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## **COSTER GALGUT PTY LTD**

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## **Victorian National Parks Association Inc**

### **ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2012**

*'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 2012

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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.

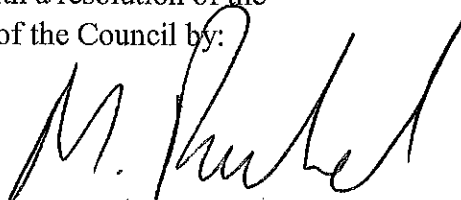
In the opinion of the members of the Council the financial report:

1. Presents a true and fair view of the financial position of Victorian National Parks Association Inc as at 30 June 2012 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:



**Kyle Matheson**  
Treasurer



**Matt Ruchel**  
Executive Director

**Dated this 16th day of August 2012**

## Income and Expenditure Statement for the Year ended 30 June 2012

	Note	2012	2011
<b>INCOME</b>		\$	\$
Appeals, Donations & Bequests		914,617	764,923
Grants & Sponsorships		302,940	472,643
Membership Fees		115,045	111,070
Interest		57,553	62,918
Sales		48,228	34,885
Administration Contributions		10,000	9,447
GVEHO Grant *		7,300	-
<b>Total Income</b>		<b>1,455,683</b>	<b>1,455,887</b>

<b>EXPENDITURE</b>			
Employment Expenses		866,115	827,112
Campaigns, Projects, Activities & Education		180,851	345,428
Office & Administration		158,007	113,498
Printing/Publications/Web		68,842	88,598
Occupancy Costs		81,379	77,192
Insurances		20,161	20,533
Cost of Sales		6,922	10,773
<b>Total Expenses</b>		<b>1,382,277</b>	<b>1,483,133</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>4</b>	<b>73,406</b>	<b>(27,247)</b>
<b>BEFORE TRANSFER (TO) FROM RESERVE FUNDS</b>			
Net Transfers (To) From Reserve Funds	<b>6</b>	<b>(72,321)</b>	<b>30,683</b>
<b>OPERATING SURPLUS AFTER TRANSFER (TO) FROM RESERVE FUNDS</b>		<b>1,084</b>	<b>3,436</b>

### Assets and Liabilities Statement as at 30 June 2012

	\$	\$
<b>ASSETS</b>		
Cash and Cash Equivalents	1,059,966	1,179,162
Receivables	40,660	80,137
Inventory	18,943	24,175
<b>Total Current Assets</b>	<b>1,119,569</b>	<b>1,283,474</b>
Fixed Assets at Written Down Value	18,908	20,396
<b>TOTAL ASSETS</b>	<b>1,138,477</b>	<b>1,303,870</b>

<b>LIABILITIES - CURRENT AND NON CURRENT</b>		
Creditors (Current)	42,661	33,888
Projects/Hosted Networks (Current)	171,005	405,008
Provisions, Prepayments And Donations in Advance	<b>5</b>	173,540
<b>TOTAL LIABILITIES - CURRENT AND NON CURRENT</b>	<b>387,206</b>	<b>626,004</b>
<b>NET ASSETS</b>	<b>751,271</b>	<b>677,866</b>

<b>ASSOCIATION FUNDS</b>			
General Operating Funds	<b>6</b>	99,382	87,229
Publication Funds	<b>6</b>	4,316	15,385
Crosbie Morrison Fund	<b>6</b>	524,756	474,497
Special Reserves Fund	<b>6</b>	122,817	100,755
<b>TOTAL ASSOCIATION FUNDS</b>		<b>751,271</b>	<b>677,866</b>

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

**STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2012**

	<b>2012</b>	<b>2011</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>\$</b>
Receipts from appeals, donations and bequests	921,003	573,788
Receipts from membership fees	111,280	120,655
Receipts from grants & sponsorships	68,937	471,061
Receipts from sales	55,656	35,094
Receipts from administration fees	10,000	9,447
Proceeds on sale of computer equipment	-	1,545
Payments to suppliers and employees	(1,339,302)	(1,586,839)
<b>Cash utilised in operations</b>	<b>(172,426)</b>	<b>(375,249)</b>
Interest income	63,243	95,183
<b>Cash utilised in operating activities</b>	<b>(109,184)</b>	<b>(280,067)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	(10,013)	-
<b>Cash utilised in investing activities</b>	<b>(10,013)</b>	<b>-</b>
Net decrease in cash during year	(119,196)	(280,067)
Cash and cash equivalents at beginning of year	1,179,162	1,459,229
<b>Cash and cash equivalents at end of year</b>	<b>1,059,966</b>	<b>1,179,162</b>

**Notes to the Financial Statements  
for year ended 30 June 2012**

**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 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 consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**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.

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 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.

**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.

**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.

**Specific Projects/Campaigns and Hosted Networks**

Monies received in connection with specific projects/campaigns 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 2).

**NOTE 2: ACTIVITIES & HOSTED NETWORK ACCOUNTS**

The accounts for the Bushwalking Group has 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 2012

	Note	2012	2011
		\$	\$
<b>BUSHWALKING &amp; ACTIVITIES GROUP</b>			
Opening Balance		4,823	196
Income		8,425	9,964
Expenditure		(984)	(1,337)
Contribution to VNPA		(10,000)	(4,000)
<b>Closing Balance</b>		<b>2,265</b>	<b>4,823</b>

<b>VICTORIAN ENVIRONMENT FRIENDS NETWORK</b>			
Opening Balance		5,383	6,967
Income		7,109	140
Expenditure		(7,940)	(1,724)
<b>Closing Balance</b>		<b>4,552</b>	<b>5,383</b>

**NOTE 3: PUBLICATION DIVISION - OPERATING RESULTS**

<b>Income</b>			
Sales		14,773	31,040
		<b>14,773</b>	<b>31,040</b>
<b>Expenditure</b>			
Cost of Goods Sold		6,922	10,773
Other Costs		8,269	13,981
		<b>15,191</b>	<b>24,754</b>
<b>(DEFICIT) SURPLUS for Year</b>		<b>(418)</b>	<b>6,286</b>

**NOTE 4: COMPOSITION OF OPERATING SURPLUS (DEFICIT) FOR YEAR BEFORE TRANSFERS TO RESERVE FUNDS**

General Account		73,824	(33,533)
Publications	3	(418)	6,286
<b>Operating Surplus (Deficit) for Year Before Transfers To Reserve Funds</b>		<b>73,406</b>	<b>(27,247)</b>

**NOTE 5: PROVISIONS, PREPAYMENTS AND DONATIONS RECEIVED IN ADVANCE**

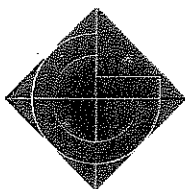
Prepaid Membership Fees		8,320	12,085
Prepaid 60th Dinner Tickets		1,300	-
Patron Donations Received in Advance		29,000	55,000
Provision for Annual Leave (Current)		69,455	72,902
Provision for Long Service Leave (Non-current)		59,092	39,104
Provision for Time In Lieu (Current)		6,373	8,017
<b>TOTAL PROVISIONS, PREPAYMENTS AND DONATIONS RECEIVED IN ADVANCE</b>		<b>173,540</b>	<b>187,108</b>

**NOTE 6: COMPOSITION OF ASSOCIATION FUNDS**

<b>General Funds Beginning of Year</b>			
Surplus (Deficit) for Year Before Transfer To Reserves	3	73,824	(33,533)
Net Transfer (To) From Reserve Funds		(72,321)	30,682
Transfer to Crosbie Morrison Fund		(267,230)	(101,748)
Transfer from Special Reserve Fund		194,909	132,429
Transfer from Publication Funds		10,650	-
<b>General Funds End of Year</b>		<b>99,382</b>	<b>87,229</b>
<b>Publication Funds Beginning of Year</b>			
(Deficit) Surplus for Year	3	(418)	6,286
Transfer to General Funds		(10,650)	-
<b>Publications Funds End of Year</b>		<b>4,316</b>	<b>15,385</b>
<b>Crosbie Morrison Fund Beginning Of Year</b>			
Bequests and Specific Donations		474,496	489,251
Transfer to Special Reserves Fund		267,230	101,748
		(216,970)	(116,502)
<b>Crosbie Morrison Fund End of Year</b>		<b>524,756</b>	<b>474,497</b>
<b>Special Reserves Fund Beginning Of Year</b>			
Transfer from Crosbie Morrison Fund		100,756	116,683
Transfer to General Funds		216,970	116,502
		(194,909)	(132,429)
<b>Special Reserves Fund End of Year</b>		<b>122,817</b>	<b>100,756</b>
<b>TOTAL FUNDS</b>		<b>751,271</b>	<b>677,866</b>

**NOTE 7: COMPARATIVE FIGURES**

Certain comparative figures have been restated to provide a more meaningful presentation of the financial statements.



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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, which comprises the assets and liabilities statement as at 30 June 2012, the income and expenditure statement and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by members of the Council.

### ***Council's Responsibility for the Financial Report***

The Council of Victorian National Parks Inc is responsible for preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act (Victoria) and the needs of members. The Council's responsibility also includes such internal controls as the Council determines necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 of the financial report that gives a true and fair view, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

### ***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 2012 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).

### ***Basis of Accounting and Restriction on Distribution***

We draw attention to Note 1 to the financial statements which describe the basis of accounting. The financial report has been prepared to assist the Victorian National Park Association Inc to meet the requirements of the Associations Incorporation Act (Victoria). As a consequence, the financial report may not be suitable for another purpose.

**Coster Galgut Pty Ltd  
Chartered Accountants**



**Martin Reichenberg CA**

16 August 2012