Income	35,822	3,247
Interest on NEV Power Loan	19,022	20,724
Other Sales	20,236	7,967
Sale of Cluster Houses	0	7,439,824
Sponsorship	786	10,000
Storage Income	16,423	12,837
Sundry Income	7,741	32,525
Water and sewerage service revenue	69,037	66,874
Total Trading Income	777,431	8,094,249
Cost of Sales		
Cost of cafe sales	34,385	29,216
Cost of Cluster Houses Sold	0	7,655,520
Cost of courses / workshops run	345	0
Cost of Food Sold	50,017	41,513
Cost of Other Sales	11,456	943
Cost of Water Supply for resale	17,671	14,196
Inventory adjustments and write-offs	3,372	1,667
Total Cost of Sales	117,248	7,743,056
Gross Profit	660,184	351,193
Other Income		
Income from charges to CA	41,631	41,718
Insurance Proceeds	0	13,126
Total Other Income	41,631	54,844
Operating Expenses		
Bank Charges	2,976	2,863
CA Levies Paid	57,790	60,973
Capitalisation of building development costs	(6,028)	(271,149)
Capitalisation of land development costs	(6,684,532)	(1,386,012)
Catering / Food	1,306	2,009
Council Rates	14,417	20,633
Depreciation	45,750	37,177
Development - civil works	5,105,372	0
Development - cluster Defect Rectification	0	36,777
Development - cluster landscape costs	0	2,803
Development - other costs	224,436	292,398
Development - preliminary costs	946	4,951
Donations Paid	0	135
Electricity	25,591	16,070
External Accountant & Auditor	16,131	23,155

Profit and Loss

Narara Ecovillage Co-operative Ltd

For the year ended 30 June 2023

Account	2023	2022
External Consultants	191,230	255,327
External Contractors	90,834	96,828
Fair Share profit distribution	20,321	14,644
Filing fees & other compliance	113	12,149
Fuel and Oil	2,284	2,717
Insurance	27,588	39,094
Interest - Deferred fees	28,717	26,030
Interest - Members Loan	264,977	234,160
Interest - Non Member and Bank Loans	94,190	81,944
IT - CRM & email	1,193	734
IT - File Management	3,346	3,422
IT - Software licences	3,253	2,413
IT - Telephone & Internet	1,654	2,188
IT - Website & Wiki	1,096	443
Legal Fees	13,764	52,996
Licences & Fees	3,965	114,906
Maintenance - Buildings	2,578	43,110
Maintenance - Equipment & Tools	(1,744)	1,947
Maintenance - Landscape	6,219	846
Maintenance - Roads & Infrastructure	12,830	14,280
Memberships and affiliations	323	1,038
NEV Consultants	0	1,470
NEV Contractors	246,673	685,861
NEV Contractors - On charged	(1,725)	(2,130)
Other direct costs	173	3,240
Other Project Costs - WIP	487,690	319,701
Pest control	280	1,013
Printing Stationery & Postage	646	695
Public Relations and Communications	1,312	0
Small Tools and Equipment Purchases	25,309	12,766
Sundry expenses	95,056	8,050
Superannuation	16,528	0
Supplies and consumables	2,958	15,107
Travel	995	897
Vehicle expenses	4,268	10,705
Venue & equipment hire	16,530	390
Wages and Salaries	121,220	0
Waste Collection Costs	401	1,850
Water and Sewerage charges	7,562	7,325
WHS and Site Safety	4,044	1,606
Workers Compensation	863	0
Total Operating Expenses	603,667	912,545
Net Profit for Tax	98,148	(506,508)

Profit and Loss

NEV Power Pty Ltd

For the year ended 30 June 2023

Account	2023	2022
Trading Income		
Capital Grant Income	218,069	0
Electricity sales	50,953	31,505
Other Sales	37,550	0
Total Trading Income	306,572	31,505
Cost of Sales		
Cost of Electricity Sold	33,625	15,071
Total Cost of Sales	33,625	15,071
Gross Profit	272,947	16,434
Other Income		
Donation Income	1,653	6,707
Total Other Income	1,653	6,707
Operating Expenses		
Bank Charges	37	35
Capitalisation of Smart Grid expenditure	(34,421)	(137,251)
Depreciation	88,662	72,790
External Consultants	0	105
External Contractors	6,960	3,664
Filing fees & other compliance	290	703
Insurance	0	1,872
Interest - Member Loans	4,284	6,340
Interest on NEV Co-op Loan	19,022	20,724
IT - Software licences	608	554
IT - Telephone & Internet	(5)	0
Licences & Fees	175	0
NEV Contractors	9,187	4,212
Printing Stationery & Postage	10	70
R&M - Roads & Infrastructure	0	85
Small Tools and Equipment Purchases	2,017	3,792
Smart Grid - WIP	68,385	137,251
Sundry Expenses	37	330
Total Operating Expenses	165,248	115,276
Net Profit for Tax	109,350	(92,135)