

**CB Alexander  
FOUNDATION  
TOCAL**



2021/2022

**ANNUAL**

CB ALEXANDER  
FOUNDATION

**REPORT**

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## ABOUT THIS REPORT

This annual report summarises the activities and performances of the CB Alexander Foundation for the 2021/2022 Financial Year. This report is available on the Tocal Homestead Website [www.tocal.com.au](http://www.tocal.com.au)

# INTRODUCTION

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We are pleased to introduce the CB Alexander Foundation Annual Report for the operations and finance for the 2021/2022 Financial Year.

Despite Covid-19 impacts still being felt there have been many positive achievements throughout the year including:

## **The Barracks Accommodation**

Coronavirus (Covid-19) had significant impacts yet again to Tocal Homestead in the 2021-2022 financial year, with a lockdown and work from home order in place from 5 August until October 11, 2021; the heaviest restrictions the site has had to date.

The total number of visitors to Tocal Homestead was 13,524, a 9.6% increase from the previous financial year.

## **Friends of Tocal turn 30**

In 1991 the CB Alexander Foundation Board championed the idea of a 'Friends of Tocal' group to provide an opportunity for community involvement with the Homestead and College. Thirty years on, we are fortunate to still have Ian Dunlop as an active member of Friends.

Friends of Tocal is regarded as a respected stakeholder in Tocal community and is a highly regarded organisation in the regional community.

Significant actions by the volunteer are noted further within this report. These actions demonstrate the important connection that our local community has with the Homestead. The importance of these contributions to Tocal should not be underestimated, both in terms of the volunteer and financial support but also the reputational support to Tocal as a whole.

## **Tocal Alumni**

In the 2021/2022 financial year, the Tocal Alumni successfully represented the community at CB Alexander Campus Graduation Day, Tocal Field Days, Tocal Homestead Peek into the Past and Foundation Day events. The Alumni were represented at and assisted with the reunion of the class of 1975/76 and the class of 1967. In August 2022, past and present staff and students reunited at Tocal College to commemorate 50 years since the College welcomed its first intake of female students in 1972.

The Alumni membership continued to grow throughout the financial year, welcoming 73 new members to the Potentiality website, and 348 new subscribers to its quarterly newsletter.

We look forward to seeing the successes that 2022/2023 year will bring to the Foundation.

## **MEMBERSHIP OF THE FOUNDATION**

The CB Alexander Foundation Incorporation Act 1969 provides for five members to be appointed by the Minister for Primary Industries. The position of Chair has always been held by a senior member of the Department, usually the Director General. The remaining positions are selected from a range of fields to provide a broad cross section of government, community, and business representation.

The Act calls for a minimum of three members to form a quorum to transact any business of the Foundation and they shall have, and may exercise and discharge, all the powers, duties, and functions of the Foundation. Meetings are held three to four times annually, generally at either Total or in the Sydney Office of the Department.

### **MEMBERSHIP FOR THE 2021/2022 FINANCIAL YEAR**

**Mr Scott Hansen** - Chair and Director General, Department of Primary Industries

**Ms Kate Lorimer-Ward** – Alternate Chair and Deputy Director General DPI Agriculture

**The Hon. Sam Farraway MLC** - Government Representative Member

**Dr Cameron Archer AM** - Member

**Mr Simon Fraser** – Member

**Ms Sarah Sivyver** – Member

**Ms Susan Hunt** - Ex-officio

**Glenn Kennedy** - Member

**John Lennon** - Member

Members of the Foundation met for four official meetings during the year to discuss a range of business.

### **MEETING ATTENDANCE**

<b>MEMBER NAME</b>	<b>ATTENDANCE</b>
Mr Scott Hansen	4 of 4
Ms Kate Lorimer-Ward	0 of 4
The Hon. Sam Farraway MLC	0 of 4
Dr Cameron Archer AM	4 of 4
Ms Sarah Sivyver	3 of 4
Mr Simon Fraser	3 of 4
Ms Susan Hunt	4 of 4



*Left to right, Mr Scott Hansen, Ms Sarah Sivyver, Mr Simon Fraser,*



*Left to right, Ms Susan Hunt, Dr Cameron Archer,*

## **ASSISTANCE**

Throughout the year the Foundation was assisted by the attendance of:

Kate Lorimer-Ward – Deputy Director General Agriculture Department of Primary Industries

Mr Darren Bayley – Principal, Tocal Agricultural College

Mr David Anthony – Chair, Tocal College Advisory Council

Ms Vicki Priest – Secretary to the Foundation

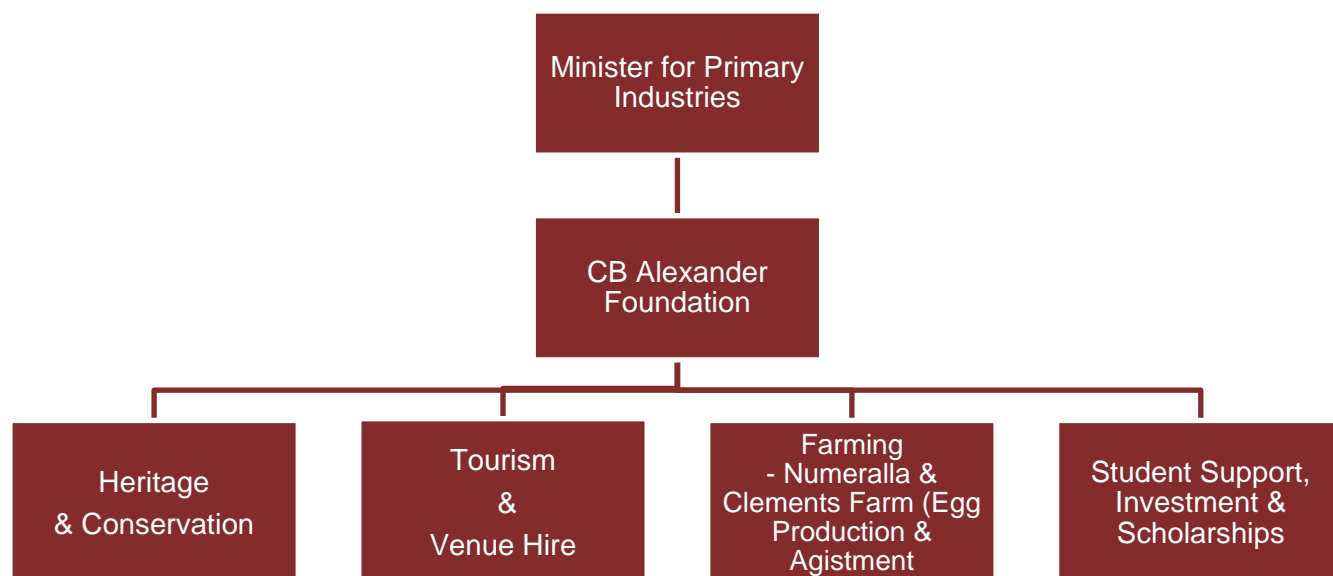
Members also acknowledge the administrative support of the NSW Department of Primary Industries staff, in particular:

Ms Robyn Papworth – Principal's Assistant

Ms Sandra Ognibene – College Business Manager

Mr Robert Rein – Centre Manager

## ORGANISATIONAL CHART



## CHARTER

The CB Alexander Foundation is constituted under the [\*CB Alexander Foundation Incorporation Act No 61 of 1969\*](#). This Act defines the objectives and powers of the Foundation. The objectives as stated in the Act are:

- a) to promote and advance, either alone or in conjunction with the Minister, agricultural education at the C.B. Alexander Agricultural College or at any other agricultural college or agricultural institution,
- b) to advise and assist, as far as is practicable, the Minister in the operation and maintenance of the C.B. Alexander Agricultural College,
- c) to take or accept any gift, subsidy or endowment, whether subject to any special trust or not, for all or any of the objects of the Foundation and to carry out any special trust to which such gift, subsidy or endowment may be subject according to the terms thereof,
- d) to effect improvements to the C.B. Alexander Agricultural College or other agricultural colleges or agricultural institutions,
- e) to grant scholarships or financial assistance to students attending the C.B. Alexander Agricultural College,
- f) to support with or without grant of financial aid and whether or not initiated by the Foundation any scheme or activity which in the opinion of the Foundation is capable of assisting in the advancement of agricultural education in the State of New South Wales, and
- g) to do such supplemental, incidental and consequential acts as may be necessary or expedient for the exercise or discharge of its powers, duties and functions under this Act.

The Foundation became the holding body from the original Trust for the lands occupied by the then CB Alexander Presbyterian Agricultural College, Tocal. It was then transferred to the State as CB Alexander Agricultural College. In other words, the CB Alexander Foundation owns the land and the State, namely NSW Department of Primary Industries, owns and operates the buildings and infrastructure on the land. There are three exceptions to this arrangement namely;

1. Tocal Homestead and complex of buildings
2. Dunnings Hill

### 3. Numeralla and Clements Farm

In all three cases, the land and all structures and improvements on it are owned and operated by the Foundation.

Since its inaugural meeting in April 1970, the Foundation has provided a wide range of support to the College. These include;

- Financing the construction of the Tocal pool
- Purchasing additional land for College operations namely Dunnings Hill, Clements Farm and Numeralla
- Providing student support through a range of scholarships
- Providing staff support through staff development activities
- Sponsoring Friends of Tocal
- Facilitating an agreement whereby the Local Land Services (formally the Hunter Central Rivers Catchment Management Authority) constructed its Head Office on Foundation land through a 25-year lease arrangement.

The Foundation has also undertaken a range of maintenance and operational activities some of which are used to produce income.

These include;

- Developing a series of publications. Publications in the “[All about Tocal](#)” suite, provide an historical commentary on various activities involving the Tocal property and its owners and tenants over the years.
- Using Tocal Homestead as a venue for weddings.
- Conducting conservation work around the Tocal Homestead site, including renewing structures such as the slaughterhouse, pig shed and yards, fencing and conservation of a range of buildings in the Homestead precinct.
- Operating a free-range egg production enterprise, at Numeralla, as part of the College farm and training programs.
- Conversion of the barracks building to boutique guest accommodation.

## Purpose

To promote and advance agricultural education  
To improve and preserve Tocal College's physical, historical and cultural environment  
To provide student scholarships and financial assistance

Our strategic priorities:	To promote the site's cultural history, Aboriginal land use, environment and agricultural heritage to school students through curriculum-aligned visits and programs.	To provide community access and enhance appreciation and interpretation of the historic homestead site and surrounds.	Maximise revenue to preserve, maintain and improve heritage buildings and infrastructure and support student scholarships.	
We aim to:	Connect children and youth with safe, engaging and creative open spaces to grow their understanding and provide a unique learning experience.	Increase community awareness and visitation of the Tocal Homestead historic precinct.  Ensure Barracks accommodation continues to meet 5 star expectations.  Maintain and improve heritage assets and associated infrastructure.	Preserve cultural assets and present a well-maintained site that continues to attract interest and bookings for weddings, community events and conferences.  Manage a productive and profitable farm enterprise that is well presented and offers educational opportunities for experiential learning.	Manage bequest and scholarship funds to provide returns aligned to investment and risk strategy.  Encourage further donations and bequests through engagement strategy.
By focusing on:	The delivery of primary and secondary school programs aligned to curriculum.  The delivery of school holiday programs.  Recruitment and retention of qualified tour guides.	The development and implementation of a volunteer management plan to increase volunteer numbers.  5 community events each year.  Social media campaigns of site and history connected to an engaging website.	Promotion and marketing of site.  Completion of competitive tender process for wedding contractor.  Profit, best practice, animal welfare, team performance.	Actively manage an investment portfolio that provides a targeted rate of return for ongoing scholarships and projects.
Measures:	4,000 student visitors per annum.  Two new school programs developed and implemented.  Increase (10%) of school visits from outside the Maitland area.	Barracks maintains 5 star visitor rating.  215 stay nights per annum by 2023.  3,000 visitors per annum from both tours and events.  Updated tour app.	65 weddings per annum. Increase non-wedding events at the function centre (up 10%).  Numeralla in top 10% of egg growers.  Provide opportunities for student learning and experience.	Investment fund manager meets terms of strategy and target returns.
Core services:	School and youth programs	Visitation and accommodation	Weddings and farm enterprises	Managed Investments

*Our work is underpinned by the values of service, accountability, integrity and connection*

## VISITATIONS TO Tocal HOMESTEAD

Coronavirus (Covid-19) had significant impacts yet again to Tocal Homestead in 2021-2022 financial year, with a lockdown and work from home order in place from 5 August until October 11, 2021; the heaviest restrictions the site has had to date.

The impacts of Covid-19 (Coronavirus) can be seen throughout this report. While visitation steadily increased, the impacts of not being able to run key events and our stakeholders in self-isolation had the overall effect on the continued low statistics, and therefore resulted in goals of the strategic plan not being achieved.

The total number of visitors to Tocal Homestead was 13,524, a 9.6% increase from the previous financial year.

### GENERAL SUMMARY OF VISITORS FOR FINANCIAL YEAR 2021/22\*

\* Figures are shown as: number of events/number of visitors

MONTH	SCHOOLS	TOURS	WEDDINGS	EVENTS	FUNCTIONS ETC	SUNDAYS	TOTAL
<b>2021</b>							
July	3 / 172	1 / 22	1 / 13	0	0	4 / 78	
Aug	Lockdown	Lockdown	Lockdown	Lockdown	Lockdown	1 / 36	
Sept	Lockdown	Lockdown	Lockdown	Lockdown	Lockdown	Lockdown	
Oct	Lockdown	Lockdown	Lockdown	Lockdown	Lockdown	3 / 16	
Nov	0	4 / 62	1 / 72	1 / 85	8 / 906	3 / 38	
Dec	0	0	6 / 440	1 / 1,500	9 / 486	Closed	
<b>2022</b>							
Jan	0	1 / 36	2 / 209	0	20 / 579	Closed	
Feb	3 / 196	2 / 54	3 / 214	0	14 / 284	Closed	
Mar	7 / 368	1 / 36	3 / 302	0	12 / 231	2 / 18	
April	5 / 257	2 / 53	7 / 746	3 / 150	15 / 333	6 / 56	
May	14 / 770	0	5 / 472	1 / 650	16 / 336	5 / 70	
June	22 / 1,309	2 / 37	4 / 402	0	16 / 257	4 / 1,173	
<b>Total 2021/2022</b>	<b>54/3,072</b>	<b>13/300</b>	<b>32/2,870</b>	<b>6/2,385</b>	<b>110/3,412</b>	<b>28/1,485</b>	<b>13,524 visitors</b>
<b>TOTAL 2020/2021 as comparison</b>	<b>58/3278</b>	<b>20/716</b>	<b>55/4540</b>	<b>7/1419</b>	<b>39/1326</b>	<b>37/1063</b>	<b>12,342 visitors</b>
<b>TOTAL 2019/2020 as comparison</b>	<b>38/1948</b>	<b>16/504</b>	<b>31/3378</b>	<b>5/2402</b>	<b>12/749</b>	<b>27/575</b>	<b>9,556 visitors</b>

**Note:** Function statistics include Timbernook visitation days / amounts of children. Timbernook statistics starts from January 2022.

## FRIENDS OF Tocal INC. TURNS 30

In 1991 the CB Alexander Foundation Board championed the idea of a 'Friends of Tocal' group to provide an opportunity for community involvement with the Homestead and College. It was at a meeting on 20th November 1992 that Friends of Tocal elected their first committee. Eric Holliday - President, Geoff Bartlett - Secretary, Jennifer Prigg – Treasurer and three committee members; Ian Dunlop, Darcie Reynolds and Jean Sparkes. Thirty years on, we are fortunate to still have Ian Dunlop as an active member of Friends.

The following achievements are just a brief summary of some of their achievements, in accordance with the Friends' stated objective of "the education and public awareness by support, assistance and improvement of Tocal".

- Since 1998, FOT have supported 49 students with scholarships, with funds raised through catering and raffles, of \$110,000.
- Provided volunteer Visitor Services; an average of 2400 hours every year since 2000 (a total of 52,800 hrs) which equated to the value of \$1,161,600 (if paid).
- Volunteer caretakers at Homestead from 1992 – 2017; all mowing, cleaning, animal care, minor maintenance, tour group support and more. Those caretakers also researched history, restored historic farm machinery, buildings, and vehicles.
- Provided full catering services in Tea Rooms and for the sausage sizzle at events and functions.
- Donated thousands of home baked goods – slices, cakes, gramma pies, home-made soups, gluten free baking and lemon meringue pies. FOT also donate fresh scones every weekend for visitor's Devonshire teas at the Visitor Centre.
- Raffle prizes donated and sourced each year for the annual raffle along with selling raffle tickets.
- Compiled two recipe books 'Tastes of Tocal' and 'Recipes from the Misses Curtis' and a calendar as annual fundraisers.
- Staffing stalls to promote Tocal College and Tocal Homestead at Newcastle Show, Maitland Heritage Festival and Maitland Mall.
- Provide skilled demonstrations at events and for school visitors of blacksmithing, sheep shearing, scone making in the woodstove, water divining, horse cart rides, traditional rag rug making, damper cooking, working horses, bush poetry and operation and maintenance of the generator and tractor.
- Provided timely professional skills (gratis) for minor work: tree lopping, mechanical skills, developing school programs and plumbing.
- Provided admin support in the Homestead office.
- Involved as actors and chaperones in the very successful Tales of Tocal theatre productions.
- Distribute event flyers and promotions to community groups and local households.
- Selling Foundation publications at events and the collection of door donations (funds go directly to the Foundation).
- Funded custom built furniture for the College Dining Room Annex when opened.
- Presented submissions and provided letters to NSW Government Inquiries and Members of Parliament in support of the continuation of agricultural education at Tocal (on several occasions).
- Provided letters of support for Tocal regarding the proposed reduction in irrigation rights from the Paterson River.
- Recently inaugurated a Civics Prize for Tocal students to acknowledge those who contribute to the Tocal community through their volunteer efforts; \$1,700.00 to date.
- Funded various restoration projects on the heritage site, including:
  - re-upholstered brocade chaise lounge, dark pink grandmother and grandfather chairs and green chaise lounge
  - restored green veranda seats
  - restored three iron and timber garden seats
  - restored 1880 cast iron hall stand
  - funding the complete restoration of the orchard
- Restored generator to working order and continue to maintain it.
- Restored tractor to working condition and continue regular maintenance.
- Restored the lighting plant to generate 12-volt power as demonstration example.
- Provided funds for maintenance projects on heritage buildings including the painting of the Homestead veranda.

- Purchased chairs and tables for the Tea Rooms, as well as a BBQ and small marquee.
- Provide ongoing and regular hours to feed and care for the pigs (back-fill for caretaker's days off).
- Provide regular and ongoing hours for gardening in general, and especially in the Valley Garden.
- In the past Co-operating Farmers who provide work experience for the College students, volunteers for Tocal Field Days and work experience students coming on to Tocal, have been employed under Friends of Tocal Inc, as it provides a sound volunteer entity to cover insurance and legal requirements.
- Support of school's resources: making and mending 'dress up' cloths, sourcing knuckles, making and mending washboards, maintaining wooden buckets.
- Since 2018 a group of Tocal ex-staff have maintained and improved a section of Pumby Brush rainforest walk. Over 800 rainforest species have been planted and a weed control program implemented.

All these actions demonstrate the important connection that our local community has with the Homestead. The importance of these contributions to Tocal should not be underestimated, both in terms of the volunteer and financial support but also the reputational support to Tocal as a whole.

Friends of Tocal is regarded as a respected stakeholder in Tocal community and is a highly regarded organisation in the regional community.

## HOMESTEAD WEEKEND OPENINGS

Tocal Homestead is open on Sundays March to November, 10am to 3pm, giving the chance for local and regional people to visit the homestead as casual visitors. Numbers for the weekend openings were very low during this period as most members of the community were trying to stay home.

There was a total of 1,485 visitors on weekend openings in the financial year. Statics remained steady due to the introduction of the Boutique Markets, which were held on Sundays. This benefited both the Foundation and Friends of Tocal, who sold scones from the Tea Rooms on the market Sundays.

## WEDDINGS

This reporting period had the most effect on weddings to date. Sprout Catering hosted 32 weddings this financial year, with approximately 40 weddings cancelled or postponed. With a lockdown across three of the busiest wedding months of the year, followed by strict restrictions (how many people allowed per square meter, etc) the measure of reaching 65 weddings per annum as outlined in the strategic plan was not accomplished.

Sprout Catering consistently provided quality food and service to their clients and handled the Covid-19 pandemic professionally, working together with the Homestead team within the ever-changing restrictions. The 2021 Newcastle and Hunter Brides Choice Awards saw Tocal Homestead win Best Country/Farm Wedding Venue for the fourth year in a row. This award was won from a large field of nominees.

Sprout Catering was able to host two wedding 'Open Days' out of their planned four events, which will assist with increasing numbers in the next financial year.



## COMMUNITY ACCESS

Friends of Tocal actively supported the Homestead with visitor services, catering and fundraising activities. Friends of Tocal contributed their time, money, and skills to garden maintenance, installing a new tank and stand for the generator and cleaning the Rover and Rolls Royce as their 2021 annual projects. Due to the lack of major events in the previous financial year, the Friends of Tocal did not complete a major 2022 project due to lack of funds, however, did fund new garden edging for the Valley Garden.

A main focus for the Friends of Tocal's fundraising is to focus on providing opportunities for students, awarding \$2,500 via scholarships. These awards/scholarships recognise a student/s who has given their time and skills to improve their community, and often have volunteered time working at the Homestead.

Our annual event Peek into the Past was unable to proceed again due to lockdown restrictions, as well as Sunday visitations also affected due to the lockdown period. Due to the unpredictability of the social climate, no community events were planned due to lack of interest or fear of cancellation. Instead, the community was engaged online with social posts.

Timbernook Hunter Valley continues to operate its nature-based day-care on site at Tocal Homestead, with booked out school holiday programs and full-term classes averaging around 200 children on site per month that get to enjoy the outdoor heritage site.

In December 2021, Tocal Homestead became the host site for the Boutique Markets. This new company hosted the markets on 3 occasions in this reporting period: December 2021, April and June 2022. While the markets were scheduled to run on the third Sunday on each month, wet weather affected a lot of the scheduled markets to go ahead. There was a fantastic reaction from the community who have been interested in a local market for some time.

## SCHOOLS PROGRAM

The school programs, both heritage and farm for Primary and Secondary schools continue to attract a lot of interest, regardless of the impacts that Covid had on the ability for them to participate. A total of 54 schools and 2,607 children visited. Considering the impacts that plagued the school's ability to attend, this is still a reasonable amount of children to visit.

Schools were encouraged to access the online resources and virtual farm during the lockdown period which received a lot of positive feedback, especially from those families home schooling. Regular Facebook posts with school content were posted to keep our schools engaged remotely. Once the lockdown lifted, there was a dramatic increase of schools going from roughly 2 schools a month to over 20 a month (fully booked weeks).

After the development and trial of the program for OOSH centres, bookings for this excursion slowly increased as word-of-mouth spread between facilities.

The Foundation is grateful to Tocal farm staff, College lecturers, DPI Schools Team and Local Land Services staff for their continued support of the farm visit programs.

## TOURS

Tour group numbers decreased by 42% from the previous year, with the senior's demographic being majorly impacted by the effects of Covid. After lockdowns lifted, bookings continued to be at a minimal because of anxiousness surrounding the pandemic. Our groups who did visit consisted of visitors from Department of Primary Industries, senior's bus tours and special interest groups. A push on tours continues to be marketed via the website which saw an increase in bookings from tour agencies. A worthwhile investment which has been able to be measured through continual record keeping.

## EVENTS

The risk of Covid-19 has meant that the strategic measures of maintaining 5 community events a year has sadly been unable to be achieved once again. The events sector was greatly affected by Covid-19, for the second time in a row seeing the annual Peek into the Past (which was meant to go ahead on June 27<sup>th</sup> 2021) being cancelled, this time just 2 days out. Fortunately, Tocal Field Days, two of Sprout Catering's weddings open days, and the Mother's Day High Tea were able to proceed. Again not only a financial loss to the CB Alexander Foundation, but a loss to the community, including Friends of Tocal.

Santa Photos ran across November/December at the Tocal Homestead site and were a sell-out success within ten minutes, with 619 people made up of 154 families visiting over three Sundays. Due to the success of the photos from last year, an additional photo day had to be added. This was also an additional 208 people from the previous year.

Conferences and a student formal were the remaining events in this financial period.



## PUBLICATIONS

There were no new publications created this year. Two large orders were placed by the Paterson Historical Society and McDonalds bookstore, with the remaining sales (less than 50 publications) sold on weekends and during Seniors Tours.

## WEBSITE

The website [www.tocal.com.au](http://www.tocal.com.au) continues to be a useful tool in providing information to the public that otherwise could only be attained by email or phone call.

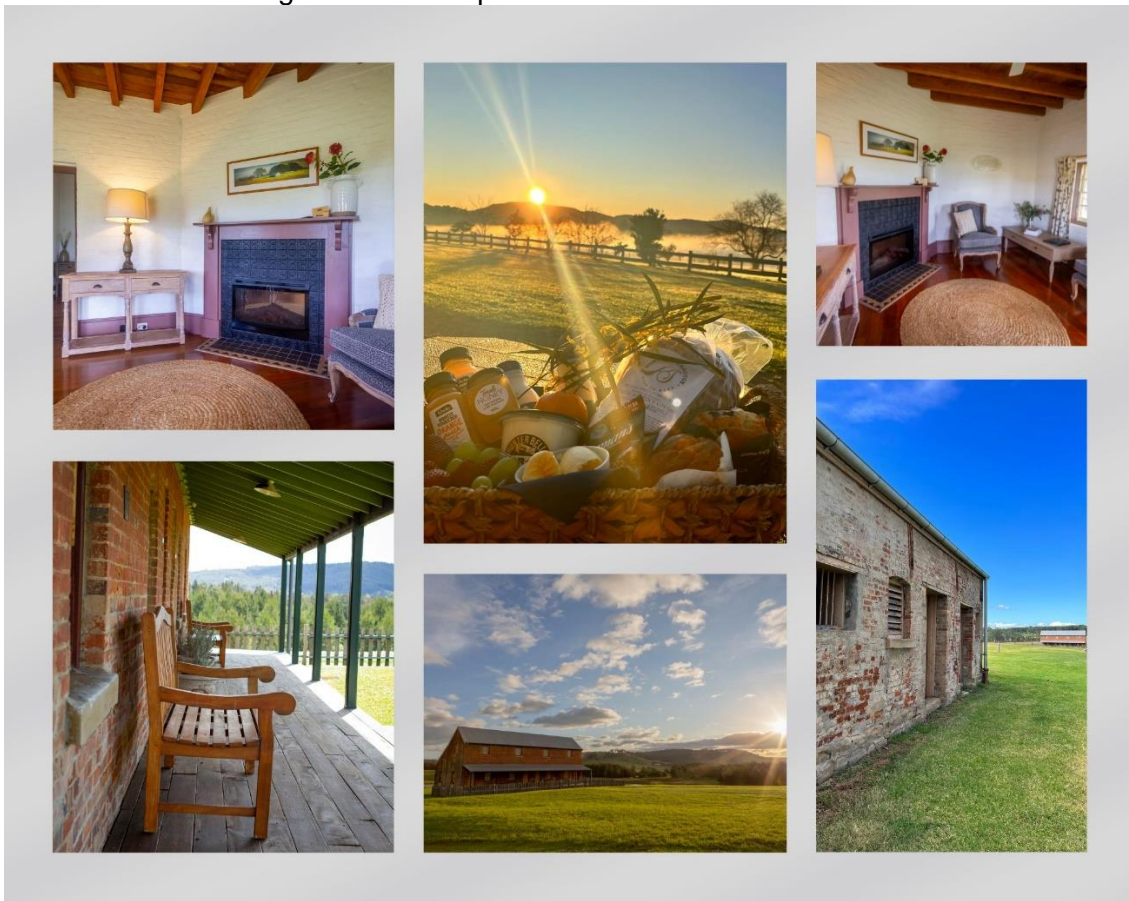
Google Analytics has recently updated to only hold data for the last six months. This means that data for the reporting period was not available at the time of creating this report. Data will now be collected monthly moving forward to write comparative reports on website growth and development.

During this period, the website traffic did increase as the public were directed to the website to access schooling-from-home content.

## THE BARRACKS

The 2021/2022 Financial year saw a decrease in reservations and stay nights due to the flare up of covid and government restrictions put in place. Enquiries ceased, bookings cancelled and from the 5<sup>th</sup> August 2021 locked LGA's affected stay nights.

Monday 11<sup>th</sup> October 2021, The Barracks re-opened in line with the NSW government for those allowed to travel within local and regional areas with our first guest arriving 1<sup>st</sup> November 2021. Updated covid safety plans and QR code systems were put into place with only double vaccinated guests who could show valid proof of vaccination and residing address accepted.



Easing of restrictions began on 1<sup>st</sup> November 2021 when we were able to accept travellers from the Greater Sydney area who were double vaccinated and allowed to travel. From the 1<sup>st</sup> December 2021 onwards all guests regardless of their vaccination status were welcomed. Travel and wedding enquiries increased with great support and referrals coming from Sprout Catering. 'Stay NSW voucher' enquiries were received however we were ineligible to participate in the scheme due to our ANZIC code.

Advertisements placed seeking new cleaners to join our pool of casual cleaners as 3 cleaners not returned post lockdown due to alternate work continuing throughout lockdown. We then welcomed Kent Daniel-Tonks and Lyndel Kable to our cleaning team. To ensure we continued to meet the Foundations 5-star expectations the additional safety and sanitisation measures in line with our Covid-19 safety plan continued, meaning a continued increase in expenditure and small quantities of new high-quality linen purchased.

Penny Whatman, new caretaker took over on 23 Oct 2021 for approx. 8mths and during the caretakers planned 2wk leave period in April Barracks duties were carried out by Kent Daniels. The annual Christmas close down period occurred from 24 Dec 2021, re-opening on 10th Jan 2022 after the annual pest spray occurred. To support the caretaker regular days off, from 1st April 2022 onwards Barracks rooms were closed on Tuesday nights. This decision took into account research based on previous stay nights and enquiries, honouring all current future Tuesday night bookings. With the Homestead Caretaker Tender advertised in April, the new caretakers Nick & Kali Lewis started on the 3rd June 2022.

The Barracks, Tocal won the Dungog Chamber of Commerce 2021 Customer Service Award plus maintained our AirBNB Superhost status which is awarded to accommodation providers with amazing hosting skills, 100% response rate and a 5-star overall rating.

Due to local flooding in the area and flood waters surrounding the Homestead precinct, bookings were cancelled, and rooms closed from 4th March 2022 for 5 nights, re-opening to guests on Wed 9th March 2022.

Tocal Field days were a great success for The Barracks with guests stays from Thursday through to Monday. Guests ranged from stall holders to visitors exploring both the Tocal Homestead and the Field day site. All guests received complimentary entry to TFD with guest check ins/check outs running smooth. Full house on the Friday & Saturday nights.

From 2nd May onwards all 1st & 2nd night breakfast hampers are now outsourced to a local business 'The Paterson Pantry' and are delivered direct to our caretaker. Breakfast vouchers for the local 'Riverside Deck Café' are provided for 3rd night stays.

Room rates for 2023 were reviewed and room rates increased to \$395 per room per night from 1st January 2023. Rollaways increased to \$90 per rollaway per night from 16th June 2022. To encourage and increase direct bookings, room rates have been increased by commission for third party booking channels.

A review of furniture led to the purchase of new arm chairs for Hazell suite and the old arm chairs sold to the highest bidder with all proceeds returned to the Foundation for future repairs and conservation.

Brand awareness has continued increasing through social media channels with cross promotion, local engagement and new connections established. Guests encouraged to post reviews to create further awareness and improve ratings.

THE BARRACKS ACCOMMODATION BOOKINGS			
FINANCIAL YEAR	RESERVATIONS	STAY NIGHTS	CANCELLED
1 July 2017 – 30 June 2018	94	139	-
1 July 2018 – 30 June 2019	134	186	-
1 July 2019 – 30 June 2020	115	155	48
1 July 2020 – 30 June 2021	267	407	85
1 July 2021 – 30 June 2022	122	238	91

BOOKING CHANNELS						
FINANCIAL YEAR	DIRECT	EXPEDIA	EXTRANET	BOOKING.COM	AGODA	AIR BNB
2017/2018	33	37	24	-	-	-
2018/2019	78	44	11	1	-	-
2019/2020	50	19	16	25	2	3
2020/2021	92	18	19	93	22	23
2021/2022	43	8	17	41	7	6

## NUMERALLA FREE RANGE EGG FARM

The Financial year saw many new farm improvements including new filtration plant, new control panel and starter motor fitted to the backup generator for better reliability. A petrol mulcher has been purchased to mulch all cardboard waste, for use in our composting system.

A strong focus on safety continues with timber flooring being replaced in sheds 1 and 2 making it safer to walk on the tank stand as well as the moving of the emergency assembly point to a safer area of the farm. Team members have been trained in the use of fire extinguishers, working at heights and confined spaces and emergency plan has been updated.

Numeralla had an external audit on the 15 March 2022, this was performed by Aus-Qual. Pace are extremely happy with Numeralla's production and farm presentation.



Patrick Gallagher and the team at Numeralla are commended for their dedication and hard work in keeping Numeralla to this excellent standard.

## HERITAGE MANAGEMENT - BUILDINGS

The collection of heritage buildings managed by the Foundation plays a significant role in keeping our convict history alive. Therefore, Conserving and maintaining the buildings for future generations is of paramount importance and works onsite are carried out by professional tradesmen and artisans that respect the history of the buildings.

The Homestead precinct is subject to heritage controls that require a Conservation Management Plan (CMP). The first one for the site was prepared in 1987 and since then has been revised in 1999 and then

again in 2012/2013. The CMP was endorsed by the Heritage Office in 2014 and has continued to guide the conservation and development of the Tocal Homestead precinct. A guiding principle of the CMP is the Burra Charter. This is Australia's major conservation convention and is complementary to the Venice Charter, the international Convention of monuments and sites. Burra Charter principles were incorporated into day-to-day decisions of the site. Where specific work is needed that is not covered by the plan, separate approval is gained from the Heritage Office of NSW. Local council approval is also sought where required.

The adaptive reuse of the hay shed which was converted into the Tocal Homestead Function Centre was selected by the NSW Heritage Council as an exemplar of best practice in heritage management. The opportunity to run non heritage business activities such as wedding receptions allows the Homestead precinct to promote the site's history through this community access as well as provide an income stream for its ongoing maintenance. Other examples of conservation and preservation of buildings made possible through individual donors, bequests and grants have included the 2012 conversion of the former dairy building to a visitor reception centre and the 2017 opening of the restored Barracks building into a boutique accommodation destination.

Due to Covid-19 and the constant wet conditions, not a lot of major maintenance was complete in this period. It should be noted that the wet conditions have created additional maintenance items, all of which have been added to the maintenance list.

Appropriate tradesmen have been found to quote on Capex items listed in the maintenance list. In May 2022, a new slate roof was placed on the old kitchen and breezeway roofs, marked as 'critical' due to the damaging nature of water leaking into the foundation of the structures (\$44,416.13 by 'The Slate Roofing Company').

Painting and repairs were complete on the Daly Kidd Cottage, with damage caused due to fire. All repairs were complete under insurance.

## TOTAL ALUMNI

Total Alumni continues to grow, reconnecting students both past and present to the College and providing a strong sense of community and connection. In the 2021/2022 financial year, the Total Alumni successfully represented the community at CB Alexander Campus Graduation Day, Tocal Field Days, Tocal Homestead Peek into the Past and Foundation Day events. The Alumni were represented at and assisted with the reunion of the class of 1975/76 and the class of 1967. In August 2022, past and present staff and students reunited at Tocal College to commemorate 50 years since the College welcomed its first intake of female students in 1972. On Saturday afternoon guests were provided farm and campus tours, including a walkthrough through Tocal's recent development the Bee Research and Training Centre, and new bull yards. The EA Hunt Hall was transformed for the evening's commemorative dinner which included a formal two-course dinner, live music and a panel of inspirational female ex-students, Darleen Shurbb (1980/81), Margo Duncan (1973), Jess Perry (2015/16), Steph Teterin (1993/94 and current lecturer).

Unfortunately, Margaret Francis, one of the first intake of female students was unable to attend due to illness. Following the dinner, donated auction items were auctioned off by



ex-student Andy Carter (2004/05) to raise funds for student scholarships. In commemoration of the event, special edition wine glasses, hats and vests were produced.

The Alumni membership continued to grow throughout the financial year, welcoming 73 new members to the Potentiality website, and 348 new subscribers to its quarterly newsletter. Online engagement and interaction increased with an average monthly Facebook page reach of 10,018.



The 2021 Jean Wilson Alexander Scholarship was awarded to Jo Notting, a 2020/21 Tocal student, in early 2022. Jo received a \$4,000 scholarship to support her post-Tocal tertiary studies in communication and media at Charles Sturt University, Bathurst. Since receiving the scholarship, Jo has reported “(her) decision to study Communications at Charles Sturt University in Bathurst is one of my best decisions yet, (2nd to my choice to go to Tocal)” and “This scholarship allowed me to combine my two passions, agriculture, and

writing”. The Alumni panel is working through the five applications for the 2022 Jean Wilson Alexander Scholarship with the awardee to be announced in 2023.

For any Alumni wanting to represent their Tocal pride, we sell Tocal Alumni R.M. Williams vests, and in 2022 we successfully sold 76 vests.

## APPRECIATION

The Foundation would like to thank the many people associated with it for their assistance during the year, in particular;

- Patrick Gallagher, Manager Numeralla
- Tess Neilson, Homestead Coordinator
- Sandra Earle, Schools Coordinator
- Rennae Coleman, Barracks Coordinator
- All staff associated with the Foundations operations at Tocal Homestead and Numeralla
- Danielle Fordham, Alumni Officer
- Carol Cairney for Accounts Administration
- Friends of Tocal and volunteers for their ongoing support at Tocal Homestead
- Tocal College Students
- Photos from Sandra Ognibene Photography and Michael Cairney.



## INDEPENDENT AUDITOR'S REPORT

### CB Alexander Foundation

To Members of the New South Wales Parliament and Members of CB Alexander Foundation

#### Opinion

I have audited the accompanying financial statements of CB Alexander Foundation (the Foundation), which comprise the Financial Declaration for the Responsible Entity, the Statement by Chair of the CB Alexander Foundation, the Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the Government Sector Finance Act 2018 (GSF Act), the Government Sector Finance Regulation 2018 (GSF Regulation) and the Treasurer's Directions
- presents fairly the Foundation's financial position, financial performance and cash flows
- have been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Foundation in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

## Member's Responsibilities for the Financial Statements

The Members of the Foundation are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation, Treasurer's Directions and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Member's responsibility also includes such internal control as the Members determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Foundation carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford  
Auditor-General of New South Wales

1 February 2023  
SYDNEY



Mr Scott Hansen  
Chairman  
CB Alexander Foundation  
Total Agriculture College  
TOTAL NSW 2421

Contact: Karen Taylor  
Phone no: 02 9275 7311  
Our ref: D2226874/0100

1 February 2023

Dear Mr Hansen

**STATUTORY AUDIT REPORT**  
**for the year ended 30 June 2022**  
**CB Alexander Foundation**

I have audited the financial statements of CB Alexander Foundation (the Foundation) as required by the *Government Sector Audit Act 1983* (GSA Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2022, and details matters I found during my audit that are relevant to you in your role as one of those charged with the governance of the Foundation. The GSA Act requires me to send this report to the Foundation's Accountable Authority, responsible Minister and the Treasurer.

This report is not the Independent Auditor's Report, which expresses my opinion on the Foundation's financial statements. I enclose the Independent Auditor's Report, together with the Foundation's financial statements.

My audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. It is not designed to identify and report all the matters you may find of governance interest. Therefore, other governance matters may exist that I have not reported to you.

My audit is continuous. If I identify new significant matters, I will report these to you immediately.

**Audit result**

I expressed an unmodified opinion on the Foundation's financial statements and I have not identified any significant matters since my previous Statutory Audit Report.

**Misstatements in the financial statements**

Misstatements (both monetary and disclosure deficiencies) are differences between what has been reported in the financial statements and what is required in accordance with the Foundation's financial reporting framework. Misstatements can arise from error or fraud.

I have certain obligations for reporting misstatements:

- the Auditing Standards require matters of governance interest and significant misstatements identified during the audit to be communicated to those charged with governance
- statutory obligations require the Auditor-General to report misstatements resulting from or not detected because of failures in internal controls and/or systemic deficiencies which pose a significant risk to the Foundation.

The Appendix lists and explains the nature and impact of the misstatements contained in the financial statements.

- Table one reports uncorrected misstatements and disclosure deficiencies
- Table two reports the effect on the reported net result of misstatements that have not been corrected in the period in which they occurred
- Table three reports significant corrected misstatements and disclosure deficiencies.

Based on my evaluation, none of the misstatements reported are due to fraud.

### **Compliance with legislative requirements**

My audit procedures are targeted specifically towards forming an opinion on the Foundation's financial statements. This includes testing whether the Foundation complied with key legislative requirements relevant to the preparation and presentation of the financial statements. The results of the audit are reported in this context. My testing did not identify any reportable instances of non-compliance with legislative requirements.

### **Auditor-General's Report to Parliament**

The 2022 Auditor-General's Report to Parliament incorporated the results of the audit.

### **Publication of the Statutory Audit Report**

I consider this Statutory Audit Report to fall within the definition of 'excluded information' contained in Schedule 2(2) of the *Government Information (Public Access) Act 2009*. It may not be distributed to persons other than Management and those you determine to be charged with governance of the Foundation.

### **Acknowledgment**

I thank the Foundation's staff for their courtesy and assistance.

Yours sincerely



Margaret Crawford  
Auditor-General of New South Wales

## APPENDIX

### Table one: Uncorrected monetary misstatements and disclosure deficiencies

#### Uncorrected monetary misstatements

The following uncorrected monetary misstatements were identified and discussed with management. I have received written representations from Scott Hansen on 30 January 2023 confirming management's belief the effect of not correcting these misstatements is immaterial, individually and in aggregate, to the financial statements as a whole. I agree with management's determination and do not consider the uncorrected misstatements significant enough to modify my opinion in the Independent Auditor's Report.

Description	Assets	Liabilities	Net result	Other comprehensive income
	Increase/ (decrease)	(Increase)/ decrease	(Increase)/ decrease	(Increase)/ decrease
	\$	\$	\$	\$
<b>Factual misstatements</b>				
Unrecorded creditor invoice	1,509	(16,600)	15,091	--
<b>Subtotal</b>	<b>1,509</b>	<b>(16,600)</b>	<b>15,091</b>	<b>--</b>
<b>Total impact if misstatements were corrected</b>	<b>1,509</b>	<b>(16,600)</b>	<b>15,091</b>	<b>--</b>

#### Uncorrected disclosure deficiencies

I did not detect any reportable disclosure deficiencies that remain uncorrected in the financial statements.

### Table two: Effect of misstatements on the reported net result

To fully understand the current year's financial result, those charged with governance should consider the impact of misstatements from previous years corrected in the current period and current period misstatements that remain uncorrected.

This table illustrates the effect of significant misstatements that have not been corrected in the period in which they occurred.

Description and effect	Net result
	Increase/ (decrease)
	\$
<b>Net result as reported</b>	<b>(182,441)</b>
Prior year transactions recorded in the current year's net result	--
Current year misstatements that have not been corrected	(15,091)
<b>Adjusted current year net result</b>	<b>(197,532)</b>

### Table three: Corrected monetary misstatements and disclosure deficiencies

#### Corrected monetary misstatements

Management corrected the following misstatements in the current year's financial statements. I agree with management's determination and confirm this treatment complies with Australian Accounting Standards.

Description	Assets	Liabilities	Net result	Other comprehensive income
Effect of correction	Increase/ (decrease) \$	(Increase)/ decrease \$	(Increase)/ decrease \$	(Increase)/ decrease \$
<b>Factual misstatements</b>				
Capital works expensed to 'repairs & maintenance'	53,378	-	(53,378)	--
<b>Subtotal</b>	<b>53,378</b>	<b>-</b>	<b>(53,378)</b>	<b>--</b>
<b>Judgemental misstatements</b>				
Fair value increase to land & building assets	3,652,663	--	--	(3,652,663)
<b>Subtotal</b>	<b>3,652,663</b>	<b>--</b>	<b>--</b>	<b>(3,652,663)</b>
<b>Total impact of corrected misstatements</b>	<b>3,706,041</b>	<b>--</b>	<b>(53,378)</b>	<b>(3,652,663)</b>

#### Corrected disclosure deficiencies

Management corrected the following disclosure deficiencies in the current year's financial statements. I agree with management's determination and confirm this treatment complies with Australian Accounting Standards.

AASB reference	Disclosure title	Description of disclosure deficiency
AASB 13	Fair Value Measurement	Disclosures regarding the fair value assessment undertaken during 2021–22 and the associated financial reporting impact of fair value movements.



To the Members of CB Alexander Foundation

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of CB Alexander Foundation for the year ended 30 June 2022, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Margaret Crawford'.

Margaret Crawford  
Auditor-General of New South Wales

1 February 2023  
SYDNEY

## Financial declaration for Responsible Entity

***per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013***

The Responsible Entity declares that in the Responsible Person's opinion:

- (a) there are reasonable grounds to believe that the registered entity, the CB Alexander Foundation, is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



**SCOTT HANSEN**  
Chair, CB Alexander Foundation

Date: 30 January 2023

## **Statement by Chair of the CB Alexander Foundation**

---

Pursuant to section 7.6 (4) of the Government Sector Finance Act 2018 ('the Act'), I state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirement of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
- present fairly The CB Alexander Foundation's financial position, financial performance and cash flows.

Signed:



.....  
Scott Hansen  
Chair  
CB Alexander Foundation  
Date: 30 January 2023

CB Alexander Foundation  
ABN 43 187 636 211

## Statement of Comprehensive Income

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Continuing operations</b>			
<b>Expenses excluding losses</b>			
Employee benefits expenses	2 (a)	1,174,761	1,095,956
Operating expenses	2 (b)	479,916	426,927
Repairs and maintenance	2 (b)	147,374	114,331
Depreciation and amortisation expenses	2 (c)	212,030	213,476
Grants and subsidies	2 (d)	62,250	52,315
Finance costs	2 (e)	56,304	57,889
Impairment of investments		478,996	-
<b>Total expenses excluding losses</b>		<b>2,611,631</b>	<b>1,960,894</b>
<b>Revenue</b>			
Sale of goods and services	3 (a)	1,197,111	1,482,886
Investment revenue	3 (b)	346,612	544,953
Grants and other contributions	3 (c)	437,927	647,469
Other income	3 (d)	132,388	-
<b>Total revenue</b>		<b>2,114,038</b>	<b>2,675,308</b>
<b>Operating result</b>		<b>(497,593)</b>	<b>714,414</b>
Gains / (losses) on disposal	4	315,152	79,547
<b>Net result from continuing operations</b>		<b>(182,441)</b>	<b>793,961</b>
<b>Net result</b>		<b>(182,441)</b>	<b>793,961</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to net result in subsequent periods</i>			
Changes in revaluation surplus of property, plant and equipment		3,652,663	104,767
Net gains / (losses) on equity instruments at fair value through other comprehensive income		(782,549)	452,380
<b>Total other comprehensive income</b>		<b>2,870,114</b>	<b>557,147</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>2,687,673</b>	<b>1,351,108</b>

CB Alexander Foundation  
ABN 43 187 636 211

**Statement of Financial Position**

As at 30 June 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	894,710	989,971
Receivables	6	195,023	303,260
Contract assets	7	22,085	14,964
Other assets		20,843	-
<b>TOTAL CURRENT ASSETS</b>		<b>1,132,661</b>	<b>1,308,195</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets at fair value	8,9	7,649,184	8,299,228
Property, plant and equipment	10,11,12	30,337,262	26,806,184
<b>TOTAL NON-CURRENT ASSETS</b>		<b>37,986,446</b>	<b>35,105,412</b>
<b>TOTAL ASSETS</b>		<b>39,119,107</b>	<b>36,413,607</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Payables	13	220,892	209,692
Contract liabilities	7	250,558	184,517
Borrowings	14	92,370	90,000
Provisions	15	83,569	62,854
<b>TOTAL CURRENT LIABILITIES</b>		<b>647,389</b>	<b>547,063</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	14,16	1,310,000	1,400,000
Provisions	15	7,501	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,317,501</b>	<b>1,400,000</b>
<b>TOTAL LIABILITIES</b>		<b>1,964,890</b>	<b>1,947,063</b>
<b>NET ASSETS</b>		<b>37,154,217</b>	<b>34,466,544</b>
<b>EQUITY</b>			
Reserves	17	20,077,612	17,207,498
Accumulated funds	17	17,076,605	17,259,046
<b>TOTAL EQUITY</b>		<b>37,154,217</b>	<b>34,466,544</b>

**Statement of Changes in Equity**  
For the year ended 30 June 2022

Note	Accumulated Funds	Asset Revaluation Reserve	Financial Assets at FVOCI Reserve	Total
	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	16,465,085	16,320,182	330,169	33,115,436
<b>Comprehensive income</b>				
Net result for the year	793,961			793,961
Revaluation of property, plant and equipment		104,767		104,767
Net gains / (losses) on equity instruments at fair value through other comprehensive income			452,380	452,380
<b>Total comprehensive income for the year</b>	793,961	104,767	452,380	1,351,108
<b>Balance at 30 June 2021</b>	17,259,046	16,424,949	782,549	34,466,544
<b>Balance at 1 July 2021</b>	17,259,046	16,424,949	782,549	34,466,544
<b>Comprehensive income</b>				
Net result for the year	(182,441)			(182,441)
Revaluation of property, plant and equipment		3,652,663		3,652,663
Net gains / (losses) on equity instruments at fair value through other comprehensive income			(782,549)	(782,549)
<b>Total comprehensive income for the year</b>	(182,441)	3,652,663	(782,549)	2,687,673
<b>Balance at 30 June 2022</b>	17,076,605	20,077,612	-	37,154,217

## Statement of Cash Flows

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee related		(937,888)	(887,925)
Suppliers for goods and services		(786,370)	(689,583)
Grants and subsidies		(62,250)	(52,315)
Finance costs		(57,036)	(58,307)
<b>Total Payments</b>		<b>(1,843,544)</b>	<b>(1,688,130)</b>
<b>Receipts</b>			
Sale of goods and services		1,306,446	1,566,382
Interest received		239	316
Dividends and trust distributions received		271,069	512,409
Grants and other contributions		487,645	403,397
Other		185,908	38,592
<b>Total Receipts</b>		<b>2,251,307</b>	<b>2,521,096</b>
<b>Net cash provided by operating activities</b>	18	<b>407,763</b>	<b>832,966</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		1,943,382	1,804,815
Proceeds from sale of plant and equipment		3,000	-
Purchase of land and buildings, plant and equipment and infrastructure systems		(119,500)	(1,194,956)
Purchase of financial assets		(2,242,276)	(978,225)
<b>Net cash used in investing activities</b>		<b>(415,394)</b>	<b>(368,366)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		2,370	-
Repayments of borrowings and advances		(90,000)	(90,000)
<b>Net cash used in financing activities</b>		<b>(87,630)</b>	<b>(90,000)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(95,261)</b>	<b>374,600</b>
Opening cash and cash equivalents	5	989,971	615,371
<b>Closing cash and cash equivalents</b>	5	<b>894,710</b>	<b>989,971</b>

## **Note 1: Summary of Significant Accounting Policies**

### **(a) Reporting entity**

The CB Alexander Foundation (the entity) is a NSW statutory authority created under the CB Alexander Foundation Incorporation Act 1969. The entity is a not-for-profit entity (as profit is not its principal objective).

The entity is within the cluster of the Department of Regional NSW (DRNSW) and not a controlled entity.

These financial statements for the year ended 30 June 2022 have been authorised for issue by the CB Alexander Foundation on 27 January 2023.

### **(b) Basis of Preparation**

The entity's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- \* applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- \* the requirements of the *Government Sector Finance Act 2018 (GSF Act)*;
- \* *The Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not for Profits Commission Regulation 2013*; and
- \* Treasurer's directions issued under the Act.

Property, plant and equipment and financial assets at 'fair value through other comprehensive income' are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

### **(c) Statement of compliance**

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### **(d) Income Tax**

The entity is exempt from Income Tax purposes under Subdivision 50B of the Income Tax Assessment Act of 1997.

### **(e) Accounting for the Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- \* amount of GST incurred by the entity as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- \* receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(f) Comparative information**

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

**(g) Changes in accounting policies, including new or revised AAS**

**(i) Effective for the first time in FY2020-21**

The accounting policies applied in FY2020-21 are consistent with those of the previous financial year except as a result of the following new or revised AAS that have been applied for the first time:

The entity applied AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other inconsequential amendments and interpretations apply for the first time in FY2020-21, but do not have an impact on the financial statements of the entity.

***AASB 1059 Service Concession Arrangements: Grantors***

AASB 1059 is effective for the entity from 1 July 2020. At the same time NSW Treasury Policy and Guideline Paper TPP 06-8: Accounting for Privately Financed Projects (TPP 06-8) was withdrawn effective from 1 July 2020.

Service Concession Arrangements are contracts between an operator and a grantor, where the operator provides public services related to a service concession asset on behalf of the grantor for a specified period of time and manages at least some of those services.

Where AASB 1059 applies, the grantor recognises the service concession asset when the grantor obtains control of the asset and measures the service concession asset at current replacement cost. At the same time the grantor recognises a corresponding financial liability or unearned revenue liability or a combination of both.

The entity is not a grantor in any service concession arrangements, therefore the adoption of AASB 16 did not have an impact on the Statement of Comprehensive Income, Statement of Financial Position and the Statement of Cash Flows for the financial year.

**ii) Issued but not yet effective**

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise.

The following new AAS have not been applied and are not yet effective:

AASB 17 Insurance Contracts

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments

AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions: Tier 2 Disclosures

AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2

It is considered that the adoption of these standards and interpretations in future periods will have no material financial impact on the financial statements of the entity.

**Note 2: Expenses Excluding Losses**

	2021 \$	2020 \$
<b>(a) EMPLOYEE RELATED EXPENSES</b>		
Salaries and wages (including annual leave)	812,162	728,409
Departmental salaries	184,506	168,893
Superannuation – defined contribution plans	72,996	65,598
Provision for employee entitlements	533	10,829
Workers' compensation insurance	25,759	16,367
<b>TOTAL</b>	<b>1,095,956</b>	<b>990,096</b>
<b>(b) OPERATING EXPENSES</b>		
Operating expenses include the following:		
Auditor's remuneration		
- audit of the financial statements	25,840	24,900
Cost of sales	2,706	445
Expense relating to leases of low-value assets	3,527	1,085
Insurance	36,963	29,112
Catering	20,749	26,830
Consultants	36,068	45,800
Contracted services	109,468	75,034
Utilities	85,490	89,343
Overseas tour groups	-	12,860
Fuel and oil supplies	6,833	8,720
Minor equipment	8,366	19,135
Motor vehicle expenses	2,291	4,926
Other expenses	88,626	86,182
<b>TOTAL</b>	<b>426,927</b>	<b>424,372</b>
<b>REPAIRS AND MAINTENANCE</b>		
Maintenance expense	114,331	195,200
<b>TOTAL</b>	<b>114,331</b>	<b>195,200</b>

**Recognition and Measurement**

***Maintenance expense***

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

***Insurance***

The entity's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

***Lease expense***

The Entity recognises the lease payments associated with the leases of assets that are valued at \$10,000 or under when new as an expense on a straight-line basis.

CB Alexander Foundation  
Notes to the Financial Statements for the year ended 30 June 2021

**Note 2: Expenses Excluding Losses**

	2021 \$	2020 \$
(c) DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation		
- Buildings	139,257	135,744
- Plant and equipment	42,509	41,874
- Infrastructure systems	31,710	31,710
<b>TOTAL</b>	<b>213,476</b>	<b>209,328</b>

Refer to Note 10 for recognition and measurement policies on depreciation.

(d) GRANTS AND SUBSIDIES

Scholarships	52,315	82,250
<b>TOTAL</b>	<b>52,315</b>	<b>82,250</b>

(e) FINANCE COSTS

Bank charges	1,793	2,342
Interest expense from borrowings	56,096	71,198
<b>TOTAL</b>	<b>57,889</b>	<b>73,540</b>

**Recognition and Measurement**

Scholarships paid are charged as expenses as incurred.

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit NSW GGS entities.

**Note 3: Revenue and Other Income**

	2021 \$	2020 \$
<b>Recognition and Measurement</b>		
Income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15 Revenue from Contracts with Customers.		
Comments regarding the accounting policies for the recognition of income are discussed below.		
(a) SALE OF GOODS AND SERVICES REVENUE		
SALES REVENUE		
Sale of eggs and litter income	1,061,876	932,930
Sale of Alumni merchandise	2,182	1,673
Sale of publications and souvenirs	2,060	1,749
Tours, open days and wedding income	411,395	292,223
Labour hire income	5,373	-
<b>TOTAL SALE OF GOODS AND SERVICES REVENUE</b>	<b>1,482,886</b>	<b>1,228,575</b>

### Note 3: Revenue and Other Income

2021  
\$

2020  
\$

#### Recognition and Measurement

##### **Sale of goods**

Revenue from sale of goods is recognised as when the Entity satisfies a performance obligation by transferring the promised goods.

The CB Alexander Foundation holds a contract to produce free range eggs on its Numeralla property. Income from this operation is derived through the payment of a fee to produce premium and product eggs. Premium eggs are greater than 43 grams and product eggs are less than 43 grams and include cracked and dirty eggs after grading. The contract sets out owner and contractor obligations under the agreement.

The entity typically satisfies its performance obligations when the control of the goods is transferred to the customers at the point of delivery. The payments are typically due within 14 days after the end of the month in which the goods were delivered.

Revenue from these sales is recognised based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a short credit term. No volume discount or warranty is provided on the sale.

##### **Rendering of services**

Revenue from rendering of services is recognised when the Entity satisfies the performance obligation by transferring the promised services. For tours, open days, accommodation and weddings the entity typically satisfies its performance obligations when the event is held. The payments are typically due within 14 days after the end of the month in which the event is held.

The revenue is measured at the transaction price agreed under the contract.

No element of financing is deemed present as payments are due when service is provided.

Refer Note 7 for the disclosure of the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, and when the entity expects to recognise the unsatisfied portion as revenue.

#### (b) INVESTMENT REVENUE

Interest income	316	2,865
Rental income	48,592	35,166
Dividend income and managed fund distributions	496,045	371,410
<b>TOTAL INVESTMENT REVENUE</b>	<b>544,953</b>	<b>409,441</b>

#### Recognition and Measurement

##### **Interest income**

Interest income is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For assets that become credit impaired the effective interest rate is applied to the amortised cost of the financial asset (ie after deducting the loss allowance for expected credit losses).

##### **Rental income**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

##### **Dividend income and managed fund distributions**

Dividend income and managed fund distributions are recognised when the entity's right to receive the payment has been established.

CB Alexander Foundation  
Notes to the Financial Statements for the year ended 30 June 2021

<b>Note 3: Revenue and Other Income</b>	2021 \$	2020 \$
<b>(c) GRANTS AND OTHER CONTRIBUTIONS</b>		
Grants with sufficiently specific performance obligations		
Scholarship Payments by donors	20,500	18,250
DPI Management/ Maintenance Fees	146,138	142,992
Arts Upper Hunter	1,000	-
Grants without sufficiently specific performance obligations		
DPI Services provided:		
Staff contribution to Foundation	184,506	168,893
ATO JobKeeper Subsidy	249,000	107,250
COVID-19 Employer Cash Boost	-	100,000
STC rebate	45,486	-
Building Fund Donations	839	55
<b>TOTAL GRANTS AND OTHER CONTRIBUTIONS</b>	<b>647,469</b>	<b>537,440</b>

**Recognition and Measurement**

Revenue from grants with sufficiently specific performance obligations is recognised as when the Entity satisfies the performance obligations. The entity typically satisfies its performance obligations in relation to scholarship payments by donors when the scholarship payment is made.

The entity typically satisfies its performance obligations in relation to the DPI Grant when the entity provides use of the Agricultural College and ancillary operations to DPI. This grant is paid annually as per the DPI and CBAF Deed of Agreement.

The payments for DPI Management Fees are typically due within 30 days after the invoice date. Scholarship payments from donors are receipted and banked when received.

Revenue from these grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied.

Refer Note 7 for transaction price allocated to the performance obligations that have not been satisfied at the end of the year and when it is expected to be recognised as revenue.

Income from grants without sufficiently specific performance obligations is recognised when the entity obtains control over the granted assets (e.g. cash).

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined, and the services would be purchased if not donated.

CB Alexander Foundation  
Notes to the Financial Statements for the year ended 30 June 2021

**Note 3: Revenue and Other Income**

2021  
\$

2020  
\$

**Staff and Students**

The services of students and staff to the entity's enterprises are an integral part of the Tocal College and as such it is difficult to accurately determine cost the Department of Primary Industries input to the entity's operations.

The Charter of the Foundation as contained within the C B Alexander Foundation Incorporation Act 1969 is aimed essentially towards assisting the College with the provision of practical training and education at the College by use of its facilities.

The assessed input of Department of Primary Industries to the entity is calculated to be approximately \$184,506 (Last Year: \$168,893).

**Note 4: Gains / (Losses) on Disposal**

2021  
\$

2020  
\$

Net gain/(loss) on financial assets

79,547

47,999

TOTAL GAINS / (LOSSES) ON DISPOSAL

79,547

47,999

**Note 5: Cash and Cash Equivalents**

Note

Cash on hand - petty cash  
Cash at bank - building fund  
Cash at bank - working accounts

750

750

251,626

5,346

397,165

358,900

649,541

364,996

Restricted assets

9

340,430

250,375

TOTAL CASH AND CASH EQUIVALENTS

989,971

615,371

For the purposes of the statement of Cash Flows, cash and cash equivalents include cash on hand, short-term deposits with original maturities of three months or less, and net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**RECONCILIATION OF CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at the end of the financial year as shown in  
the statement of cash flows is reconciled to items in  
the statement of financial position as follows:

Cash and cash equivalents

989,971

615,371

989,971

615,371

Refer Note 16 for details regarding credit risk and market risk arising from financial instruments.

<b>Note 6: Receivables</b>	2021 \$	2020 \$
CURRENT		
Trade receivables from contracts with customers	138,162	77,393
DPI Management/ Maintenance Fees	147,745	-
ATO JobKeeper Subsidy	-	41,250
COVID-19 Employer Cash Boost	-	50,000
Other receivables	17,353	23,717
<b>TOTAL CURRENT</b>	<b>303,260</b>	<b>192,360</b>

Details regarding credit risk of trade debtors that are neither past due nor impaired, are disclosed in Note 16.

#### **Recognition and Measurement**

All 'regular way' purchases or sales of other financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of other financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

The Foundations meets all the eligibility criteria attached to the JobKeeper payments; and has paid the minimum amounts per fortnight to all eligible employees.

#### **Subsequent measurement**

The entity holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

#### **Impairment**

The entity recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, the entity applies a simplified approach in calculating ECLs. The entity recognises a loss allowance based on lifetime ECLs at each reporting date. The entity has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

<b>Note 7: Contract Assets and Liabilities</b>	2021 \$	2020 \$
Contract assets - current	14,964	11,791
Contract liabilities - current	184,517	183,260
Contract receivables (included in Note 6)	138,162	77,393

#### **Recognition and Measurement**

Contract assets for egg accrued income relates to the entity's right to consideration in exchange for goods transferred to customers, but not billed at the reporting date in respect of eggs delivered.

Contract liabilities relate to consideration received in advance for DPI grants and forward bookings for Barracks accommodation.

CB Alexander Foundation  
Notes to the Financial Statements for the year ended 30 June 2021

<b>Note 8: Financial Assets at Fair Value</b>	2021 \$	2020 \$
<b>CURRENT</b>		
Deposit on property purchase	-	57,500
<b>NON-CURRENT</b>		
Investment in equity shares		
- Shares in listed companies	2,173,666	2,020,166
- Managed funds	6,125,562	6,573,725
<b>TOTAL NON-CURRENT</b>	<u>8,299,228</u>	<u>8,593,891</u>

Refer to Note 16 for further information regarding fair value measurement, credit risk, and market risk arising from financial instruments.

**Recognition and Measurement**

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

**Classification and measurement**

The entity's financial assets at fair value are classified, at initial recognition, as subsequently measured at either fair value through other comprehensive income or fair value through profit or loss.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in net results. Transaction costs of financial assets carried at other comprehensive income are included as part of their fair value and amortised to net results using the effective interest method.

**Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income include equity investments which the entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

The entity measures financial assets at fair value through other comprehensive income when they are held for both collection of contractual cash flows and for selling the financial assets, and where the assets' cash flows represent solely payments of principal and interest.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in net results. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to net results and recognised in other gains/(losses).

Interest income from these financial assets is included in investment revenue using the effective interest method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.

Dividends and managed fund distributions are recognised as income under 'investment revenue' when the right of payment has been established.

## Note 8: Financial Assets at Fair Value

### ***Impairment***

#### ***Impairment of financial assets at fair value through other comprehensive income***

The entity recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the entity expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). In addition, the entity considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The entity's debt financial assets classified as financial assets at fair value through other comprehensive income are issued by financial institutions that have strong credit ratings and therefore considered to be low credit risk investments. Hence, the entity measures the loss allowance for these debt financial assets at an amount equal to 12-month ECL. However, when there is a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The entity uses the ratings from external credit rating agencies both to determine whether there has been a significant increase in credit risk on the debt financial assets and to estimate ECLs. These estimates are performed at every reporting date.

Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

**Note 9: Restricted Assets**

2022  
\$

2021  
\$

The entity's financial statements include cash assets, accrued income and financial assets at fair value which is restricted by externally imposed conditions. The assets are only available for application in accordance with the terms of the donor restrictions.

**Restricted assets comprise**

Cash and cash equivalents	258,654	340,430
Accrued income:		
- dividends and trust distributions	39,137	17,353
Financial assets at fair value	7,649,184	8,299,228
Less: unpaid scholarships	(14,150)	(14,150)
<b>TOTAL</b>	<b>7,932,825</b>	<b>8,642,861</b>

**Movement in carrying amount of restricted assets**

Opening Balance	8,642,861	8,853,833
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**Changes in equity:**

New donations - trust accounts (Note 3 (c))	91,080	20,500
Interest received	18	95
Dividends and trust distributions received	292,853	496,045
Direct investment expenses	(49,159)	(49,577)
Scholarships paid (Note 2 (d))	(62,250)	(52,315)
McLachlan bequest funds expended	(33,640)	(1,157,647)
Net capital gain / (loss) on disposal of investments (Note 4)	312,607	79,547
Movement in market value of investments	(1,261,545)	452,380

**Total changes in restricted assets**

(710,036)	(210,972)
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**Total restricted assets at year end**

7,932,825	8,642,861
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In September 2015 the CB Alexander Foundation was notified of a significant bequest from the late Miss Daphne McLachlan. The total bequest of \$6,697,975 valued at the date of the transfer 20 May 2016 comprised listed company shares and cash.

Under the terms of Miss McLachlan's will this bequest is to be used "for the primary purpose of training students at Tocal Agricultural College (or such other institution as shall succeed Tocal College if the College should change its name) with the object of improving land pastures and stock particularly sheep and beef cattle and secondly for the general purposes of the College".

During 2017 the Board of the CB Alexander Foundation approved outsourcing the management of this bequest with oversight by a committee appointed by the Board. A tender process was used to select Macquarie Investment Management Limited to manage the bequest funds and terms of reference were developed to guide the committee. The new arrangements commenced in July 2017.

SUMMARY	2022 \$	2021 \$
McLachlan bequest	6,970,036	7,652,691
Scholarship prize funds	962,789	990,170
<b>TOTAL</b>	<b>7,932,825</b>	<b>8,642,861</b>

## Note 10: Property, Plant and Equipment

	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
	\$	\$	\$	\$	\$
<b>At 1 July 2021 - fair value</b>					
Gross carrying amount	25,928,682	562,282	636,210	406,701	27,533,875
Accumulated depreciation and impairment	(308,957)	(347,330)	(71,404)	-	(727,691)
Net carrying amount	25,619,725	214,952	564,806	406,701	26,806,184
<b>At 30 June 2022 - fair value</b>					
Gross carrying amount	29,644,144	504,845	636,210	406,701	31,191,900
Accumulated depreciation and impairment	(449,269)	(302,254)	(103,115)	-	(854,638)
Net carrying amount	29,194,875	202,591	533,095	406,701	30,337,262

### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the reporting period is set out below:

	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2022</b>					
Net carrying amount at beginning of year	25,619,725	214,952	564,806	406,701	26,806,184
Additions	62,798	28,102	-	-	90,900
Disposals	-	(455)	-	-	(455)
Transfers	-	-	-	-	-
Revaluation increments/ (decrements)	3,652,664	-	(1)	-	3,652,663
Depreciation expense	(140,312)	(40,008)	(31,710)	-	(212,030)
Net carrying amount at end of year	29,194,875	202,591	533,095	406,701	30,337,262

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 12.

	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
<b>At 1 July 2020 - fair value</b>					
Gross carrying amount	24,676,375	613,047	636,210	176,935	26,102,567
Accumulated depreciation and impairment	(169,700)	(304,822)	(39,694)	-	(514,216)
Net carrying amount	24,506,675	308,225	596,516	176,935	25,588,351
<b>At 30 June 2021 - fair value</b>					
Gross carrying amount	25,928,682	562,282	636,210	406,701	27,533,875
Accumulated depreciation and impairment	(308,957)	(347,330)	(71,404)	-	(727,691)
Net carrying amount	25,619,725	214,952	564,806	406,701	26,806,184

## Note 10: Property, Plant and Equipment

### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the reporting period is set out below:

	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2021</b>					
Net carrying amount at beginning of year	24,506,675	308,225	596,516	176,935	25,588,351
Additions	1,252,307	74,236	-	-	1,326,543
Transfers	-	(125,000)	-	125,000	-
Revaluation increments/ (decrements)	-	-	-	104,766	104,766
Depreciation expense	(139,257)	(42,509)	(31,710)	-	(213,476)
Net carrying amount at end of year	25,619,725	214,952	564,806	406,701	26,806,184

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 12.

### Recognition and Measurement

#### Acquisition of property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other AAS.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition. Plant and equipment acquired upon the purchase of the Numeralla property was valued by the CB Alexander Foundation based on estimated useful remaining life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Plant and equipment acquired with Tocal Homestead is regarded primarily as having an historic value and is being used as exhibits for public display as they are restored, valued and catalogued. A separate insurance policy exists for contents, plant and artefacts.

#### Daly Kidd Cottage

Work on restoration of the Daly Kidd Cottage was completed in May 2017. Work included interior fitout, installation of bathroom and kitchen, completion of back verandah and steps and completion of basement / garage. The cottage has been refurbished to house the Homestead Caretakers and the Caretakers now occupy this dwelling.

An independent rental valuation was undertaken to obtain a value for rent for the Caretakers.

#### Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised. All other repairs and maintenance are charged to the statement of profit or loss & other comprehensive income during the financial period in which they are incurred.

## Note 10: Property, Plant and Equipment

### **Major inspection costs**

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

### **Restoration costs**

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

### **Depreciation of property, plant and equipment**

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity.

All material identifiable components of assets are depreciated separately over their useful lives.

Land is not a depreciable asset. Certain heritage assets including original artworks and collections and heritage buildings such as the Homestead may not have a limited useful life because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	1% - 20%
Plant and equipment	10% - 33.33%
Infrastructure	2.5% - 10%

### **Revaluation of property, plant and equipment**

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy. This policy adopts fair value in accordance with AASB 13, AASB 116 and AASB 140 Investment Property.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 12 for further information regarding fair value.

Revaluations shall be made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The entity conducts a comprehensive revaluation at least every three years for its land and buildings (except infrastructure and land under infrastructure) where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and equipment.

The land and buildings of Numeralla & Clements Farm were valued by Brorson Hill Valuers on 20 December 2021 for mortgage security purposes in favour of the National Australia Bank. The valuation performed indicated a 12.33% increase in land values and 20.12% increase in building values since they were last revalued. The values for Numeralla & Clements Farm shown in the valuation report have been adopted in the financial statements as at 30 June 2022. The relative percentage increases were similarly applied to uplift the remainder of the land and buildings of the Foundation as indicative fair values at 30 June 2022.

Revaluation of the Homestead contents and artefacts was undertaken during 2021 by the relevant experts. Jewellery and artefacts were valued by Ann Newman, Hunter Region Valuation Services and the Homestead contents including the Rolls Royce was valued by Swan Murray and Hain. Both valuations were completed by 30 June 2021.

## **Note 10: Property, Plant and Equipment**

Non-specialised assets with short useful lives are measured at depreciated historical cost, which for these assets approximates fair value. The entity has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are recognised in other comprehensive income and credited to revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where the income approach or market approach is used, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

### ***Impairment of property, plant and equipment***

As a not-for-profit entity with no cash generating units, impairment under AASB 136 Impairment of Assets is unlikely to arise. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

The entity assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Specialised assets held for continuing use of their service capacity are rarely sold and their cost of disposal is typically negligible. Their recoverable amount is expected to be materially the same as fair value, where they are regularly revalued under AASB 13.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

## Note 11: Leases

### Entity as a Lessor

The entity has two cottages on site leased to employee tenants under operating leases in accordance with employment contracts. Rental payments are deducted on a fortnightly basis from their net wages through the payroll system.

Land at Numeralla is leased for agistment to the DRNSW with rental payments quarterly.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate.

Although the entity is exposed to changes in the residual value at the end of current leases, the entity typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

All leases in place may be cancelled at any time.

### Recognition and measurement - lessor for operating leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## Note 12: Fair value measurement of non-financial assets

### Fair value measurement and hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- \* Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- \* Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- \* Level 3 - inputs that are not based on observable market data (unobservable inputs).

The entity recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(a) Fair value hierarchy	2022 Level 1	Level 2	Level 3	Total fair value
Property, plant and equipment (Note 10):				
- Land and buildings	-	-	29,194,875	29,194,875
- Plant and equipment			202,591	202,591
- Infrastructure systems	-	-	533,095	533,095
- Jewellery and artefacts	-	-	406,701	406,701
Financial assets at Fair Value (Note 8):				
Managed funds at fair value	6,243,484	-	-	6,243,484
Shares in listed companies at fair value	1,405,700	-	-	1,405,700
	<u>7,649,184</u>	<u>-</u>	<u>30,337,262</u>	<u>37,986,446</u>

## Note 12: Fair value measurement of non-financial assets

	2021 Level 1	Level 2	Level 3	Total fair value
Property, plant and equipment (Note 10):				
- Land and buildings	-	-	25,619,725	25,619,725
- Plant and equipment	-	-	214,952	214,952
- Infrastructure systems	-	-	564,806	564,806
- Jewellery and artefacts	-	-	406,701	406,701
Financial assets at Fair Value (Note 8):				
Managed funds at fair value	6,125,562	-	-	6,125,562
Shares in listed companies at fair value	2,173,666	-	-	2,173,666
	<u>8,299,228</u>	<u>-</u>	<u>26,806,184</u>	<u>35,105,412</u>

There were no transfers between Level 1 or 2 during the periods.

### (b) Valuation techniques, inputs and processes

#### Land

Land is valued at fair value having regard to current use.

The subject land has been valued using the direct comparison approach. A rate per hectare of land has been deduced from market sales. These rates have then been directly compared to the subject property having regard to matters such as heritage restrictions, zoning, location, topography, aspect, frontage, size, shape, date of contract execution and current market sentiment.

#### Buildings

Where current market buying prices cannot be observed, an asset's fair value is best measured by its depreciated replacement cost. Given the specialised nature of the Total Homestead and Numeralla improvements, this is considered the appropriate method of valuation. Specialised properties are valued at written down replacement cost, assuming a modern technical equivalent asset.

The only exception to this rule is when valuing Heritage buildings. These buildings have to be replicated according to their heritage characteristics with replacement costs higher in comparison to a modern equivalent building.

Please refer to Note 10 for further information.

### (c) Reconciliation of recurring Level 3 fair value measurements

	Property, plant and equipment	Total Recurring Level 3 Fairvalue
Fair value as at 1 July 2021	26,806,184	26,806,184
Additions	90,900	90,900
Disposals	(455)	(455)
Revaluation increments	3,652,663	3,652,663
Depreciation expense	(212,030)	(212,030)
<b>Fair value as at 30 June 2022</b>	<u>30,337,262</u>	<u>30,337,262</u>

	Property, plant and equipment	Total Recurring Level 3 Fairvalue
Fair value as at 1 July 2020	25,588,351	25,588,351
Additions	1,326,543	1,326,543
Revaluation increments	104,766	104,766
Depreciation expense	(213,476)	(213,476)
<b>Fair value as at 30 June 2021</b>	<u>26,806,184</u>	<u>26,806,184</u>

**Note 13: Current Liabilities - Payables**

	2022 \$	2021 \$
CURRENT		
Trade creditors	45,069	13,133
Payroll liabilities	33,780	30,199
GST payable	36,678	43,979
Accrued salaries, wages and on-costs	25,071	21,387
Other accrued expenses	80,294	100,994
TOTAL CURRENT	220,892	209,692

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 16.

**Recognition and measurement**

Payables represent liabilities for goods and services provided to the entity and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised net result when the liabilities are derecognised as well as through the amortisation process.

**Note 14: Current/Non-Current Liabilities - Borrowings**

	2022 \$	2021 \$
CURRENT		
Business markets loan	2,370	-
Commercial loan - secured	90,000	90,000
TOTAL CURRENT	92,370	90,000
NON-CURRENT		
Commercial loan - secured	1,310,000	1,400,000
TOTAL NON-CURRENT	1,310,000	1,400,000
TOTAL	1,402,370	1,490,000

In order to finance the transition from Broiler growing to Free Range Eggs a flexible loan facility of \$2,000,000 was secured through the National Australia Bank. In accordance with the CB Alexander Foundation Act to secure the loan, the Foundation was required to seek and obtained the NSW Governor's consent to register a mortgage over the entity's properties known as 'Numeralla' and 'Clements Farm'. These properties are represented as Lot 171, DP610453 and Lot 8, 975697 respectively.

The carrying amounts/fair values of the properties pledged as security is as follows:

	Carrying Amount
Numeralla & Clements Farm	\$6,301,083

The recent valuation performed on 20 December 2021 on behalf of the National Australia Bank for mortgage security purposes has been brought to account in the financial statements as at 30 June 2022.

Details regarding liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in Note 16.

**Recognition and measurement**

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

## Note 14: Current/Non-Current Liabilities - Borrowings

Changes in liabilities arising from financing activities:

	1 July 2021	Cash flows	30 June 2022
Business markets loan	-	2,370	2,370
Commercial loan - secured	1,490,000	(90,000)	1,400,000
<b>TOTAL</b>	<b>1,490,000</b>	<b>(87,630)</b>	<b>1,402,370</b>

## Note 15: Current/Non-Current Liabilities –

	2022 \$	2021 \$
<b>CURRENT – PROVISIONS</b>		
Provision for Annual Leave	36,352	26,086
Provision for Long Service Leave	47,217	36,768
<b>TOTAL CURRENT LIABILITIES</b>	<b>83,569</b>	<b>62,854</b>
<b>NON-CURRENT</b>		
Provision for Long Service Leave	7,501	-
<b>TOTAL NON-CURRENT</b>	<b>7,501</b>	<b>-</b>
<b>TOTAL</b>	<b>91,070</b>	<b>62,854</b>

## Recognition and Measurement

### *Employee benefits and related on-costs*

#### **Salaries and wages, annual leave and sick leave**

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

#### **Long service leave and superannuation**

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

## Note 15: Current/Non-Current Liabilities – Provisions

### **Consequential on-costs**

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of workers' compensation insurance premiums and fringe benefits tax.

## Note 16: Financial Instruments

The entity's principal financial instruments are outlined below. These financial instruments arise directly from the entity's operations or are required to finance the entity's operations. The entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The entity's main risks arising from financial instruments are outlined below, together with the entity's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

A finance committee consisting of committee members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the entity in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the entity. Risk management policies are approved and reviewed by the entity on a regular basis. These include credit risk policies and future cash flow requirements.

### a) Financial instrument categories

Class	Note	Category	2022 \$ Carrying Amount	2021 \$ Carrying Amount
<b>Financial Assets</b>				
Cash and cash equivalents	5	Amortised cost	894,710	989,971
Trade and other receivables	6,7	Loans and receivables at amortised cost	217,108	318,224
Financial assets at fair value	8	Fair value through other comprehensive income	7,670,027	8,299,228
<b>TOTAL</b>			<b>8,781,845</b>	<b>9,607,423</b>
<b>Financial Liabilities</b>				
Payables	7,13	Financial liabilities measured at amortised cost	184,214	165,713
Borrowings	14	Financial liabilities measured at amortised cost	1,402,370	1,490,000
<b>TOTAL</b>			<b>1,586,584</b>	<b>1,655,713</b>

The entity determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

### b) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the entity transfers the financial asset:

- \* where substantially all the risks and rewards have been transferred; or
- \* where the entity has not transferred substantially all the risks and rewards, if the entity has not retained control.

## Note 16: Financial Instruments

Where the entity has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the entity's continuing involvement in the asset. In that case, the entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entity has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

### c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### d) Financial risks

#### i. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

#### *Cash and cash equivalents*

Cash includes cash on hand, investments and cash in the bank. Interest is earned on a daily basis on bank account balances. The average interest rate during the year was 0.05% (2021: 0.05%). This rate is variable depending upon cash held within the account.

#### *Accounting policy for impairment of trade debtors and other financial assets*

##### *Receivables - trade debtors*

Collectability of trade debtors is reviewed on an ongoing basis. Procedures are followed to recover outstanding amounts, including letters of demand.

The entity applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 180 days past due. Sales are made on thirty-day terms.

No loss allowance for trade debtors has been applied as all outstanding amounts are considered to be fully collectable. The credit risk is the carrying amount.

The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

#### *Managed funds and shares in listed companies*

The fair value of managed funds and listed company shares was determined using closing quoted prices at the end of the 2022 reporting period obtained from the fund manager Macquarie Investment Management Limited.

## Note 16: Financial Instruments

### ii. Liquidity risk

Liquidity risk is the risk that the entity will be unable to meet its payment obligations when they fall due.

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

During the current and prior year, there were no defaults of loans payable. The entity's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

#### Bank Overdrafts

The entity has a bank overdraft limit of \$50,000. The interest rate for the facility is 6.47% (2021: 6.22%). This facility is presently unused.

#### Credit Card Facility

The entity introduced a credit card facility in April 2013 and a card was issued to the Secretary. The card is not used to obtain petty cash and no interest is payable as monthly transactions are cleared automatically by the bank at the end of each month. The interest rate for the facility is 15.5% and has a limit of \$10,000.

#### Payables

Liabilities are recognised for amounts due to be paid in the future for goods or services received whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in TC11-12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. No interest was paid during the year.

#### Financial Liabilities

The entity currently has a National Australia Bank business facility with maximum aggregate borrowing limit of \$2,000,000.

The existing business markets loan facility of \$2,000,000 was varied 31 March 2022 down to \$1,422,500. At 30 June \$1,400,000 of the loan has been drawn. The variable interest rate on the loan at 30 June 2022 is 3.225% (2021: 3.63%). Repayment of the loan commenced from October 2015. The facility has an expiry date of 31 March 2037.

A new business markets loan facility was approved 31 March 2022 for \$577,500. At 30 June \$2,370 of the loan has been drawn. The variable interest rate on the loan at 30 June 2022 is 3.7%. The facility has an expiry date of 30 May 2025.

The table below summarises the maturity profile of the entity's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

#### Maturity analysis and interest rate exposure of financial liabilities

	Interest Rate Exposure					Maturity Dates		
	Weighted Average Effective Int. Rate	Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non-interest bearing	< 1 year	1-5 years	> 5 years
<b>2022</b>								
Payables	-	-	-	-	184,214	184,214	-	-
Borrowings	3.6%	1,711,894	-	1,711,894	-	141,699	524,771	1,045,424
<b>2021</b>								
Payables	-	-	-	-	165,713	165,713	-	-
Borrowings	3.65%	1,852,120	-	1,852,120	-	142,596	537,839	1,171,685

## Note 16: Financial Instruments

Note: The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the entity can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the amounts in the Statement of Financial Position.

### iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The entity's exposures to market risk are primarily through interest rate risk on the entity's borrowings and other price risks associated with the movement in the share and unit prices of the Macquarie Investment Management Limited portfolios. The entity has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the entity operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position reporting date. The analysis is performed on the same basis as for 2021. The analysis assumes that all other variables remain constant.

#### Interest rate risk

Exposure to interest rate risk arises primarily through the entity's interest bearing liabilities. This risk is minimised by undertaking managed with a mixture of fixed and floating rate debt. The entity does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The entity's exposure to interest rate risk is set out below.

		-1%		1%	
	Carrying Amount	Net Result	Equity	Net Result	Equity
<b>2022</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	894,710	(8,947)	(8,947)	8,947	8,947
<b>Financial Liabilities</b>					
Borrowings	1,402,370	(14,024)	(14,024)	14,024	14,024
<b>2021</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	989,971	(9,897)	(9,897)	9,897	9,897
<b>Financial Liabilities</b>					
Borrowings	1,490,000	(14,900)	(14,900)	14,900	14,900

## Note 16: Financial Instruments

### *Other price risk - Macquarie Investment Management Limited portfolios*

Exposure to 'other price risk' primarily arises through the investment in Macquarie Investment Management Limited (Macquarie) portfolios, which are held for strategic rather than trading purposes. The entity holds equity investments through two separately managed Macquarie accounts and holds units in a number of investment trusts through a Macquarie management investments portfolio as follows:

Facility	Investment Sectors	Investment	2022 Carrying Amount	2021 Carrying Amount
RAM Australian Diversified Fixed Interest & Credit Securities Managed Account	Australian listed credit securities	1.5 years to 3 years	511,282	506,821
Macquarie PPM Core Australian Equity Managed Account	Australian listed equities	3 years to 7 years	894,418	1,666,845
Macquarie Managed Investment Trusts	Infrastructure, Australian and international bonds, listed property and International shares	7 years and over	6,243,484	6,125,562

Macquarie manages credit risk and interest rate risk exposures applicable to specific fixed-interest investments of the entity in accordance with an asset portfolio mandate agreed between the two parties. For this service Macquarie receives a fee based on the dollar value of the portfolio.

The Macquarie investment team closely monitor risk at a stock, sector and thematic level using Macquarie's proprietary risk management systems. Derivatives are not used. Investment in the Macquarie portfolios limits the entity's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

At reporting date the carrying value of securities, investment trusts and funds at call, managed by Macquarie stood at \$7,827,852 (2021: \$8,612,503).

	Carrying Amount	-10%		10%	
		Net Result	Equity	Net Result	Equity
<b>2022</b>					
Financial assets at fair value	7,649,184	-	(764,918)	-	764,918
<b>2021</b>					
Financial assets at fair value	8,299,228	-	(829,923)	-	829,923

### e) Fair value measurement

#### i. Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

The Macquarie investment facilities are measured at fair value. Management assessed that the carrying amount of all other financial instruments approximate their fair values, largely due to the short-term maturities of these instruments.

## Note 16: Financial Instruments

### ii. Fair value recognised in the Statement of Financial Position

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- \* Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- \* Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- \* Level 3 - inputs that are not based on observable market data (unobservable inputs).

The entity recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

	2022			
	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value</b>				
RAM Australian Diversified Fixed Interest & Credit Securities Managed Account	511,282	-	-	511,283
Macquarie PPM Core Australian Equity Managed	894,418	-	-	894,418
Macquarie Managed Investment Trusts	6,243,484	-	-	6,243,484
	2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value</b>				
RAM Australian Diversified Fixed Interest & Credit Securities Managed Account	506,821	-	-	506,821
Macquarie PPM Core Australian Equity Managed	1,666,845	-	-	1,666,845
Macquarie Managed Investment Trusts	6,125,562	-	-	6,125,562

There were no transfers between Level 1 or 2 during the periods.

## Note 17: Equity

### Recognition and Measurement

#### Revaluation surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the entity's policy on the revaluation of property, plant and equipment as discussed in Note 12.

#### Accumulated Funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

#### Reserves

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or AAS (e.g. Asset Revaluation Reserve and Financial Assets at FVOCI Reserve).

## Note 18: Cash Flow Information

	Note	2022 \$	2021 \$
RECONCILIATION OF CASH			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents	5	894,710	989,971
		<u>894,710</u>	<u>989,971</u>
RECONCILIATION OF CASH FLOWS			
Cash flows from operations are reconciled to profit from ordinary activities after income tax as follows:			
Profit/(loss) from ordinary activities after income tax		(182,441)	793,961
Non-cash flows in profit from ordinary activities after income tax			
Depreciation		212,030	213,476
Impairment loss on investments		478,996	-
STC Rebate		-	(45,486)
Net (gains)/losses on disposals of fixed assets		(2,545)	-
Net (gains)/losses on disposals of investments		<u>(312,607)</u>	<u>(79,547)</u>
Total non-cash flows in profit from ordinary activities after income tax		375,874	88,443
Changes in assets and liabilities			
(Increase)/Decrease in trade and other receivables		101,116	(114,073)
(Increase)/Decrease in other assets		(20,843)	-
Increase/(Decrease) in trade and other payables		105,841	64,102
Increase/(Decrease) in provisions		<u>28,216</u>	<u>533</u>
Total changes in assets and liabilities		<u>214,330</u>	<u>(49,438)</u>
TOTAL CASH FLOWS FROM OPERATIONS		<u>407,763</u>	<u>832,966</u>

## Note 19: Emoluments

Members of the Foundation act in an honorary capacity and have not sought reimbursement of expenses incurred or for fees normally payable to part time members of State authorities.

## Note 20: Commitments

The entity has no capital commitments as at 30 June 2022 (nil in 2021).

## Note 21: Contingent Liabilities

There were no contingent liabilities in respect of the entity as at 30 June 2022 (nil in 2021).

## **Note 22: Segment Reporting**

The entity operates predominantly in one business and geographical segment, being the promotion and advancement of agricultural education at the CB Alexander Agricultural College.

## **Note 23: Related Party Disclosures**

During the year, the CB Alexander Foundation incurred Nil expenses in respect of those key management personnel, having authority and responsibility for planning, directing and controlling the activities of CB Alexander Foundation.

During the year, the entity did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

### *Terms and conditions with related parties*

All transactions with related parties are conducted on an arm's length basis and on normal commercial terms. During the year, the DRNSW provided the CB Alexander Foundation with administration services of \$194,693 (2021: \$184,506). The DRNSW waived the costs in favour of the Foundation.

During the year, the entity entered into transactions with other entities that are controlled / jointly controlled / significantly influenced by NSW Government. These transactions (incurred in the normal course of business) in aggregate are a significant portion of the entity's revenue and expenses, and the nature of these significant transactions are detailed below.

Entity	Nature of Transaction
DRNSW	Administrative, secretarial support, operational assistance, management and maintenance

## **Note 24: Events Subsequent to Balance Date**

Except for COVID-19, there are no known events occurring after the reporting date that would have a significant affect on the financial report. As COVID-19 is ongoing, it is not practicable to estimate the potential impact, positive or negative, after 30 June 2022.

## **Note 25: Foundation Details**

The principal place of business is:

CB Alexander Foundation  
815 Tocal Road  
Paterson NSW 2421