



# **Victorian National Parks Association Inc.**

**ABN: 34 217 717 593  
Registration No: A0004350N**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

# **Victorian National Parks Association Inc**

## **Financial Report for the Year Ended 30 June 2019**

<i>Contents</i>	<i>Page</i>
Council Report	3
True and Fair Certification by Members of the Council	4
Statement of Profit or Loss and other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Independent Auditor's Report	14

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Council Report

Your council members submit the financial report of Victorian National Park Association Inc for the financial year ended 30 June 2019.

### Council Members

The council members that held office during the financial year and at the date of this report are:

Dr Bruce McGregor (President)	Michael Feller
Gerard McPhee (Vice President)	Deb Henry
Gary Allan (Treasurer)	Euan Moore
Michael Forster (Secretary)	Dianne Marshall
Lara Bickford	Paul Strickland (appointed 9 October 2018)
Ann Birrell	James Thyer (resigned 9 October 2018)
Jan Hendrik Brueggemeir	Russell Costello (resigned 9 October 2018)

### Principal Activities

Victoria National Parks Association Inc is an independent, non-profit, membership-based group, which exists to support and protect Victoria's unique natural environment and biodiversity through the establishment and effective management of national parks, conservation reserves and other measures. The Association is classified as a Tier 3 association under the Associations Incorporation Reform Act 2012 in that its annual revenue exceeds \$1m and as such is required to have its financial report audited.

### Significant Changes

No significant change in the nature of these activities occurred during the year.

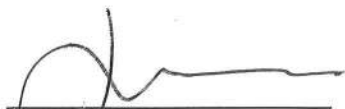
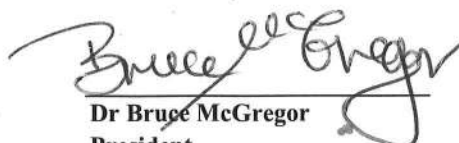
### Operating Result

The operating surplus for the 2019 financial year amounted to \$23,659 (2018: \$166,567).

Income for the year of \$1,394,387 (2018: \$1,461,647) save for income from bequests, remained very consistent with that of the prior year (see Note 2). Income from bequests this year amounted to \$4,000 compared to \$195,673 in the previous year.

Operating expenditure for the year amounted to \$1,370,727 compared to \$1,295,080 in the previous. This increase is attributable primarily to an increase in payroll costs as a consequence of the net employment of two additional resources at the cost of \$67,000 per annum.

This statement is signed for and on behalf of the Council by:

  
\_\_\_\_\_  
Gary Allan  
Treasurer  
\_\_\_\_\_  
Dr Bruce McGregor  
President

Dated this the 1st day of September 2019

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N


## True and Fair Certification 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 and the provisions of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*.

In accordance with a resolution of the Council of Victorian National Parks Association Inc, the members of the Council declare that:

1. the financial statements and notes, as set out on pages 5 to 12, comply with Australian Accounting Standards and give a true and fair view of the financial position of Victorian National Parks Association Inc as at 30 June 2019 and its performance for the year ended on that date; and
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; and
3. this declaration is signed in accordance with subs 60.15 (2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

This statement is signed for and on behalf of the Council by:

  
\_\_\_\_\_  
Gary Allan  
Treasurer

  
\_\_\_\_\_  
Dr Bruce McGregor  
President

Dated this the 1st day of September 2019

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Statement of Profit or Loss and other Comprehensive Income For the Year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue and other income	2	1,394,387	1,461,647
Expenses	3	<u>1,370,727</u>	<u>1,295,080</u>
<b>Current year operating surplus</b>		<u>23,659</u>	<u>166,567</u>
<b>Total Comprehensive Income Attributable to Members of the Entity</b>		<u><u>23,659</u></u>	<u><u>166,567</u></u>
<i>Comprised as follows:</i>			
Individual bequests received in excess of \$25,000		-	159,575
General Operating Surplus (Deficit) For Year		<u>23,659</u>	<u>6,992</u>
		<u><u>23,659</u></u>	<u><u>166,567</u></u>

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Statement of Financial Position as at 30 June 2019

	Note	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents		1,553,004	1,466,626
Accounts Receivable and Other Debtors		15,724	28,671
Inventory - Publications Held for Resale		1,354	2,699
<b>Total Current Assets</b>		<u>1,570,082</u>	<u>1,497,996</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	<u>47,304</u>	<u>62,220</u>
<b>Total Non-current Assets</b>		<u>47,304</u>	<u>62,220</u>
<b>TOTAL ASSETS</b>		<u><b>1,617,386</b></u>	<u><b>1,560,216</b></u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Other Payables		62,241	49,933
Projects/Hosted Networks	5	511,438	495,989
Employee Entitlements and Prepayments	6 (a)	159,838	158,726
<b>Total Current Liabilities</b>		<u>733,516</u>	<u>704,648</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee Entitlements and Prepayments	6 (b)	<u>51,879</u>	<u>47,236</u>
<b>Total Non-current Liabilities</b>		<u>51,879</u>	<u>47,236</u>
<b>TOTAL LIABILITIES</b>		<u>785,395</u>	<u>751,884</u>
<b>NET ASSETS</b>		<u><b>831,990</b></u>	<u><b>808,332</b></u>
<b>ASSOCIATION FUNDS</b>			
Bequest Reserve Funds		159,575	159,575
Other - Retained Surplus		672,415	648,757
<b>Total Association Funds</b>		<u><b>831,990</b></u>	<u><b>808,332</b></u>

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Statement of Changes in Equity For the Year ended 30 June 2019

	Retained Surplus	Bequest Reserve Funds	Total
	\$	\$	\$
<i>Balance at 1 July 2017</i>	635,572	-	635,572
Surplus for the year attributable to members of the entity	6,992		6,992
Current Year Bequests		159,575	159,575
Prior year adjustment - incorporation of Bushwalking Group	6,192		6,192
<i>Balance at 1 July 2018</i>	<b>648,756</b>	<b>159,575</b>	<b>808,331</b>
Surplus for the year attributable to members of the entity	23,659	-	23,659
<i>Balance at 30 June 2019</i>	<b>672,415</b>	<b>159,575</b>	<b>831,990</b>

### Note

The Association's policy is to maintain reserve funds at a level that would provide sufficient resources to meet the core annual operating costs of the Association which are estimated to be in the order of \$600,000. Accordingly and in order to maintain this conservative fiscal approach the Association will need to work diligently to hold all revenue streams at current levels.

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Statement of Cash Flows for Year Ended 30 June 2019

	2019	2018
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Appeals, Donations & Bequests	1,001,107	1,102,310
Receipts from Membership Fees	96,169	92,441
Receipts from Grants & Sponsorships	258,369	364,160
Receipts from Sales & Activities	37,270	43,993
Payments to Suppliers & Employees	<u>(1,319,921)</u>	<u>(1,232,878)</u>
<b>Cash Generated By Operations</b>	<b>72,995</b>	<b>370,026</b>
Interest Income	31,994	16,477
<b>Cash Generated by Operating Activities</b>	<b><u>104,989</u></b>	<b><u>386,503</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(18,611)	(27,802)
<b>Cash Utilised in Investing Activities</b>	<b><u>(18,611)</u></b>	<b><u>(27,802)</u></b>
Net Increase in Cash During Year	86,378	358,701
Cash & Cash Equivalents at Beginning of Year	<u>1,466,626</u>	<u>1,107,925</u>
<b>Cash &amp; Cash Equivalents at End of Year</b>	<b><u>1,553,004</u></b>	<b><u>1,466,626</u></b>



# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Notes to the Financial Statements for Year Ended 30 June 2019

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial Reporting Framework

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*. The Council has determined that the Association is not a reporting entity.

#### Statement of Compliance

The financial report has been prepared in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*, the basis of accounting specified by all Australian Accounting Standards and Interpretations and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031: *Materiality* and AASB 1054: *Australian Additional Disclosures*.

#### Basis of Preparation

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

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

#### Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short term highly liquid investments with maturities of twelve months or less.

#### Inventory

Inventory 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.

#### Property, Plant and Equipment

Property, plant and equipment are measured on the cost basis less any accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the expected net cash flows which will be received from the assets employment and eventual disposal. In determining the recoverable amount, the expected net cash flows have not been discounted to present values.

The depreciable amount of all fixed assets are depreciated on a straight-line basis over the useful lives of the assets commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Plant & Equipment	10%-50%
Website	33%

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Notes to the Financial Statements for Year Ended 30 June 2019

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Employee Benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits) due within twelve months of balance date are measured at their nominal amounts. Typically, fifty percent of long service leave entitlements are reflected as a current liability and 50% as a non-current liability.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

The liability for employee benefits includes a provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting.

The leave liabilities are calculated on the basis of employees' remuneration, including employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

#### 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.

#### 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### Revenue

Revenue from appeals, grants, donations, bequests and membership fees income is recognised when the Association obtains control over the funds which is generally at the time of receipt.

#### Bequests

Individual bequests received in excess of \$25,000 per annum are allocated to Bequest Reserve Funds as detailed in the Statement of Changes in Equity

#### Specific Projects/Campaigns & Hosted Networks

Monies received in connection with specific projects/campaigns/grants are carried as current liabilities to the extent that monies received exceed related expenditure at balance date. Monies received in respect of projects hosted by the Association on behalf of third parties are carried as current liabilities to the extent that monies received exceed related expenditure at balance date (refer note 5).

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Notes to the Financial Statements for Year Ended 30 June 2019

<b>NOTE 2: REVENUE</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Appeals & Donations	983,887	916,357
Bequests	4,000	195,673
Grants and Sponsorships	254,003	206,068
Membership Fees	96,169	92,441
Interest	30,141	19,678
Publication Sales, Events & Outdoor Activities and Other Sundry Income	26,187	31,430
	<u>1,394,387</u>	<u>1,461,647</u>

### NOTE 3: EXPENSES

Employment Expenses	915,952	848,587
Campaigns, Projects, Activities and Education	114,793	111,164
Office and Administration	147,088	165,001
Printing/Publications/Web	89,560	73,028
Occupancy Costs	89,198	87,837
Insurances	12,731	10,580
Cost of Sales - Publications held for resale	1,405	(1,118)
	<u>1,370,727</u>	<u>1,295,080</u>

### NOTE 4: PROPERTY, PLANT & EQUIPMENT

Plant & Equipment	106,233	100,984
Less Accumulated Depreciation	<u>(71,880)</u>	<u>(70,296)</u>
Net Total	<u>34,353</u>	<u>30,688</u>
Website	56,307	56,307
Less Accumulated Depreciation	<u>(43,356)</u>	<u>(24,775)</u>
Net Total	<u>12,951</u>	<u>31,532</u>
<b>Total Property, Plant &amp; Equipment</b>	<b><u>47,304</u></b>	<b><u>62,220</u></b>

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## Notes to the Financial Statements for Year Ended 30 June 2019

### NOTE 5: PROJECTS AND HOSTED NETWORK LIABILITIES

	2019	2018
	\$	\$
Hosted Network Liability	7,033	7,213
Specific Project Commitments	296,078	204,200
Specific Grant Commitments	208,326	284,576
	<u>511,438</u>	<u>495,989</u>

### NOTE 6: EMPLOYEE ENTITLEMENTS AND PREPAYMENTS

#### (a) CURRENT LIABILITY

Prepaid Membership Fees	12,019	12,600
Provision for Parental Leave	-	15,000
Provision for Annual Leave	84,444	76,485
Provision for Long Service Leave	51,880	47,234
Provision for Time Off In Lieu	11,496	7,408
	<u>159,838</u>	<u>158,726</u>

#### (b) NON-CURRENT LIABILITY

Provision for Long Service Leave	<u>51,879</u>	<u>47,236</u>
----------------------------------	---------------	---------------

# Victorian National Parks Association Inc

ABN: 34 217 717 593 Reg No: A0004350N

## NOTE 7: CASH FLOW INFORMATION

### Reconciliation of cash flows from operating activities with net current year surplus

	2019	2018
	\$	\$
Net current year surplus	23,659	166,567
Adjusted for:		
- depreciation	33,527	33,476
Movements in working capital:		
- decrease (increase) in accounts receivable and other debtors	15,078	(13,699)
- decrease (increase) in inventory	1,345	(1,396)
- increase in accounts payable and other payables	12,307	8,620
- increase in projects and hosted networks	15,448	161,622
- increase in provisions and prepayments	3,625	25,119
- prior year adjustment	-	6,194
<b>Cash generated by operating activities</b>	<b><u>104,989</u></b>	<b><u>386,503</u></b>

## NOTE 8: SERVICE AGREEMENT COMMITMENT

On 1 September 2017, the Association entered into a 3 year information technology maintenance contract at \$2,359 per month, payable as follows:

- within 12 months                      \$28,308
- thereafter                                      \$4,718

This maintenance expenditure will be funded as part of the annual operating budget of the Association.

## NOTE 9: CAPITAL COMMITMENT

The Association has approved the purchase of a new photocopier in an amount of \$12,000. This expenditure will be funded from internal resources.

## **Independent Audit Report to the members of Victorian National Parks Association Inc**

### ***Opinion***

We have audited the financial report of Victorian National Parks Association Inc, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income for the year then ended, statement of changes in equity and statement of cash flows and notes to the financial statements including a summary of significant accounting policies, and the certification by members of the Council on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of Victorian National Parks Association Inc has been prepared in accordance with Div 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the requirements of the *Associations Incorporation Reform Act*, including:

- giving a true and fair view of the financial position of the association as at 30 June 2019 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note 1 and Div 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### ***Basis of 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 ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of the Ethics for Professional Accountants* (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***

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 association to meet the requirements of the *Associations Incorporation Reform Act 2012* and for the purposes of fulfilling the financial reporting responsibilities of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### ***Responsibilities of the Council for the Financial report***

The Council is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Council 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 Council 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 Council either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

***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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 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 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 Council.
- conclude on the appropriateness of the Council's 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.

**COSTER GALGUT PTY LTD**  
**ACN 66 005 054 866**



**Martin Reichenberg CA**  
**Dated: 1 September 2019**