



POLICY

INTEREST ALLOCATIONS TO SUB-GROUP ACCOUNTS

Policy number	N/A	Version	1
Drafted by	Karen Zirkler	Approved by Board on	11/06/2025
Responsible person	Karen Zirkler	Scheduled review date	June 2026

Introduction

Southern New England Landcare manages funds for its member Landcare sub-groups (hereafter, 'sub-groups') as listed in the quarterly financial report. These funds are tracked separately in the accounting system using the Track Categories feature. All funds are held together in the organisation's bank account, where they accrue monthly interest. This policy outlines how interest earned is fairly distributed among the sub-group accounts.

Policy

Sub-groups receive interest on their account balances, distributed proportionally on a pro-rata basis each quarter. An administration fee of \$200 per year is subtracted from the total interest paid to sub-groups (\$50 per quarter).

Timing of allocations

Interest income is allocated to the sub-group accounts and the administration fee is charged quarterly, as part of the preparation of the quarterly financial reports presented to the board of directors.

Method of allocation

The procedure is outlined in the attachment. In simple terms, for the quarter in question:

1. The total funds held by sub-groups is calculated as a percentage of the organisation's overall cash funds.
2. The total interest earned on the organisation's overall cash funds is multiplied by the percentage calculated in Step 1 to determine the interest attributable to sub-group funds. This is the amount of interest owed to sub-groups for the quarter.
3. The Administration Fee of \$50 is subtracted from this interest and credited to Southern New England Landcare's company funds.
4. The remainder of the interest earned by the sub-groups is allocated in proportion to each sub-group's quantum of funds.

Authorisation

A handwritten signature in black ink, appearing to read 'N Reid', with a long horizontal stroke extending to the right.

Em Prof Nick Reid
Chair, Southern New England Landcare Ltd

11 June 2025

PROCEDURE

INTEREST ALLOCATIONS TO SUB-GROUP ACCOUNTS

1. Open Z:\ADMINISTRATION\Meetings - Board\2025\current meeting date\Financial Report 01-07-202X-XX-XX-202X.
2. Enter all information into the Financial Statement (example below) for the quarter.

Southern New England Landcare Ltd
Financial Statement 1 Jul 2024 to 31 Mar 2025

Contracted Projects	Project end date	Opening	Income	Expend	Other Income	Closing	Notes	P&L
2022-2024 UNE Drought Resilient Pasture Landscapes Scaled Through CoP	30-Jun-24	-	7,769.18	11,605.20	3,836.02	-	-	7,769.18
2022-2026 NSW Koala Program - Northern Tablelands Regional Partnership (State)	30-Jun-26	14,179.66	150,000.00	123,950.17	-	40,229.49	-	26,049.83
2023-2024 DPE Koala Habitat Restoration	31-Jul-24	50,000.00	-	50,000.00	-	-	-	50,000.00
2023-2025 FRRR SNELC HELP - Preparing Communities for Drought	25-Jul-25	21,143.76	28,460.00	18,208.99	-	31,394.77	-	10,251.01
2023-2025 NTLLS Koala Habitat Restoration & Protection in NT (NT01469)	30-Apr-25	7,169.24	10,230.34	2,436.84	-	624.26	-	7,793.50
2023-2027 LLS NSW LEP LLC Coordinator (LEP23-024-4)	30-Jun-27	4,506.07	206,538.39	137,960.68	-	73,083.78	-	68,577.71
2023-2027 LEP Shared Services Hub	-	-	-	7,692.14	-	7,692.14	1	7,692.14
2024 DCEEW Koala Traps & Training (PROC9666)	31-Dec-24	3,836.53	-	558.86	-	3,277.77	-	558.86
2024 DCEEW NT Koala Community Awareness Program	12-Jul-24	6,989.03	-	1,000.00	-	7,989.03	-	1,000.00
2024 PHN Mental Health First Aid for Southern New England	30-Nov-24	15,140.00	1,000.00	16,140.00	-	-	-	15,140.00
2024-2025 FRRR Community Connection for Outlying Areas - SNE	30-Jun-25	8,914.00	2,135.45	6,067.53	-	4,981.92	-	3,932.08
2024-2025 NELN PASO (LEP23-024-7)	30-Jun-25	-	53,891.69	34,416.06	-	19,475.63	-	19,475.63
2024-2027 Wild Dog Management Implementation Plan (NT01560)	30-Jun-27	15,000.00	6,000.00	4,476.29	-	16,523.71	-	1,523.71
2025 DCEEW Community Capacity (PROC12574)	27-Mar-25	-	32,000.00	6,619.07	-	25,380.93	-	25,380.93
2025-2026 DCEEW 352 ha Koala Habitat Restoration	-	-	150,000.00	15,000.00	-	135,000.00	-	135,000.00
2025-2030 DHA Australian Cyber Security Strategy	-	-	7,350.00	-	-	7,350.00	-	7,350.00
Total of unspent grants held		124,770.73	669,211.07	426,362.65	-	357,619.15		232,848.42

Tied Funds (Restricted Cash)		Opening	Income	Expend	Other Income	Closing	P&L
ARC - Armidale Urban Planning Maintenance (AUPM)	NA	43,113.38	0.00	30,805.36	0.00	12,308.02	-30805.36
ARC - Community Resource Centre	NA	16,019.96	118.96.15	93,29.59	0.00	18586.52	2566.56
ARC Koalas Drinkers	NA	225.60	0.00	225.60	0.00	0.00	-225.60
ARC Malpas Catchment Coordinator	NA	0.00	0.00	0.00	0.00	0.00	0.00
Donations (Koala)	NA	1622.60	0.00	1622.60	0.00	0.00	-1622.60
Frog Dreaming	NA	5704.36	0.00	0.00	0.00	5704.36	0.00
Network Chairs Project Management	NA	0.00	3280.00	3280.00	0.00	0.00	0.00
2020 Landcare NSW Natural Disaster Seed Fund - Frog Dreaming	NA	909.09	0.00	0.00	0.00	909.09	0.00
Total of tied funds held		67,594.99	15,176.15	45,263.15	-	37,407.99	- 30,087.00

Cost Centres & Unfied Funds		Opening	Income	Expend	Transfers in	Closing	P&L
Non-tied Company Funds (Group)	NA	385,673.91	108,602.21	85,376.71	-	408,899.41	23,225.50
Project Operation - Wages	NA	53,871.34	167,425.59	198,463.75	-	22,833.18	- 31,038.16
Sub-Group Funds	NA	135,575.03	4,858.91	1,388.33	-	139,045.61	3,470.58
Unallocated	NA	-	-	-	-	-	-

Total of Unfied Funds Held		575,120.28	280,886.71	285,228.79	-	570,778.20	- 4,342.08
TOTAL Non-Grant Funds		642,715.27	296,062.86	330,491.94	-	608,286.19	- 34,429.08
Tied & Unfied less Sub Groups		507140.24	291203.95	329103.61	0.00	469240.58	

Subgroups		Opening	Income	Expend	Transfers in	Closing	Profit/Loss
Armidale Urban Rivercare	NA	2,707.58	1,579.33	205.81	-	4,081.10	1,373.52
Baliala - Brushgrove Landcare	NA	1,057.26	23.41	-	-	1,080.67	23.41
BOZO Landcare	NA	30,239.46	669.59	-	-	30,909.05	669.59
Cooney Creek Landcare	NA	747.34	16.55	-	-	763.89	16.55
Dangarsleigh Landcare	NA	3,699.01	81.90	-	-	3,780.91	81.90
Dumaresq Landcare	NA	104.28	2.31	-	-	106.59	2.31
Friends of Angophora	NA	10,289.09	227.82	-	-	10,516.91	227.82
Friends of Barty Munday Reserve	NA	560.90	12.42	-	-	573.32	12.42
Friends of Black Gulley	NA	439.51	9.73	-	-	449.24	9.73
Glen-Gro Landcare	NA	168.15	3.73	-	-	171.88	3.73
Grass Growers Tea Party	NA	28.40	0.62	-	-	29.02	0.62
Guyra Landcare Network Group (Malpas Catchment Group)	NA	2,397.39	390.62	1,182.52	-	1,605.49	- 791.90
Harrham Landcare	NA	41,761.47	924.70	-	-	42,686.17	924.70
Lower Apsley River Landcare	NA	2,539.61	56.24	-	-	2,595.85	56.24
NE Agri-Woodland Network	NA	210.44	4.66	-	-	215.10	4.66
Oaky Landcare	NA	2,669.46	59.11	-	-	2,728.57	59.11
Retreat Landcare Network	NA	437.75	9.69	-	-	447.44	9.69
Save the Regent Honey Eater	NA	2,965.89	65.68	-	-	3,031.57	65.68
Soil Health Forum	NA	2,472.99	54.76	-	-	2,527.75	54.76
South Hill Walking Track	NA	20,578.18	455.66	-	-	21,033.84	455.66
UNE Landcare	NA	75.59	1.67	-	-	77.26	1.67
Uralia Rivercare	NA	219.44	4.86	-	-	224.30	4.86
Wongwibinda Landcare	NA	8,316.96	184.16	-	-	8,501.12	184.16
Woolbrook Walcha Road Landcare	NA	888.88	19.69	-	-	908.57	19.69
Total Sub-Group		135,575.03	4,858.91	1,388.33	-	139,045.61	3,470.58

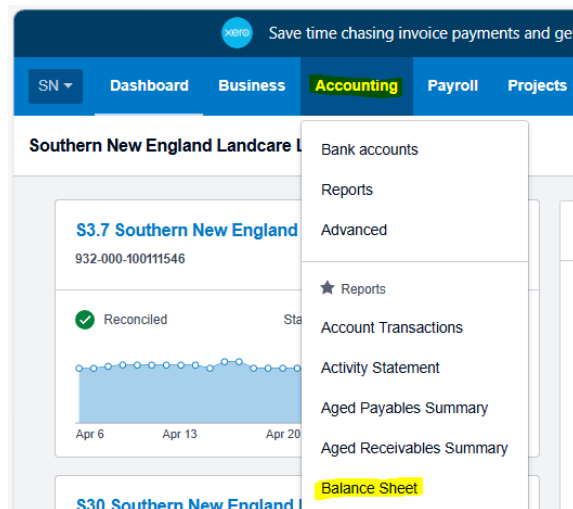


Policies can be established or altered only by the Board: Procedures may be altered by the EO.

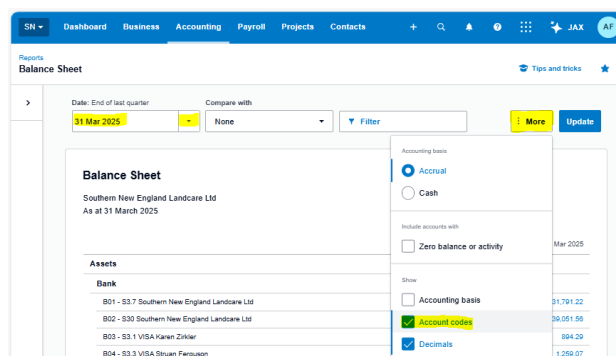
- Open Z:\ADMINISTRATION\Meetings - Board\2025\current meeting date\Financial Report 01-07-202X-XX-XX-202X\Interest Allocation to Sub-Groups 01-XX-202X to XX-XX-202X.
- Copy and paste as numbers, the Closing balance for all sub-groups from one spreadsheet to the other.
- In the **Interest Allocation to Sub-Groups spreadsheet**, paste as numbers into Column B, starting at Row 4.

	A	B	C
1	Interest Calculations for Sub-Groups - Mar 2025 Quarter		
2			
3	Sub groups	Closing	Interest
4	Armidale Urban Rivercare	\$ 4,052.40	\$ 28.70
5	Balala - Brushgrove Landcare	\$ 1,073.07	\$ 7.60
6	BOZO Landcare	\$ 30,691.68	\$ 217.34
7	Cooney Creek Landcare	\$ 758.52	\$ 5.37
8	Dangarsleigh Landcare	\$ 3,754.32	\$ 26.59
9	Dumaresq Landcare	\$ 105.84	\$ 0.75
10	Friends of Angophora	\$ 10,442.95	\$ 73.95
11	Friends of Barry Munday Reserve	\$ 569.29	\$ 4.03
12	Friends of Black Gully	\$ 446.08	\$ 3.16
13	Glen-Gro Landcare	\$ 170.67	\$ 1.21
14	Grass Growers Tea Party	\$ 28.82	\$ 0.20
15	Guyra Landcare Network Group (Malpas Catchment Group)	\$ 1,594.20	\$ 11.29
16	Hamham Landcare	\$ 42,385.98	\$ 300.15

- In Xero, click on **Accounting > Balance Sheet**.
*Note: Alternatively, click on **Accounting > Reports** and then select **Balance Sheet**, which is under **Financial Statements** category.*

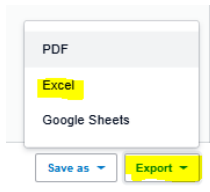


- Make sure the **Date** is applicable to your reporting quarter. E.g. 31 Mar 2025. Click on the **More** button and tick **Account codes**.

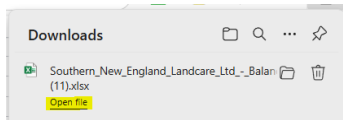


- Go to the bottom of the screen. Click on **Export > Excel**.

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9. Click on **Open file**.

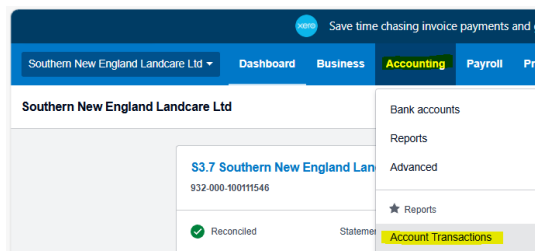


10. Copy this portion of the Balance Sheet (list of banks and amounts).

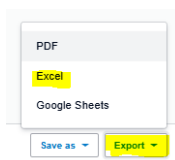
Balance Sheet		
Southern New England Landcare Ltd		
As at 31 March 2025		
Account		31 Mar 2025
Assets		
Bank		
B01 - S3.7 Southern New England Landcare Ltd		131,791.22
B02 - S30 Southern New England Landcare Ltd		939,051.56
B03 - S3.1 VISA Karen Zirkler		894.29
B04 - S3.3 VISA Struan Ferguson		1,259.07
B05 - S3.6 VISA Amanda Fenwicke		939.66
B07 - S3.13 VISA Matthew Elsley		1,008.44
B09 - S3.11 VISA Janet Hodge		1,009.07
B10 - S3.12 VISA Elizabeth Rosser		945.10
B11 - S3.14 VISA Katherine McLinton		1,059.06
B15 - Paypal		1,732.72
B20 - Petty Cash Account		372.75
Total Bank		1,080,062.94
Current Assets		

11. Paste into columns E-G/rows 3-21 of the **Interest Allocation to Sub-Groups spreadsheet**.

12. In Xero, click on **Accounting > Account Transactions**.



13. Go to the bottom of the screen. Click on **Export > Excel**.



14. Click on **Open file**.

15. Delete Columns B (Source), E (Debit), F (Credit), G (Running Balance) and I (GST).

	A	B	C	D	E	F	G	H	I
1	Interest Income Transactions								
2	Southern New England Landcare Ltd								
3	For the period 1 January 2025 to 31 March 2025								
4									
5	Date	Source	Description	Reference	Debit	Credit	Running Balance	Gross	GST
6									
7	Interest Income								
8	31 Jan 2025	Receive Money	Regional Australia Bank - Interest Credit	INTEREST	0.00	2,900.38	2,900.38	2,900.38	0.00
9	28 Feb 2025	Receive Money	Regional Australia Bank - Interest Credit	INTEREST	0.00	2,361.41	5,261.79	2,361.41	0.00
10	31 Mar 2025	Receive Money	Regional Australia Bank - Interest Credit	INTEREST	0.00	2,386.57	7,648.36	2,386.57	0.00
11	Total Interest Income				0.00	7,648.36	7,648.36	7,648.36	0.00
12									
13	Total				0.00	7,648.36	(7,648.36)	7,648.36	0.00
14									

16. Copy amended report.

17. Go to the **Interest Allocation to Sub-Groups spreadsheet** and paste into Columns E-H/Rows 27-39.

Interest Income Transactions			
Southern New England Landcare Ltd			
For the period 1 January 2025 to 31 March 2025			
Date	Description	Reference	Gross
Interest Income			
31 Jan 2025	Regional Australia Bank - Interest Credit	INTEREST	2,900.38
28 Feb 2025	Regional Australia Bank - Interest Credit	INTEREST	2,361.41
31 Mar 2025	Regional Australia Bank - Interest Credit	INTEREST	2,386.57
Total Interest Income			7,648.36
Total			7,648.36

18. Interest income is allocated on a proportional basis. With total cash in the bank amounting to \$1,080,062.94 and total sub-group funds at \$138,067.77, the sub-group funds represent approximately 13% of the company's total cash holdings. If the total interest earned is \$7,648.36, the sub-group funds are entitled to 13% of this amount, which equals \$977.71. Before distributing the interest proportionally among the individual sub-groups (refer to Column C, Rows 4–29), deduct the quarterly administration fee of \$50 from the total interest amount. The remaining interest should then be allocated to each sub-group based on their respective percentage share.

19. Use these interest amount to create a journal entry to allocate.

20. Go to **Xero**, click on **Accounting > Manual Journals**. Create a journal entry in the following format:

DEBIT 495 - Sub-Group Funds – Current (each individual sub-group)

CREDIT 903 - Sub-Group Funds Liability (total e.g. \$977.71)

21. Print off Sub-Group Profit & Loss statements and update the Financial Statement for the current quarter.