



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 2010

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

Directors: Desmond J Galgut CA

Martin Reichenberg BComm BAcc CA

Consultant: Lindsay C Coster BEc FCA

Victorian National Parks Association Inc

Annual Report for the Year Ended 30 June 2010

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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 2010 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 26th day of August 2010

Income Statement for the Year ended 30 June 2010

REVENUE	Note	2010	2009
Operating Activities		\$	\$
Appeals, Donations & Bequests		812,696	624,698
Interest		55,960	88,828
Reserve Transfer		86,119	-
Membership Fees		105,938	120,570
Grants & Sponsorships		474,076	410,703
GVEHO Grant *		2,300	2,300
Sales		27,110	24,676
Administration Contributions		27,700	22,000
Total Income		1,591,899	1,293,776

EXPENDITURE			
Cost of Sales		6,095	6,711
Campaigns, Projects, Activities and Education		324,765	248,538
Office & Administration		132,911	112,032
Insurances		19,009	16,522
Employment Expenses		914,304	739,341
Occupancy Costs		72,728	68,086
Printing/Publications/Web		149,597	101,301
Total Expenses		1,619,409	1,292,531
OPERATING (DEFICIT) SURPLUS	4	(27,510)	1,246

Balance Sheet as at 30 June 2010

ASSETS		\$	\$
Cash and Cash Equivalents		1,459,229	1,634,268
Receivables		62,826	35,707
Inventory		22,293	26,539
Fixed Assets at Written Down Value		39,274	57,930
TOTAL ASSETS		1,583,621	1,754,444

LIABILITIES			
Creditors		54,579	78,486
Projects/Hosted Networks		406,590	663,206
Provisions	5	417,339	232,715
TOTAL LIABILITIES		878,508	974,407
NET ASSETS		705,113	780,037

ASSOCIATION FUNDS			
Accumulated Surplus	6	90,080	120,940
Publication Funds	6	9,098	5,748
Crosbie Morrison Fund	6	489,251	450,547
Special Reserves Fund	6	116,683	202,802
TOTAL ASSOCIATION FUNDS		705,113	780,038

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

STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from appeals, donations and bequests	799,127	838,302
Receipts from membership fees	104,183	114,735
Receipts from grants and sponsorships	464,989	469,225
Receipts from sales	32,274	26,768
Receipts from administration fees	27,700	22,000
Receipts from other sources	-	(689)
Payments to suppliers and employees	(1,625,685)	(1,214,968)
Cash (utilised in) generated by operations	(197,412)	255,373
Interest income	36,531	98,838
Cash (utilised in) generated by operating activities	(160,881)	354,211
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(14,158)	(16,909)
Cash utilised in investing activities	(14,158)	(16,909)
Net (decrease) increase in cash during year	(175,039)	337,302
Cash and cash equivalents at beginning of year	1,634,268	1,296,966
Cash and cash equivalents at end of year	1,459,229	1,634,268

**Notes to the Financial Statements
for year ended 30 June 2010**

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 into account 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 employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts 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.

Cash and 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.

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.

Projects/Hosted Networks

Monies received for specific projects/purposes and hosting are recognised as income only to the extent of actual expenditure incurred in the financial year under review. Unexpended monies are carried as a liability under the heading "Projects/Hosted Networks".

**Notes to the Financial Statements
for year ended 30 June 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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 financial statements of the Bushwalking and Excursions Groups are not 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 2010

	2010	2009
BUSHWALKING & ACTIVITIES GROUP	\$	\$
Opening Balance	2,626	3,316
Income	10,219	14,365
Expenditure	(949)	(2,054)
Contribution to VNPA	(11,700)	(13,000)
Closing Balance	196	2,626
EXCURSIONS GROUP		
Opening Balance	9,516	22,584
Income	55,875	59,120
Expenditure	(48,370)	(42,189)
Contribution to VNPA	(16,000)	(30,000)
Closing Balance	1,021	9,516
VICTORIAN ENVIRONMENT FRIENDS NETWORK		
Opening Balance	9,543	4,757
Income	3,872	5,900
Expenditure	(6,448)	(1,115)
Closing Balance	6,967	9,543

NOTE 3: PUBLICATION DIVISION - OPERATING RESULTS

	2010	2009
	\$	\$
Income		
Sales	17,711	12,213
Interest	384	974
	18,095	13,187
Expenditure		
Cost of Goods Sold	5,810	3,796
Other Costs	8,935	8,900
	14,745	12,696
Surplus for Year	3,350	491

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

	Note	2010	2009
		\$	\$
Association Funds			
General Account		(30,860)	755
Publications	3	3,350	491
Operating (Deficit) Surplus for Year		(27,510)	1,246

NOTE 5: PROVISIONS

	2010	2009
	\$	\$
Prepaid Membership Fees	2,500	4,255
Patron Donations Received in Advance	303,997	130,000
Provision for Annual Leave	65,364	61,863
Provision for Long Service Leave	34,328	28,031
Provision for Time In Lieu	11,150	8,565
TOTAL PROVISIONS	417,339	232,715

NOTE 6: COMPOSITION OF TOTAL FUNDS

	Note	2010	2009
		\$	\$
Accumulated Funds Beginning of Year		120,940	120,185
(Deficit) Surplus for Year		(30,860)	755
Accumulated Funds End of Year		90,080	120,940
Publication Funds Beginning of Year		5,748	5,257
Surplus for Year	3	3,350	491
Publications Funds End of Year		9,098	5,748
Crosbie Morrison Fund		450,547	580,833
Additions		38,704	72,516
Transfer to Special Reserves Fund		-	(202,802)
Crosbie Morrison Fund End of Year		489,251	450,547
Special Reserves Fund		202,802	-
Additions		-	202,802
Transfer to Income		(86,119)	
Special Reserves Fund End of Year		116,683	202,802
TOTAL FUNDS		705,113	780,038



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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 2010 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 has 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 controls 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 us to extend our 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 2010 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Association's Incorporation Act (Victoria).

Coster Galgut Pty Ltd
Chartered Accountants



Martin Reichenberg CA

26 August 2010