



COSTER GALGUT PTY LTD

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CHARTERED ACCOUNTANTS

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Victorian National Parks Association Inc

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009

'Liability limited by a scheme approved under Professional Standards Legislation'

Directors: Desmond J Galgut CA

Martin Reichenberg BCom(m) BAcc CA

Consultant: Lindsay C Coster BEc FCA

Victorian National Parks Association Inc

**Annual Report
for the Year Ended 30 June 2009**

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**Victorian National Parks Association Inc.
Statement by Members of the Council**

The members of the Council have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the members of the Council the financial report:

1. Presents a true and fair view of the financial position of Victorian National Parks Association Inc as at 30 June 2009 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that Victorian National Parks Association 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 Council and is signed for and on behalf of the Council by:



**Russell Falvey
Treasurer**



**Matt Ruchel
Executive Director**

Dated this 18 day of August 2009

Income Statement for the Year ended 30 June 2009

REVENUE	Note	2009	2008
Operating Activities		\$	\$
Appeals, Donations & Bequests		624,698	395,906
Interest		88,828	63,109
Membership Fees		120,570	115,312
Grants & Sponsorships		410,703	512,953
GVEHO Grant *		2,300	4,000
Sales		24,676	31,583
Administration Contributions		22,000	96,963
Sundry Income		0	36,728
Total Income		1,293,776	1,256,552
EXPENDITURE			
Cost of Sales		6,711	10,560
Campaigns, Projects, Activities & Education		248,538	218,387
Office & Administration		112,032	167,844
Insurances		16,522	16,980
Employment Expenses		739,341	717,159
Occupancy Costs		68,086	61,438
Printing/Publications/Web		101,301	77,450
Total Expenses		1,292,531	1,269,817
OPERATING SURPLUS (DEFICIT)	4	1,246	(13,265)

Balance Sheet as at 30 June 2009

ASSETS		\$	\$
Cash and cash equivalents		132,011	42,122
Investments		1,502,257	1,254,844
Accounts Receivables And Prepayments		35,707	56,392
Inventory		26,539	31,877
Fixed Assets at Written Down Value		57,930	68,883
TOTAL ASSETS		1,754,445	1,454,118
LIABILITIES			
Creditors		78,486	67,162
Projects/Hosted Networks		663,206	471,462
Provisions	5	232,715	209,219
TOTAL LIABILITIES		974,407	747,843
NET ASSETS		780,038	706,275
ASSOCIATION FUNDS			
Accumulated Surplus	6	120,940	120,185
Publication Funds	6	5,748	5,257
Crosbie Morrison Fund	6	450,547	580,833
Special Reserves Fund	6	202,802	0
TOTAL ASSOCIATION FUNDS		780,038	706,275

* Commonwealth's Grants to Voluntary Environment & Heritage Organisations Program

STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from appeals, donations and bequests	838,302	379,406
Receipts from membership fees	114,735	113,386
Receipts from grants & sponsorships	469,225	742,546
Receipts from sales	26,768	39,100
Receipts from administration fees	22,000	96,963
Receipts from other sources	(689)	36,728
Payments to suppliers and employees	(1,214,968)	(1,245,856)
Cash generated by operations	255,373	162,273
Interest income	98,838	62,614
Cash generated by operating activities	354,211	224,887
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(16,909)	(33,155)
Realisation of investments	(247,413)	(183,293)
Cash utilised in investing activities	(264,322)	(216,448)
Net increase in cash during year	89,889	8,439
Cash and cash equivalents at beginning of year	42,122	33,683
Cash and cash equivalents at end of year	132,011	42,122

**Notes to the Financial Statements
for year ended 30 June 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (Victoria). The Council has determined that the Association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take cognisance of changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

Employee Benefits

Provision is made for the Association's liability for wages and salaries, annual and long service leave arising from services rendered by employees to the reporting date. Liabilities arising in respect of wages and salaries, annual leave and other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on the basis of first in and first out and includes all costs necessary to bring stock into its current condition and location.

Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Association.

**Notes to the Financial Statements
for year ended 30 June 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash on hand and in banks are stated at nominal value.

For the purposes of the statement of cash flows, cash includes cash on hand and in banks.

Cash management investments readily convertible into cash within two working days are reflected in the Balance Sheet as investments.

Fixed Assets

Fixed assets are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets commencing from the time the asset is held ready for use.

Provisions

Provisions are recognised when the company 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 are measured at the best estimate of the amounts required to settle the obligation at reporting date.

Revenue

Grant and donation income is recognised when the entity obtains control over the funds which is generally at the time of receipt.

Goods and Services Tax (GST)

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

NOTE 2: ACTIVITIES & HOSTED NETWORK ACCOUNTS

The accounts for the Bushwalking and Excursions Groups have not been consolidated into the general accounts.

Victorian Environment Friends Network funds are carried by the Victorian National Parks Association as project liabilities as at 30 June 2009

	2009	2008
BUSHWALKING & ACTIVITIES GROUP	\$	\$
Opening Balance	3,316	4,956
Income	14,365	12,845
Expenditure	(2,054)	(1,485)
Contribution to VNPA	(13,000)	(13,000)
Closing Balance	2,626	3,316
EXCURSIONS GROUP		
Opening Balance	22,584	21,432
Income	59,120	16,927
Expenditure	(42,189)	(10,775)
Contribution to VNPA	(30,000)	(5,000)
Closing Balance	9,516	22,584
VICTORIAN ENVIRONMENT FRIENDS NETWORK		
Opening Balance	4,757	2,650
Income	5,900	9,342
Expenditure	(1,115)	(7,235)
Closing Balance	9,543	4,757

NOTE 3: PUBLICATION DIVISION - OPERATING RESULTS

	2009	2008
	\$	\$
Income		
Sales	12,213	17,385
Interest	974	628
	<u>13,187</u>	<u>18,013</u>
Expenditure		
Cost of Goods Sold	3,796	10,355
Other Costs	8,900	12,104
	<u>12,696</u>	<u>22,459</u>
SURPLUS (DEFICIT) for Year	<u>491</u>	<u>(4,446)</u>

NOTE 4: COMPOSITION OF OPERATING SURPLUS (DEFICIT) FOR YEAR

	Note	2009	2008
		\$	\$
Association Funds			
General Account		755	(8,819)
Publications	3	491	(4,446)
Operating Surplus (Deficit) for Year		<u>1,246</u>	<u>(13,265)</u>

NOTE 5: PROVISIONS

	2009	2008
	\$	\$
Prepaid Membership Fees	4,255	10,090
Patron Donations Received in Advance	130,000	130,000
Provision for Annual Leave	61,863	52,462
Provision for Long Service Leave	28,031	7,165
Provision for Time In Lieu	8,565	9,502
TOTAL PROVISIONS	<u>232,715</u>	<u>209,219</u>

NOTE 6: COMPOSITION OF TOTAL FUNDS

	Note	2009	2008
		\$	\$
Accumulated Funds Start of Year		120,185	129,004
Surplus (Deficit) for Year		755	(8,819)
Accumulated Funds End of Year		<u>120,940</u>	<u>120,185</u>
Publication Funds Start of Year		5,257	9,703
Surplus (Deficit) for Year	3	491	(4,446)
Publications Funds End of Year		<u>5,748</u>	<u>5,257</u>
Crosbie Morrison Fund		580,833	526,526
Additions		72,516	54,307
Transfer to Special Reserves Fund		(202,802)	-
Crosbie Morrison Fund End of Year		<u>450,547</u>	<u>580,833</u>
Special Reserves Fund		-	-
Additions		202,802	-
Special Reserves Fund End of Year		<u>202,802</u>	<u>0</u>
TOTAL FUNDS		<u>780,038</u>	<u>706,275</u>



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Independent Auditor's Report to the Members of Victorian National Park Association Inc.

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Victorian National Park Association Inc for the year ended 30 June 2009 which comprises the balance sheet, income statement, statement of cash flows, a summary of significant accounting policies, other explanatory notes and the statement by members of the Council.

Council's Responsibility for the Financial Report

The Council is responsible for preparation and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act (Victoria) and are appropriate to meet the needs of members. The Council's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting

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estimates made by the Council, as well as evaluating the overall presentation of the financial report. The financial report has been prepared for distribution to members for the purpose of fulfilling the Council's financial reporting responsibilities under the Associations Incorporation Act (Victoria). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Qualification

In common with similar organisations it is not feasible for the Association to institute accounting controls over all cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for me to extend my examination beyond the receipts actually recorded.

Qualified Audit's Opinion

In our opinion, except for the existence of the limitation on the scope of our work as described in the qualification paragraph, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, the financial report presents fairly, in all material respects the financial position of Victorian National Parks Association Inc as of 30 June 2009 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Coster Galgut Pty Ltd
Chartered Accountants



Martin Reichenberg CA

18 August 2009

