

*Building our region
together*



Regional
Development
Australia

ORANA NSW

**RDA ORANA
ANNUAL REPORT
2021-2022**

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RDA Orana is an initiative of



Australian Government

CHAIRMAN'S REPORT

2021–2022 was another busy year for RDA Orana, with announcements about a range of initiatives that will have long-term benefits for our region and our people.

Development in the region is increasing, with the establishment of several key projects, including the critical mineral hub and Central West Renewable Energy Zone.

During 2021–2022, the region secured over \$72 million of NSW State Government funding and almost \$185 million of Federal Government funding. This will support a range of small and large projects that support the region's economic development, provide better access to health and education and improve the lives of our people.

In such a busy and eventful year, it is difficult to single out highlights. But in terms of the potential for future positive impact on our region, the following events (which we showcase in this annual report) are key.

- The Inland Growth Summit - Housing 2021 delivered in partnership with RDA Riverina
- The inaugural Resources, Energy and Industry Innovation Forum
- Housing Research for our LGA partners

RDA Orana continues to focus on migration to our region to ensure the continued growth of our economy. During the year we welcomed 412 skilled migrants under the Skilled Works Regional Visa (subclass 491) visas to work in across a range of industries including health, education and agriculture.

Despite the success of the last year, like many regions, we face significant challenges ahead. Our work will continue to focus on attracting workers to the region to ensure our businesses have access to a skilled workforce. We'll continue to work with all stakeholders to address housing shortages and access to affordable housing. All of this will help us achieve our overall goal of maintaining growth in our economy.

As we head into the new year, we're focused on developing our region's workforce. We'll continue to work on growing opportunities for investment through the Inland Growth initiative and advocating for the region and growth of inland NSW for the benefit of all.



Brad Cam,
Chairman

WHO WE ARE

Board and Staff

RDA Orana is an incorporated, not-for-profit association and registered charity, led by a regional board of industry and government representatives.

We support economic development across the Orana region by building partnerships and working with all governments and agencies to respond to local priorities and needs.

Our region is the largest and most diverse region in the state, with 123,000 people living in an area covering 25% of NSW.

Extending from Mudgee in the east to Bourke in the west, our region includes the local government areas of:

- Bogan
- Bourke
- Brewarrina
- Cobar
- Coonamble
- Dubbo Region
- Gilgandra
- Mid-Western Region
- Narromine
- Walgett
- Warren
- Warrumbungle

RDA Orana Board 2021/22



Brad Cam
Chair



Tracy McIntyre
Deputy Chair
(resigned May 2022)



Ross Earl



Jeff Caldbeck



Steve Hinks



Megan Callinan



Herb Smith
(resigned May 2022)

RDA Orana Staff 2021/22



Megan Dixon
CEO and Director
of Regional
Development



Miranda Riley
Workforce Development
Manager



John Neville
Industry Partnerships
Coordinator



Zannat Shrestha
Executive Assistant
(started, Oct 2021)



Maddie Adams
Industry Development
Coordinator (resigned
May 2022)



Faith Mamboh
Research Officer
(Full time to Casual
- February 2022)

REGIONAL SNAPSHOT



12

local government areas



\$9.819B

GRP



\$20B

in projects



\$20.6B

output



13,502

businesses



\$401.851M

building approvals



123,737

people



3.4%

unemployment



49,871

jobs



\$9.1B

regional exports



RDA ORANA

Our reason for being

PURPOSE

To support the development of the Orana region by facilitating industry collaboration, encouraging public and private investment and supporting cooperation between all stakeholders.

VISION

A regional powerhouse recognised for production, value-adding, linkages and entrepreneurship.

MISSION

We provide regional intelligence to:

- create connections and growth
- grow industry and infrastructure investment
- grow our workforce

VALUES

Long game

Economic development, investment attraction and change doesn't happen overnight. We have the strength and patience to accept and tolerate delays, while applying consistent and purposeful actions towards achieving our long-term objectives.

Action orientated

We demonstrate a relentless effort to meet commitments and consistently deliver better results through goal setting, clear communications, and prioritising project planning.

Results focused

Our knowledge, expertise, and progressive, proactive atmosphere yield a powerful combination that continuously sets us apart. We collaborate, innovate, make decisions, and execute with speed and agility. Our constant pursuit of solutions makes a difference to the region we support.

Collective capacity

We collaborate inside and outside the organisation to maximise our shared knowledge and bring greater value to one another and, most importantly, to our region.

Entrepreneurship

Curiosity and the pursuit of insights fuel our productivity, and innovation drives our business. We boldly champion new, innovative and breakthrough ideas, while attentively managing risks.

REGIONAL PRIORITIES

For 2021/2022, RDA Orana identified the following key priorities.

	1	United region Influence all levels of Government as respected, apolitical and reliable advocate for the Orana region.
	2	Workforce development Businesses in the region have access to workforce required to support growth.
	3	Export development Connect regional businesses, councils and industry sectors with international trade partners, financial markets and potential investors.
	4	Investment attraction Work with regional Stakeholders to deliver a shared Economic Development Agenda focused on enabling infrastructure, increasing population and investment attraction whilst providing economic information, credible research and insights.
	5	Sustainable Organisation A financially sustainable, well governed organisation, with a team of high performers delivering economic development initiatives that enhance regional growth.

By focusing on these, the region, our people and businesses will be well-equipped to take advantage of opportunities across key sectors, including:

- Agriculture
- Resources
- Energy
- Manufacturing
- Health Care
- Education and training
- Accommodation and food services
- Transport
- Construction

2021–2022 IN REVIEW

Like many businesses and organisations across the region, we continued to respond to the ongoing effects of the COVID-19 pandemic.

Industry development and housing continued to be key areas of work for the region. These are interlinked with creating new economic opportunities for the people of our region.

Regional engagement

Playing a leading role in regional engagement, our people have contributed to a strategic planning day, think tanks, meetings and input into various issues. Working closely with surrounding regions, we've provided a strong voice to key decision makers on the issues facing communities across regional and rural Australia.

Advocacy and outreach

During the year, we've significantly increased our outreach across all channels, including face-to-face meetings, calls, emails and social media.

- Email communication – **increased by 165%**
- Website page views – **increased by over 200%**
- Engagement with community – **1183 calls and meetings**

Major projects and announcements

In 2021/2022, our region received \$72 million of NSW State Government funding and almost \$185 million of Federal funding to support community development, infrastructure, education, training and the arts. This funding supported over 200 projects ranging from small-scale arts projects to large scale infrastructure and education development.

O2N and industry development

RDA Orana continues to focus on creating the environment to support innovative industry development across the region. Besides the O2N Industry Connection Series, we organised the inaugural O2N 2022 Resources, Energy, and Industry Innovation Forum. The event, which brought together key industry leaders, regional stakeholders, and investors, is detailed in the case studies.



Migration

RDA Orana continues to support migration to the region with 412 491 visa applications approved.

In 2019, the Federal Government approved the Orana Region Designated Area Migration Agreement (DAMA). This 5-year agreement allows employers to sponsor skilled overseas workers in specified industries in the region experiencing critical skill and labour shortages. It includes 73 occupations, including childcare workers, hospitality supervisors and disability workers. In 2021/22, the DAMA supported 66 positions in 13 businesses.

We were pleased the Minister approved our third DAMA variation request in March 2022. This included age concessions on all occupations that targeted the specific needs of businesses and industries. Other concessions included reducing experience requirements for those who completed their qualifications in Australia. Together with priority processing, this has streamlined the DAMA process, helping businesses get the workforce they need.

Housing

As mentioned above, access to affordable and appropriate housing will continue to be a crucial element in growing and supporting the regional economy. We've detailed the work we did on a regional housing report and collaborative summit in the case studies on the following pages.

Grant Funding

We've supported several clients including Countrywide Industries, Earlyrise Banking Company, Dreamtime Tuka and Ben Furney Flour Mills to win grants valued at almost \$4 million. These grants will support the creation of new jobs and industry development.

CASE STUDY 1

INLAND GROWTH SUMMIT – HOUSING PARTNERSHIP WITH RDA RIVERINA


In August 2021, we teamed up with RDA Riverina for the fourth Inland Growth Summit. Focused on housing, the summit brought together over 180 participants and 22 speakers from government, industry and community organisations.

Challenges ahead

Demographic changes, regional growth, employment demand, and other factors have created a stressful situation in several inland communities. No longer are regional areas offering peppercorn rent for regional properties. Severe housing shortages need innovative solutions at all levels.

Potential opportunities

- The NSW government has identified 250,000 parcels of crown land, but zoning changes may be needed.
- More people are staying in the regions, driving historically low availability in many areas. COVID and flexible working arrangements are also attracting cashed-up urban people to coastal and inland regional areas.
- There's a push to harness benefits of all forms of migration and to ensure migrants and refugees are protected.
- Government and developers need to work together, especially in areas with significant housing shortages, to unlock land for development. Without the right housing mix, it's difficult to make the most of make the most of economic development opportunities.
- Need to focus on town planning and affordable living rather than affordable housing, well-designed neighbourhoods that are walkable and people want to live in.
- They identified the Pilbara as an example of what to avoid. While mining demand pushes growth, need to avoid damaging boom and bust cycles that create an abnormal investment environment.
- Also important to engage an expanded workforce to become part of the community rather than fly-in, fly out and mining camps.
- Digital infrastructure is now just as important as roads and water. We need investment to improve connectivity, not just for business, but for people moving to regional areas.
- It takes 3 years for people to settle into a new community. Having the right housing is crucial to ensure people moving to the regions can build relationships and decide to stay.
- With people often moving from disaster affected areas, they want more resilient and efficient buildings.
- Addressing social housing and crisis accommodation requires innovative solutions, collaboration across agencies, and community consultation, as well as finding new sites.

An aerial photograph of a town, likely Riverina, showing a mix of residential and commercial buildings, green spaces, and a river in the foreground. The background features rolling hills under a cloudy sky.

"It was terrific to work with another RDA on a similar problem. It didn't make sense to go out and do something ourselves individually when we were both clearly facing the same issues in a neighboring region. It was great to work with RDA Orana on this".

Rachel Whiting
Director of Regional Development RDA Riverina

Link to further information:
<https://landing.rdaorana.org.au/inland-growth-summit-housing-2021-1>

CASE STUDY 2

O2N RESOURCES, ENERGY AND INDUSTRY INNOVATION FORUM

Held in February 2022, the inaugural O2N 2022 Resources, Energy, and Industry Innovation Forum brought together key industry leaders, regional stakeholders, and investors.

During the 1-day virtual event, participants discussed the resources and energy opportunities in the Orana and Central West regions.

Speakers included experts from research organisations, universities, the mining industry, regional development and all levels of government. They discussed how to harness greater economic growth, industry collaboration, and increased public and private investment.

Participants addressed several key issues:

- **Industry mega-trends** are driving future resource demands, and creating unique opportunities to unlock growth in project development and supply, downstream industries, and education pathways, key NSW government initiatives, policy settings and frameworks.
- Exploring growth opportunities for a **net-zero future and using decarbonisation** practices across the region.
- Understanding opportunities to use resources and **new energy technology solutions** and collaborative projects to drive industry growth.
- Discussing the **Newcastle Institute for Energy and Resources (NIER) Roadmap** to deploy industry-led research in the Orana and Central West regions. The model embeds innovators in the region to solve key industry challenges.
- Identifying opportunities for **world-class education and skill pathways** to enable growth in the region and the importance of a coordinated approach for delivery.

RDA Orana is continuing to support the development of the resources sector and has begun planning for a face to face Resources, Energy and Industry Innovation Forum to take place in the first half of 2023.

Other activities by O2N include promoting supply chain opportunities for local businesses and investment attraction of gap businesses to the region.

To find out more about O2N visit: o2n.org.au





The event was also an opportunity to put a spotlight on the region and its participants.

"The event gave me a really good overview of all that's happening in the region, but also where future jobs and activities will be. I keep referring back to the information that was presented and sharing it with colleagues, so they understand some of the opportunities for the future"

Participant feedback

Link to further information:
<https://info.o2n.org.au/resources-energy-and-industry-innovation-forum-2022>

CASE STUDY 3

HOUSING REPORT FOR LOCAL GOVERNMENT

Despite being home to one-third of the state's population and covering 80 percent of NSW, housing issues in rural and regional areas are often overlooked.

In 2021/22, we undertook research across 12 LGAs to understand housing demand and supply, current and future housing needs, and barriers to the provision of new housing.

Key findings

- Regional areas provide affordable housing, easing the burden on major cities.
- The pandemic resulted in increased regional rent and house prices.
- Planning and investment assumes regional population growth is slow and predictable.
- There are strong geographic links between housing and labour markets.
- Projects in the next 2 years will create 2000 extra jobs and increased housing demand.
- Economic, demographic, financial and supply factors drive housing market changes.
- Current policies directly and indirectly hinder housing supply and demand.
- Public and private sectors need to collaborate to solve housing issues.

Critical issues

- Limited publicly owned housing places, changing demographics and mismatched housing stock puts pressure on the private market.
- Many households in the region have low and insecure incomes.
- The regional rental market is small and relies on small-scale local investment.
- Industries like construction create short-term housing demand.
- Many employers are using FIFO or DIDO workers to satisfy labour needs.
- People are moving from bigger cities or choosing to stay in regional communities, increasing demand and creating housing pressures.



Barriers to investment and new housing supply

- Small pool of developers and investors
- Return on investment
- Cost of development and construction
- The complexity of the planning system
- Long lead time for development
- Access to finance
- Structural barriers
- Construction and tenancy management
- Land availability and attractiveness
- Release issues

Possible housing models to consider

- Employer Assisted Housing
- Flexible, community-driven housing
- Co-operative housing model with private homes clustered around shared space
- DHA sales and lease back model
- Temporary and alternative housing model

Recommendations

- Setting housing supply targets
- Initiating a holistic approach which includes a Regional Worker Housing Strategy
- Building stronger partnerships
- Building capacity within the existing housing stock
- Increasing public and private funding and supporting private investment
- Adjusting planning systems and policy settings

FUTURE PLANS

In 2022–2023, RDA Orana will build on our success in recent years, focusing on 3 key areas of workforce, information and leadership.

Workforce

Provide businesses in the region access to the workforce they need to support growth.

Key activities:

- Carry out assessments for 491 visas for the NSW government
- Undertake DAMA and 494 visa assessments
- Implement a regional workforce development plan including DAMA update, youth and school engagement
- Build employer confidence by publishing workforce development success stories

Information

Give businesses and governments access to economic information, credible research and insights.

Key activities:

- Publish an Economic Impact Assessment of migration to the region
- Undertake data collection and analysis
- Take part in regional consultations
- Engage with stakeholders and provide settlement support

Leadership

Seen by all levels of government as a respected, apolitical and reliable advocate for the region.

Key activities:

- Finalise the regional plan
- Deliver/organise the Inland Growth Summit
- Map and publish regional business support
- Review regional infrastructure plan



WE'LL CONTINUE TO **COMMUNICATE** **AND BUILD CONFIDENCE** ACROSS OUR REGION BY:

- + **Building our brand** to increase brand awareness, stakeholder enquiries, and increased revenue
- + **Extending our reach** as a recognised voice to create awareness of our strengths and needs.
- + **Engaging and collaborating** with stakeholders to create opportunities across the region.
- + **Attracting talent and investment** to build our workforce and deliver key projects.







2021-2022 FINANCIALS



Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

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General Information

The financial statements cover Regional Development Australia - Orana NSW Inc. as an individual entity. Regional Development Australia - Orana NSW Inc. is a not-for-profit Association in New South Wales under the Association Act (NSW) 2009 and Associations Incorporated Regulation (NSW) 2010 ("the Act"). The financial statements are prepared in Australian dollars.

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue - trading	4	1,254,032	1,124,067
Employee benefits expense		(573,113)	(471,357)
Depreciation and amortisation expense		(30,190)	(28,710)
Other expenses		(399,119)	(498,922)
Surplus before income tax		251,610	125,078
Income tax expense		-	-
Total comprehensive income for the year		251,610	125,078

The accompanying notes form part of these financial statements.

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Statement of Financial Position As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	680,888	483,964
Trade and other receivables	7	17,600	165,724
Other assets	8	2,473	20,979
TOTAL CURRENT ASSETS		700,961	670,667
NON-CURRENT ASSETS			
Property, plant and equipment	9	32,104	21,658
Right-of-use-Assets	10	126,490	147,233
TOTAL NON-CURRENT ASSETS		158,594	168,891
TOTAL ASSETS		859,555	839,558
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	66,721	104,356
Financial liabilities		3,499	5,997
Provision for employee benefits	12	31,247	45,237
Other liabilities	13	29,211	172,735
Lease liabilities	10	28,908	25,694
TOTAL CURRENT LIABILITIES		159,586	354,019
NON-CURRENT LIABILITIES			
Long-term provisions	12	15,921	9,590
Other liabilities		93,747	124,429
TOTAL NON-CURRENT LIABILITIES		109,668	134,019
TOTAL LIABILITIES		269,254	488,038
NET ASSETS		590,301	351,520
EQUITY			
Retained earnings/profit		590,301	351,520
TOTAL EQUITY		590,301	351,520

The accompanying notes form part of these financial statements.

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Statement of Changes in Equity For the Year Ended 30 June 2022

2022

	Retained Earnings	Total
Note	\$	\$
Balance at 1 July 2021	351,520	351,520
Surplus attributable to members of the entity	251,610	251,610
Prior year adjustments	(12,829)	(12,829)
Balance at 30 June 2022	590,301	590,301

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	226,443	226,443
Surplus attributable to members of the entity	125,077	125,077
Balance at 30 June 2021	351,520	351,520

The accompanying notes form part of these financial statements.

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,332,192	1,203,580
Payments to suppliers and employees	(1,076,405)	(1,004,016)
Interest received	-	100
Net cash provided by/(used in) operating activities	16 <u>255,787</u>	<u>199,664</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(19,450)</u>	(2,806)
Net cash provided by/(used in) investing activities	<u>(19,450)</u>	(2,806)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal component of lease payment	<u>(36,915)</u>	-
	<u>(36,915)</u>	-
Net increase/(decrease) in cash and cash equivalents held	199,422	196,858
Cash and cash equivalents at beginning of year	<u>477,967</u>	281,109
Cash and cash equivalents at end of financial year	6 <u><u>677,389</u></u>	<u>477,967</u>

The accompanying notes form part of these financial statements.

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Notes to the Financial Statements For the Year Ended 30 June 2022

Regional Development Australia (RDA) is an Australian Government initiative that brings together all levels of government to enhance the development of Australia's regions.

New or amended Accounting Standards and Interpretations adopted

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

The following Accounting Standards and Interpretations are most relevant to the Association:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Association has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Association's financial statements.

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

The Association has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

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

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and Interpretations by the Australian Accounting Standards Board (AASB) and comply with the New South Wales legislation the Associations Incorporation Act 2009 and associated regulations.

The financial statements cover Regional Development Australia - Orana NSW Inc. as an individual entity. Regional Development Australia - Orana NSW Inc. is a not-for-profit Association in New South Wales under the *Associations Incorporations Act (NSW) 2009* and *Association Incorporation Regulation (NSW) 2010 ('the Act')*.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50-50 of the Income Tax Assessment Act 1997.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies continued

(b) Revenue and other income

The Association recognises revenue as follows:

Revenue from contracts with customers

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

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

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the Association satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the Association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies continued

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Property, plant and equipment

Each class of property, plant and equipment is measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

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

Fixed asset class	Depreciation rate
Plant & Equipment Leased to External Parties	3 - 20 years
Furniture, Fixtures and Fittings	1 - 10 years
Computer Equipment	2 - 5 years

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

(e) Financial instruments

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies continued

(e) Financial instruments continued

Financial assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Association uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Trade and other receivables

Other Receivables are recognised as amortised cost; less any allowance for expected credit losses.

(h) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Short-term Employee Benefits

The liability for employee benefits includes provision for personal leave, annual leave and long service leave. Personal leave is non-vesting and recognised as an expense when it is incurred. Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at their nominal amounts which are expected to be paid when the liability is settled. All other short-term employee benefit obligations are presented as payables.

Long-term Employee Benefits

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are accrued at the present value of the future amounts to be made in

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(h) Provisions

respect of services provided by employees up to the reporting date based on 10 year government bond rates.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

Coronavirus (COVID-19) pandemic

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

Key estimates - employee benefits

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Other Income

Revenue from continuing operations

	2022	2021
	\$	\$
Revenue		
- Operating grants	(330,026)	(333,909)
- project income	334,987	394,942
Total Operating and Project Revenue	665,013	728,851
- Other income	589,019	395,216
Total Other Income	589,019	395,216
Total Revenue	1,254,032	1,124,067

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Notes to the Financial Statements For the Year Ended 30 June 2022

5 Result for the Year

The result for the year includes the following specific expenses:

	2022	2021
	\$	\$
Other expenses:		
Administration expenses	315,648	427,515
Project expenses	400	-
Computer expenses	71,687	70,601
Electricity and water	3,897	774
Travel - domestic	7,487	32
Total Operating Expenses	399,119	498,922

6 Cash and Cash Equivalents

	2022	2021
	\$	\$
Bank balances	680,888	483,964
Total cash and cash equivalents	680,888	483,964

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	680,888	483,964
Credit Cards	(3,499)	(5,997)
Balance as per statement of cash flows	677,389	477,967

7 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	17,600	165,724
Total current trade and other receivables	17,600	165,724

8 Other Assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	2,473	20,979

Regional Development Australia - Orana NSW Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2022

9 Property, plant and equipment

	2022	2021
	\$	\$
Plant and equipment		
At cost	169,405	158,959
Accumulated depreciation	(137,301)	(137,301)
Total plant and equipment	32,104	21,658

(a) Movements in Carrying Amounts

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

	Plant and Equipment	Total
	\$	\$
Year ended 30 June 2022		
	21,658	21,658
	16,624	16,624
Additions	16,624	16,624
Disposals		
Disposals	(6,178)	(6,178)
Balance at the end of the year	32,104	32,104

10 Leases

(i) Right-of-use assets

	Property	Total
	\$	\$
Year ended 30 June 2022		
Balance at the beginning of the year	147,232	147,232
Depreciation charge	(20,742)	(20,742)
Balance at end of year	126,490	126,490

(ii) Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total lease liabilities
	\$	\$	\$	\$
2022				
Lease property	28,908	93,747	-	122,655
2021				
Lease property	25,694	124,429	-	150,123

Regional Development Australia - Orana NSW Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2022

11 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	58,864	83,752
Other payables	7,857	20,604
Total trade and other payables	66,721	104,356

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Provisions

	2022	2021
	\$	\$
CURRENT		
Annual Leave	31,247	45,237
Total current provisions	31,247	45,237
NON-CURRENT		
Long service leave	15,921	9,590
Total non-current provisions	15,921	9,590

(a) Movement in carrying amounts - current detailed table

	Annual leave entitlement	Long service leave	Total
	\$	\$	\$
Current			
Opening balance at 1 July 2021	45,237	9,590	54,827
Movement	(13,990)	6,331	(7,659)
Balance at 30 June 2022	31,247	15,921	47,168

13 Other Liabilities

	2022	2021
	\$	\$
CURRENT		
Income received in advance	29,211	172,735
Total other liabilities	29,211	172,735

Regional Development Australia - Orana NSW Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2022

14 Contingencies

The Association did not have any contingencies at 30 June 2022 (30 June 2021:None).

Capital Commitments

There have been no additional commitments to capital in 2022.

15 Related Parties

(a) The Association's main related parties are as follows:

There has been no related party transactions incurred during the year.

16 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Profit for the year	251,610	125,078
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	39,194	28,710
- prior year adjustment	(12,829)	(19,458)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	148,124	(141,897)
- (increase)/decrease in prepayments	18,506	(9,463)
- increase/(decrease) in trade and other payables	(37,635)	38,381
- (increase)/decrease in funding received in advance	(143,524)	164,577
- increase/(decrease) in provisions	(7,659)	13,736
Cashflows from operations	<u>255,787</u>	<u>199,664</u>

17 Prior year adjustments

The Association has processed a number of transactions to the expenses accounts after the audit was finalised for the 2021 financial year. This has resulted in variance of \$12,829 between audited financial statements and the associations' set of accounts. Since all the entries processed was to expenses accounts, it impacted retained earnings when the association closed the 2021 financial year. In 2022 financial year this variance has been disclosed as prior year adjustments.

18 Events Occurring After the Reporting Date

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

Regional Development Australia - Orana NSW Inc.

ABN: 28 264 534 206

Statement by Members of the Committee

The committee members of the Association declare that:

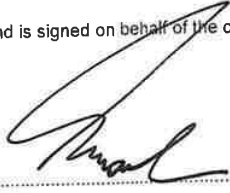
1. The financial statements and notes, as set out on pages 1 to 13, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Association .
2. In the committee members' opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the committee and is signed on behalf of the committee by.

Chairman 

Brad Cam

Dated: 10/10/22

Treasurer 

Ross Earl

10/10/2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REGIONAL DEVELOPMENT AUSTRALIA - ORANA NSW INC.

ABN: 28 264 534 206

Opinion

We have audited the financial report of Regional Development Australia - Orana NSW Inc. (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards – Simplified Disclosure. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



CROWE CENTRAL WEST



Gabriel Faponle
Audit Partner
Registered Company Auditor No. 513644

Dated at Dubbo on the 10th day of October 2022



**Regional
Development**
Australia

O R A N A N S W

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