

189 Upper California Gully Road
EAGLEHAWK VIC 3556

Eaglehawk Recycle Shop
Inc
Annual Report
2024

Eaglehawk Recycle Shop Inc

Annual General Meeting

Tuesday 17th December 2024

5.00pm,

Held at Eaglehawk Recycle Shop

189 Upper California Gully Road Eaglehawk

A G E N D A

1. Welcome from President Jeff Cummins
2. Introduction of those who are in attendance
3. Apologies
4. Minutes of the previous Annual General Meeting
5. Presentation of Annual Report.
 - President's Report.
 - Manager's Report.
 - Financial Report and Auditor's Report.
6. Election of Board for 2024/2025.
 - President, Vice President, Independent Board Members.
7. General discussion
8. Meeting closes.

Board of Management & Staff

BOARD OF MANAGEMENT:

Jeff Cummins	- President
Leon Scott	- Vice President
Dean Pearce	- Director
Tim Miller	- Director
Len Williams	- Director
Philippa Spurling	- Director
Jim Boyer	- Director

STAFF:

Annette Wiles	- Manager
Jean O'Keefe	- Assistant Manager
Mal Telford	- Financial Consultant
Paul Boyd	- Recovery / Recycling
Peter Buck	- Sales
Ray Clark	- Sales & refrigeration program
Christopher Croft	- Recovery / Recycling
Adam Crowle	- Sales
Ron Ellis	- Sales
Andrew Glass	- Recovery / Recycling
Robert Holschier	- Recovery / Recycling
Jamie Hynes	- Sales / Recovery / Recycling
Tony Mertz	- Timber project / E-Waste
Shane Robinson	- Recovery / Recycling
Jason Shoebridge	- E-Waste
James Sutherland	- Recovery / Recycling
Glenn Trappitt	- E-Waste
Dalton Treble	- Recovery / Recycling
Kerryn Watson	- E-Waste / Recovery
Jason Whitburn	- Recovery / Recycling



Minutes of Annual General Meeting of Eaglehawk Recycle Shop Inc

held 5.00pm 28 November 2023

at the Eaglehawk Recycle Shop

Present; Jeff Cummins, Leon Scott, Dean Pearce, Tim Miller, Philippa Spurling, Len Williams, Jim Boyer, Jean O'Keefe, Annette Wiles

Apologies: Mayor Andrea Metcalf, Cr Rod Fyffe, Cr Dave Fagg, Peter Cox – OAM, Lisa Chesters MP, Brooke Pearce – COGB, Justin Gordon – auditor.

Minutes: That the minutes of the Annual General Meeting held 22 November 2022 be accepted.

Moved: Philippa Spurling Seconded Tim Miller **CARRIED**

Presentation of Annual Report

President Jeff Cummins spoke to his first report as President thanking the volunteer Board of Directors for their support over the past 12 months and that ERS was fortunate to have a varied skill base amongst the directors. He thanked Philippa for providing sound financial advice in the challenging financial year.

He spoke of a close relationship with the local community in providing a friendly and engaging environment for both staff and customers and noted that ERS were the major sponsor of the Queer Art Exhibition run during the Dahlia and Arts Festival and the ERS look forward to its collaboration with the festival next year.

Jeff talked to the employment opportunities created, the year seeing employment for 18 staff, with some very experienced staff members and some medium to long term unemployed who have gained skills in equipment and machinery operations. He also noted that ERS employs two supported workers who carry out various duties to assist in their personal development.

He said that the year had seen some challenging decisions being made, such as the removal of the \$15 refrigerated items, fee which was in place to recover some of the costs associated in the removal of the refrigerant gas under Refrigerant Trading Authorisation held by ERS, the fluctuations in commodity prices in the ferrous and non-ferrous metals was examined and it was decided to value add by the recovery of the metals contained within these appliances.

Jeff highlighted the free services provided by ERS such as: polystyrene, fluoro lights, household batteries, paint, cardboard and e-waste to name a few.

He spoke on the Victorian State Government through Recycle Victoria setting some very ambitious landfill diversion targets and that ERS has worked closely with the City of Greater Bendigo in assisting with some problematic waste streams including soft plastics and textiles, noting the close relationship held with Brooke Pearce and Councils Resource Recovery and Education Team.

He said the year had reported 10,875 tonnes of recyclable materials diverted from landfill, which was approx 600 tonnes less than last year and went on to say that for the 2023/24 year weighing stations have been implemented to accurately report on tonnages recovered in the resource recovery area and yard sales.

Jeff was pleased to advise that following a visit from the EPA that ERS operations were in full compliance, which he said is a testament of good housekeeping undertaken by the staff.

Jeff went on to thank the Management Team at ERS, Manager – Annette Wiles, Assistant Manager – Jean O'Keefe and the competent Leading Hands in the recovery area, James Sutherland and Jason Whitburn.

He finished by saying that ERS was fortunate to have great staff and that he looked forward to the year ahead.

Managers' Report

Annette reported that ERS had again provided an excellent service to the community of the City of Greater Bendigo and surround in the diversion of waste to landfill and the creation of employment opportunities.

She said the site continues to improve with successful work practices still in use which have been enhanced with the introduction of new practices and that the staff continue to be involved in the operation with new ideas and processes that can be implemented to ensure the sustainability of the enterprise.

Annette said that tours were still being held for schools, other councils, organisation and various groups.

She reported that the year had seen over 46,000 sales through the site with approx 42,000 of these being through the sales area and that these figures did not include individuals dropping off unwanted items through the recovery area, she noted that a car counter had been installed at the entrance to the recovery area which will give a better idea of the amount of vehicles going through that area.

Annette spoke on the two sets of scales which have been installed for the weighing of product, one set for weighing of items on pallets and a larger for the weighing of the electric vehicle and trailer, she said that these scales will also be useful in the weigh-

ing of the metals recovered from e-waste and other prior such as soft plastics and textiles prior to it leaving the site, she said that this has added extra work to staff but this process would be beneficial to the enterprise.

Annette thanked the Board of Management for their input and guidance, their interest and assistance over the past year which had been very much appreciated by both her and the staff. She thanked Supervisors Jason Whitburn and James Sutherland who had been great sounding boards and a great help in the daily operations of the enterprise, she also thanked Jean O’Keefe for her role as Assistant Manager and Dalton Treble for his role as Saturday Supervisor.

She finished by thanking the staff of ERS for another great year stating that their teamwork, knowledge and abilities are what makes this a successful enterprise, she thanked them for their willingness to get things done, not only in the collection of product - but also the upkeep and tidiness of the site and that she looked forward to moving forward with them in the year to come.

Financial Report

Phillipa Spurling spoke to the financial report saying that the organisation posted a 12.6 thousand dollar surplus for the year which is a credit to all.

Looking at revenue we are \$30,000 down in revenue and \$80,000 up in employee costs , these challenges have been offset by reduction in maintenance provision, this decision was not taken lightly and was put in place as a board and is now reviewed monthly, with a transaction report to understand exactly what is going through that provision.

Working capital also takes into account non current employee benefits.

The organisation ended the year in a sound financial position.

Moved that all reports be accepted Philippa Spurling / Len Williams **CARRIED**

All current members stepped down from their current positions on the Board of Management.

Election of Board for 2023/2024 Year

Annette Wiles was nominated as Returning Officer.

Election of President - one nomination of Jeff Cummins

Nominated by John Boyer Seconded by Dean Pearce. Accepted by Jeff Cummins. Jeff was declared elected.

Election of Vice President - One nomination of Leon Scott

Nominated by Tim Miller Seconded Philippa Spurling. Accepted by Tim Miller. Leon was declared elected.

Election of Treasurer - One nomination of Dean Pearce

Nominated by Philippa Spurling Seconded Len Williams. Accepted by Dean Pearce. Dean was declared elected.

Election of Ordinary Independent Directors.

Nomination of Philippa Spurling Nominated by Tim Miller Seconded by Leon Scott. Accepted by Philippa Spurling

Nomination of Tim Miller Nominated by Leon Scott Seconded by Philippa Spurling. Accepted by Tim Miller

Nomination of Len Williams Nominated by Dean Pearce Seconded by Philippa Spurling. Accepted by Len Williams

Nomination of Jim Boyer Nominated by Dean Pearce Seconded by Len Williams. Accepted by Jim Boyer

As there were only four nominations, Philippa, Tim, Len and Jim were declared elected.

Annette congratulated the newly elected President and members of the Board and thanked them for their ongoing support and participation.

President Jeff Cummins

There being now further business the meeting closed.

Meeting closed: 5.30pm

Minutes signed by President.....

Dated

Presidents Report 2023 - 2024

Eaglehawk Recycle Shop Inc (ERS) is the leading recycling business in Bendigo and although we are only a small to medium Not for Profit business, we have established a reputation in Victoria as a leading-edge social enterprise having operated at the entrance of the Eaglehawk landfill for the past 30 years. Our mission is to create employment opportunities and provide cost effective recycling services to the Bendigo community by diverting waste from landfill.

It is with great pleasure I present this report as President of ERS. I wish to acknowledge our volunteer Board of Directors, Leon Scott (Vice President), Dean Pearce (Treasurer), and Independent Directors Tim Miller, Jim Boyer, Len Williams and Phillipa Spurling for their support to me over the last two years I have been President. We are very fortunate to have a very experienced Board of Directors who have all contributed enabling ERS to have another successful year.

As a Social Enterprise ERS has a close relationship with our local community in not only providing a friendly and engaging environment for our staff and customers but also a wider connection to the Eaglehawk community. I am pleased to report this year we were again a major sponsor for the Eaglehawk Dahlia and Arts Festival. We have extended our sponsorship for a Recycled Art show to be held in March 2025. We look forward to continuing our ongoing collaboration with the festival organisers.

Over the past 12 months we have created employment opportunities for over 20 employees. We are fortunate in having a mix of some very experienced staff and people seeking employment. Some of these job seekers are medium to long term unemployed and we are pleased to provide them with an excellent professional development program including equipment and machinery operating skills. We continue to employ supported workers who carry out varied duties to assist in their personal development. Our sales staff have great interpersonal skills and we pride ourselves in operating a business that is welcoming to our customers.

With the cost-of-living pressures facing our customers we continue to provide free recycling services to our community for the safe disposal of household materials including, Polystyrene, Detox your Home (fluor's and household batteries), Paint-back, Cardboard, E-waste, Soft Plastics, Textiles, and Refrigeration.

The Victorian State Government through Recycle Victoria continues to set some very ambitious landfill diversion targets. We have a close relationship with the Bendigo Council to ensure the efficient operation of both ERS and the Council's landfill sites. As mentioned in my 2022-2023 report this year for the first time we **implemented** a major program where we introduced weighing stations to accurately report our landfill diversion rates. This has created additional work for our staff and I thank them for their efforts. In total we diverted a total of 3140 tonnes consisting of 2,843 tonnes of recycled products and 619 tonnes of product through our yard sales.

Regulatory compliance is important at ERS so this year we commissioned a classification review of all our employees Job Descriptions under the conditions of the Waste Management Award 2010. The review ascertained for some of our employees operating mobile equipment including forklifts we needed to reclassify their pay grades. This was a significant legacy exercise with back pay implications stretching back to 2015. So, whereas we achieved our 2023-24 financial year budget outcome our back pay obligations resulted in a net loss for the financial year. As a responsible employer we have contacted all our relevant past employees and paid them their entitlements. Despite this once off deficit, I am pleased to advise ERS is still in a strong financial position with sufficient reserves moving forward.

Our Manager Annette Wiles has recently announced she will be leaving the business after 11 years' service, the last 4 years as Manager. As President of ERS for the past two years, I have worked closely with Annette and wish to acknowledge her outstanding leadership qualities in leading the business. Annette has kindly agreed to continue with the business until we recruit into her position. On behalf of the Board of Directors I wish to thank Annette for the enormous contribution she has made to ERS and wish her all the best in her future endeavours.

Jeff Cummins - President

Managers Report 2023-2024

Another year has passed us by with the usual challenges and achievements.

We have seen our first full year receiving of soft plastics and textiles on behalf of the City of Greater Bendigo.

The 23-24 year saw 37.405 tonnes of soft plastics collected and baled on the site, with the baling being undertaken by Dion from the City of Greater Bendigo.

We have diverted 31.373 tonnes of textiles from landfill. Due our storage limitations and collections we are only able to have 6 x 1000 litre wheely bins at a time, these are collected on a weekly basis, but we are finding that they fill up quickly and there are times when we are unable to accept this product until the bins have been changed over, this has caused frustration for some of our customers but the majority of customers are understanding to the situation.

We have seen an increase in sales from the previous year, in 2022-23 we recorded 46,606 sales over the site with 2023-24 recording 49,718 sales, quite an increase on last year. These figures only capture recorded sales and do not include the customers who come through to drop off their free recyclable products.

The weighing of saleable items commenced at the beginning of the year, with the implementation of 2 sets of scales, one for the electric buggy and the other for items which come down via forklifts, the weighing of saleable items has given us a more accurate weight of diversion for items taken to the sales area. The weighing procedure has put an extra process in place for the crew, but it has been a worthwhile exercise which will be carried on.

President Jeff Cummins has spoken about some of our other challenges we have faced over the past year and I thank him very much for his support in these.

Our relationship with the City of Greater Bendigo has continued to be strong, I'd like to thank Mick Aylett for his continued support of our organisation and his assistance in times of need, this relationship is very important to both organisations.

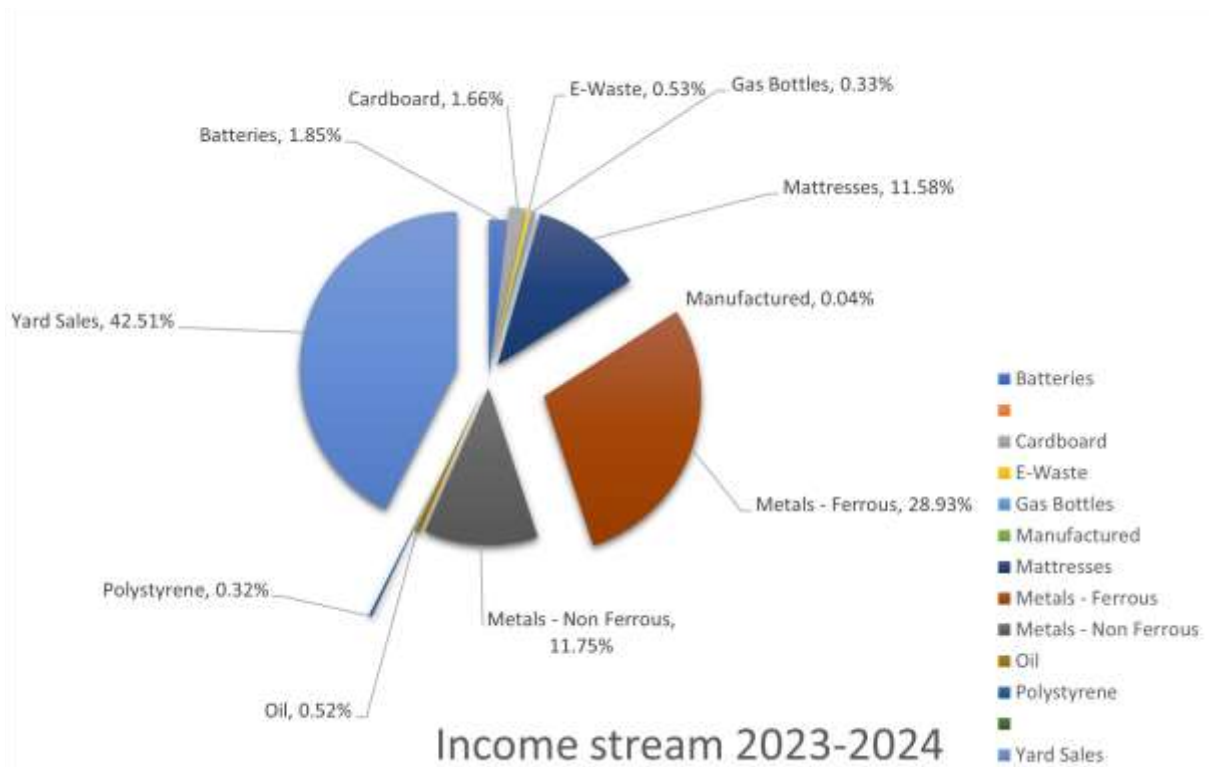
I would like to thank Mal Telford, our accountant for his assistance with our financials, Mal was always there for me when needed or for a query I had on a process or issue with our accounting system.

To the staff at ERS, I thank you all for another successful year, each staff member has been an asset to the organisation with their varying degrees of skills, which is necessary to an organisation such as ours.

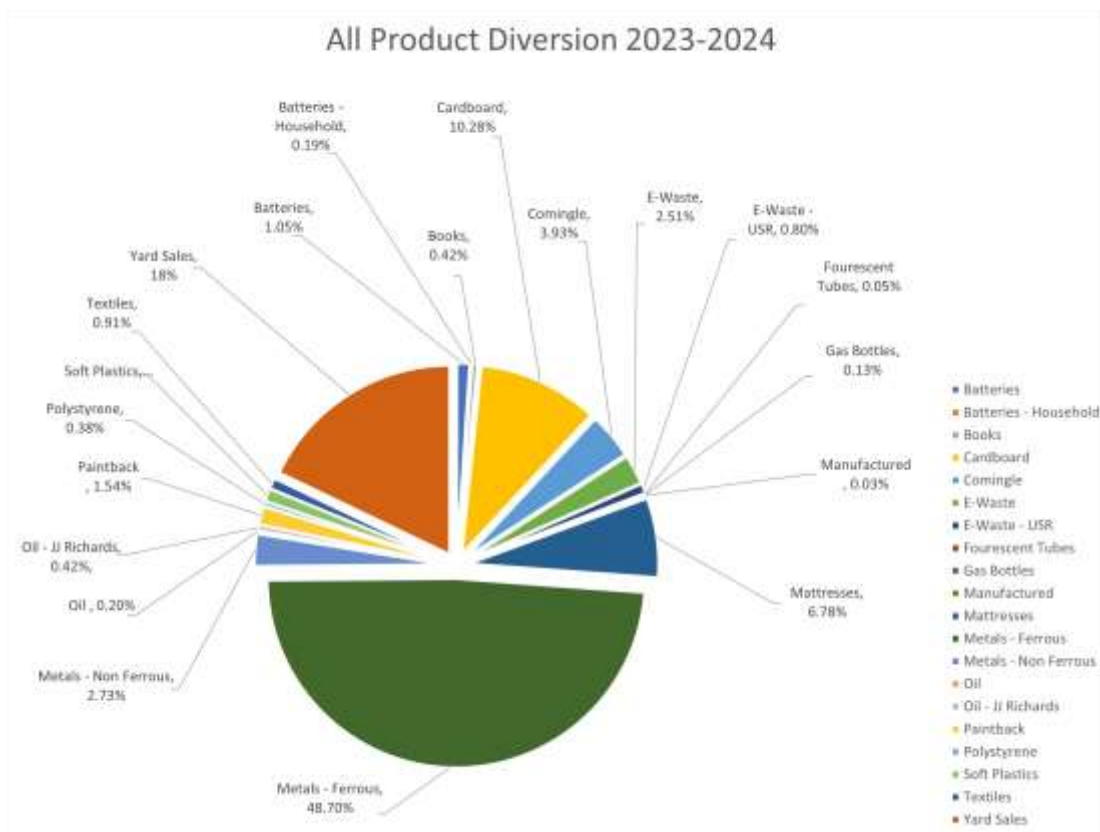
ERS is very fortunate to have a Board of Management such as we have, it has been a pleasure to work with them. I believe this to be the most involved board that ERS has ever had, their willingness to assist where they can with the skills that they have, which are very diverse, has been a great asset to us over the years. I thank you all.

Annette Wiles.

Income Stream



Landfill Diversion



Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

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Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	4	1,351,782	1,229,595
Finance income	5	17,139	7,183
Other income	4	4,794	4,925
Employee benefits expense		(1,213,146)	(983,625)
Depreciation and amortisation expense		(19,614)	(23,983)
Administration		(48,117)	(44,188)
Baler Expenses		-	(9)
Fuel Expenses		(10,745)	(10,634)
Landfill Fees		(18,777)	(18,593)
Mattresses Expenses		(110,125)	(85,459)
Minor Equipment		(8,382)	(9,035)
Provision for Maintenance		(16,000)	(40,000)
Vehicle Expenses		(4,688)	(5,737)
Other expenses		(7,132)	(7,791)
Profit before income tax		(83,011)	12,649
Income tax expense		-	-
Profit from continuing operations		(83,011)	12,649
Profit for the year		(83,011)	12,649
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Items that will be reclassified to profit or loss when specific conditions are met			
Total comprehensive income for the year		(83,011)	12,649

The accompanying notes form part of these financial statements.

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

**Statement of Financial Position
As At 30 June 2024**

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	500,326	551,256
Trade and other receivables	8	14,583	27,337
TOTAL CURRENT ASSETS		514,909	578,593
NON-CURRENT ASSETS			
Property, plant and equipment	9	86,897	87,811
TOTAL NON-CURRENT ASSETS		86,897	87,811
TOTAL ASSETS		601,806	666,404
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	38,244	36,765
Employee benefits	11	62,919	37,224
TOTAL CURRENT LIABILITIES		101,163	73,989
NON-CURRENT LIABILITIES			
Employee benefits	11	68,073	66,398
TOTAL NON-CURRENT LIABILITIES		68,073	66,398
TOTAL LIABILITIES		169,236	140,387
NET ASSETS		432,570	526,017
EQUITY			
Reserves	12	139,773	150,209
Retained earnings	13	292,797	375,808
TOTAL EQUITY		432,570	526,017

The accompanying notes form part of these financial statements.

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Statement of Changes in Equity

For the Year Ended 30 June 2024

2024

	Note	Retained Earnings \$	General Reserve \$	Total \$
Balance at 1 July 2023		375,808	150,209	526,017
Profit/(Loss) attributable to members of the association		(83,011)	-	(83,011)
Movement in reserve		-	(10,436)	(10,436)
Transactions with owners in their capacity as owners				
Balance at 30 June 2024		292,797	139,773	432,570

2023

	Note	Retained Earnings \$	General Reserve \$	Total \$
Balance at 1 July 2022		363,159	168,262	531,421
Profit/(Loss) attributable to members of the association		12,649	-	12,649
Movement in Reserve		-	(18,053)	(18,053)
Transactions with owners in their capacity as owners				
Balance at 30 June 2023		375,808	150,209	526,017

The accompanying notes form part of these financial statements.

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Statement of Cash Flows
For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,429,049	1,274,098
Payments to suppliers and employees	(1,478,419)	(1,278,411)
Interest received	17,139	7,183
Net cash provided by/(used in) operating activities	19 (32,231)	2,870
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(18,700)	-
Net cash provided by/(used in) investing activities	(18,700)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	(50,931)	2,870
Cash and cash equivalents at beginning of year	551,257	548,387
Cash and cash equivalents at end of financial year	7 500,326	551,257

The accompanying notes form part of these financial statements.

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements For the Year Ended 30 June 2024

The financial statements cover Eaglehawk Recycle Shop Inc. as an individual entity. Eaglehawk Recycle Shop Inc. is a not-for-profit Association incorporated in Victoria under the *Associations Incorporation Reform Act 2012* ('the Act').

The principal activities of the Association for the year ended 30 June 2024 were to operate a not for profit enterprise with the aim of diverting reusable items and recyclable waste from landfill and creating local jobs for people previously unemployed.

The functional and presentation currency of Eaglehawk Recycle Shop Inc. is Australian dollars.

The financial report was authorised for issue by the Committee of Management on 04 October 2024.

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 the Act.

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

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Income tax

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

(b) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance 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 and Equipment	10% to 20%
Motor Vehicles	25%

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

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(c) Revenue and other income

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

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

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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

Grant Revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association obtains control of the grant, it is probable the economic benefits gained from the grant will flow to the association and the amount of the grant can be reliably measured.

Eaglehawk Recycle Shop Inc. received non-reciprocal contributions of assets from government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Other Income

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

(d) 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.

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.

(e) Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(e) Financial instruments

Financial assets

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Amortised cost

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

Financial liabilities

The financial liabilities of the Association comprise trade payables.

(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 subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(g) Leases

The Association has chosen not to apply AASB 16 to leases of intangible assets.

(h) Employee benefits

Provision is made for the Association's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(i) **Donations**

No amounts are included in the financial statements for services or goods donated by community.

(j) **Adoption of new and revised accounting standards**

The Association has adopted all standards which became effective for the first time at 30 June 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association or refer to Note for details of the changes due to standards adopted.

(k) **New accounting standards for application in future periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The board of management have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Association.

3 Critical Accounting Estimates and Judgments

The board of management 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.

Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

4 Revenue and Other Income

Revenue from continuing operations

	2024	2023
	\$	\$
- sale of goods	1,351,782	1,229,595
	2024	2023
	\$	\$
Other Income		
- wages subsidy	4,794	4,925

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements
For the Year Ended 30 June 2024

5 Finance Income and Expenses

Finance income

	2024	2023
	\$	\$
Interest income		
- Bank Deposits	17,139	7,183

6 Result for the Year

The result for the year includes the following specific expenses:

	2024	2023
	\$	\$
Employee benefits expense	1,213,146	983,625
Depreciation expense	19,614	23,983

7 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at bank and in hand	125,478	193,548
Deposits at call	374,848	357,708
	<u>500,326</u>	<u>551,256</u>

8 Trade and Other Receivables

	2024	2023
	\$	\$
Trade receivables	14,583	27,337
Total current trade and other receivables	<u>14,583</u>	<u>27,337</u>

9 Property, Plant and Equipment

Plant and equipment		
At cost	137,171	118,471
Accumulated depreciation	(84,114)	(75,780)
Total plant and equipment	<u>53,057</u>	<u>42,691</u>
Motor vehicles		
At cost	128,370	128,370
Accumulated depreciation	(94,530)	(83,250)
Total motor vehicles	<u>33,840</u>	<u>45,120</u>
Total property, plant and equipment	<u>86,897</u>	<u>87,811</u>

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements For the Year Ended 30 June 2024

9 Property, Plant and Equipment

(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 \$	Motor Vehicles \$	Total \$
Year ended 30 June 2024			
Balance at the beginning of year	42,691	45,120	87,811
Additions	18,700	-	18,700
Depreciation expense	(8,334)	(11,280)	(19,614)
Balance at the end of the year	53,057	33,840	86,897

10 Trade and Other Payables

	Note	2024 \$	2023 \$
CURRENT			
Trade payables		24,220	27,440
Mattresses on hand		5,363	79
GST payable		8,661	9,246
		38,244	36,765

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.

11 Employee Benefits

	2024 \$	2023 \$
Current liabilities		
Annual leave	62,919	37,224
	62,919	37,224
Non-current liabilities		
Long service leave	68,073	66,398
	68,073	66,398

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements For the Year Ended 30 June 2024

12 Reserves

	2024	2023
	\$	\$
Maintenance Reserve		
Opening balance	150,209	168,262
Transfers in	16,000	40,000
Transfers out	(26,436)	(58,053)
	<u>139,773</u>	<u>150,209</u>

13 Retained Earnings

	2024	2023
	\$	\$
Retained earnings (accumulated losses) at the beginning of the financial year	375,808	363,159
Net profit attributable to members of the association	(83,011)	12,649
Retained earnings at end of the financial year	<u>292,797</u>	<u>375,808</u>

14 Financial Risk Management

The Association is exposed to a variety of financial risks through its use of financial instruments.

The Association's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Association is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Association are:

- Trade receivables
- Cash at bank
- Trade and other payables

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements

For the Year Ended 30 June 2024

14 Financial Risk Management

	2024	2023
	\$	\$
Financial assets		
Cash and cash equivalents	500,326	551,257
Trade and other receivables	14,583	27,337
Total financial assets	514,909	578,594
Financial liabilities		
Trade and other payables	38,244	36,765
Total financial liabilities	38,244	36,765

Liquidity risk

Liquidity risk arises from the Association's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Association will encounter difficulty in meeting its financial obligations as they fall due.

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Association has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Association's standard payment and delivery terms and conditions are offered. The Association review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements
For the Year Ended 30 June 2024

14 Financial Risk Management

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.

15 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association is \$ 112,045 (2023: \$ 138,095).

16 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor Strategem, for:		
- auditing or reviewing the financial statements	3,600	3,400

17 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2024 (30 June 2023: None).

18 Related Parties

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

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Notes to the Financial Statements For the Year Ended 30 June 2024

19 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.

	2024	2023
	\$	\$
Net profit attributable to members of the association	(83,011)	12,649
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	19,614	23,983
- provision for maintenance reserve	16,000	40,000
- maintenance reserve expenditure	(26,436)	(58,053)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	12,753	(6,436)
- increase/(decrease) in trade and other payables	1,479	(11,644)
- increase/(decrease) in employee benefits	27,370	2,371
Cashflows from operations	(32,231)	2,870

20 Events After the End of the Reporting Period

The financial report was authorised for issue on 04 October 2024 by the Committee of Management.

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.

21 Statutory Information

The registered office and principal place of business of the association is:
Eaglehawk Recycle Shop Inc.
189 Upper California Gully Road
Eaglehawk, Vic, 3556

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Statement by Members of the Committee

In the opinion of the committee the financial report as set out on pages 1 to 14.

1. Present fairly the financial position of Eaglehawk Recycle Shop Inc. as at 30 June 2024 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Eaglehawk Recycle Shop Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:


.....
Jeff Cummins (Committee member)


.....
Dean Pearce (Committee member)

Dated 04 October 2024

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF EAGLEHAWK RECYCLE SHOP INC.****Report on the audit of the financial statements***Qualification*

As is common for organisations of this type, it was not practicable to establish accounting control over income from remaining sources prior to their receipt in the accounting records of the association. Accordingly, it was not practicable in relation to such income to extend our examination beyond the amounts recorded in the accounting records of the association, and as such our audit in relation to this revenue was limited to the amounts recorded.

Qualified Opinion

We have audited the financial report of the Eaglehawk Recycle Shop (the Association), which comprises the statement of financial position as at 30 June 2024, the income and expenditure statement, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes, and certification by members of the committee that the annual statements give a true and fair view of the financial position of the association.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report presents fairly, in all material respects, the financial position of the Eaglehawk Recycle Shop Inc. as at 30 June 2024, and its financial performance for the year then ended in accordance with the requirements of the Associations Incorporation Reform Act 2012.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the 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.

Emphasis of matter – basis of accounting

Without further modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Eaglehawk Recycle Shop Inc. to meet the requirements of the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose.

Head Office

P 03 5445 4777 F 03 5441 5264
35 Mundy Street, Bendigo, VIC 3550
PO Box 839, Bendigo, VIC 3552

Melbourne

P 03 8621 8100 F 03 8621 8199
Level 7, 333 Collins Street, Melbourne VIC 3000
PO Box 173 Collins St West, Melbourne VIC 8007



Our opinion is not modified in respect of this matter.

Responsibilities of the committee and those charged with governance for the financial report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Associations Incorporations Reform Act 2012 and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/home.aspx>. This description forms part of our auditor's report.



Justin Gordon FCPA

Lead Auditor

Strategem Audit Services

35-37 Mundy Street, Bendigo, Vic, 3550

Dated this 9th day of October 2024

*Enriching
Lives*

Eaglehawk Recycle Shop Inc.

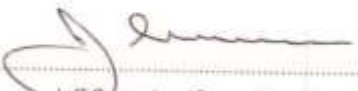
ABN: 94 230 087 248

Certificate by Members of Committee

I, Jeff Cummins, and I, Dean Pearce, certify that:

- (a) We are committee members of the Association, and
- (b) We are duly authorised by the committee to make this statement, and
- (c) The attached financial statement was submitted to the members at the annual general meeting.

Dated 04 October 2024


.....
Jeff Cummins (Committee Member)


.....
Dean Pearce (Committee Member)

Eaglehawk Recycle Shop Inc.

ABN: 94 230 087 248

Statement by Members of the Committee

In the opinion of the committee the financial report as set out on pages 1 to 14:

1. Present fairly the financial position of Eaglehawk Recycle Shop Inc. as at 30 June 2024 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Eaglehawk Recycle Shop Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:


.....
Jeff Cummins (Committee member)
.....
Dean Pearce (Committee member)

Dated 04 October 2024

Partners





189 Upper California gully rd
Eaglehawk Vic 3556

03 5446 3467

www.eaglehawkrecycleshop.com