pilot

YOUR BUSINESS NAVIGATOR

National Parks Association of QLD Inc

ABN 60 206 792 095

Financial Report

For the year ended 30 June 2017

2017

Contents

Your Council Members present this report on the Association for the financial year ended 30 June 2017.

Council Members

The names of the council members in office at any time during or since the year end are:

- Michelle Prior - President
- Tony O'Brien – Vice President
- Athol Lester – Vice President
- Graham Riddell – Honorary Treasurer
- Debra Marwedel – Honorary Secretary
- Yvonne Parsons – Assistant Honorary Secretary
- Julie Hainsworth – Councillor
- Richard Proudfoot – Councillor
- David Ball – Councillor
- Alexsis Wilson – Councillor
- Daniel Kelly – Councillor
- Denis McMullen - Councillor

Review of Operations

The surplus of the Association for the financial year is $56,070 (2016 reported a deficit of $84,225). A review of operations of the Association during the year found that the Association continued to engage in its principal activity the results of which are disclosed in the attached financial statements.

Significant Changes in State of Affairs

No significant changes in the Association's state of affairs occurred during the financial year.

Principal Activity

The principal activity of the Association during the financial year was to act as a non-profit Association promoting preservation, expansion and good management of national parks and other forms of protected areas in Queensland.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

STATEMENT OF PROFIT OF LOSS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $	2016 $
REVENUE			
Members Contributions		22,678	18,017
Investment Income		83,418	87,883
Donations and Fundraising		35,140	20,230
Grants		1,000	-
Bequests		162,940	12,000
Other Income		294	1,997
TOTAL REVENUE		**305,470**	**140,127**
EXPENSES			
Members Expenses		(7,634)	(3,200)
Core Focus Expenditure		(22,691)	(16,680)
Administration Expenses		(39,814)	(50,070)
Fundraising Expenses		(2,120)	(1,171)
Depreciation Expenditure		(5,643)	(5,871)
Employment Expenses		(153,387)	(132,150)
Property Expenses		(18,111)	(15,210)
TOTAL EXPENSES		**(249,400)**	**(224,352)**
Surplus/ (deficit) before income tax		56,070	(84,225)
Income tax expense		-	-
Surplus/ (deficit) after income tax		**56,070**	**(84,225)**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

ASSETS	Note	2017 $	2016 $
CURRENT ASSETS			
Cash and cash equivalents		85,433	71,171
Trade and other receivables	2	20,773	22,219
Inventories		2,097	-
Prepayments – Body Corporate Fees		1,756	2,078
Other assets		50	-
TOTAL CURRENT ASSETS		**110,109**	**95,468**
NON-CURRENT ASSETS			
Financial assets	3	888,306	838,316
Property, plant and equipment	4	175,507	180,333
TOTAL NON-CURRENT ASSETS		**1,063,813**	**1,018,649**
TOTAL ASSETS		**1,173,922**	**1,114,117**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		11,264	10,820
Deferred Income		15,000	15,000
Provisions	5	7,380	4,787
TOTAL CURRENT LIABILITIES		**33,644**	**30,607**
NON-CURRENT LIABILITIES			
Provisions	5	2,871	2,173
TOTAL NON-CURRENT LIABILITIES		**2,871**	**2,173**
TOTAL LIABILITIES		**36,515**	**32,780**
NET ASSETS		**1,137,407**	**1,081,337**
EQUITY			
Retained earnings		1,137,407	1,081,337
TOTAL EQUITY		**1,137,407**	**1,081,337**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2017

	Note	Retained Surplus $	Total $
Balance at 1 July 2015		1,165,562	1,165,562
Surplus/ (deficit) for the year		(84,225)	(84,225)
Balance at 30 June 2016		**1,081,337**	**1,081,337**
Balance at 1 July 2016		1,081,337	1,081,337
Surplus/ (deficit) for the year		56,070	56,070
Balance at 30 June 2017		**1,137,407**	**1,137,407**

The accompanying notes form part of these financial statements.

1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1981 (Qld). The council has determined that the Association is not a reporting entity.

The financial statements have been prepared on an accruals basis on historical costs. They do not take into account changing money values, or except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period, unless stated otherwise, have been adopted in the preparation of thee financial statements.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax.

Revenue from members contributions/subscriptions are recognised on a straight line basis over the financial year.

Other income is recognised on an accruals basis when the Association is entitled to it.

(b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold property

Freehold land and buildings are shown at cost, less subsequent depreciation and impairment loss.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note1(e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Buildings	2.5%
Plant and equipment	5% to 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are deterpmined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at cost plus transactions costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

(e) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(f) Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(h) 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 Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(k) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Critical Accounting Estimates and Judgements

The councillors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

		Note	2017 $	2016 $
2.	**TRADE AND OTHER RECEIVABLES**			
	Current			
	Sundry receivables		0	(4)
	Input & Frank credits receivable		19,297	20,986
	GST receivable		1,476	1,237
			20,773	**22,219**
3.	**Financial Assets**			
	Non-current			
	Available-for-sale financial assets			
	Investments at cost		868,306	818,316
	NPAQ Perpetual Fund at cost		20,000	20,000
			888,306	**838,316**
4.	**Property, Plant and Equipment**			
	Land and Buildings			
	Land at Cost		98,000	98,000
	Building at Cost		135,090	135,090
	Less accumulated depreciation		(61,176)	(57,804)
	Total land and buildings at cost		**171,914**	**175,286**
	Plant and Equipment			
	Furniture and equipment:			
	At cost		90,907	95,968
	Less accumulated depreciation		(87,314)	(90,921)
	Total plant and equipment		**3,593**	**5,047**
	Total property, plant and equipment		**175,507**	**180,333**
5.	**Provisions**			
	Current			
	Provision for employee benefits: annual leave		7,380	4,787
	Non-current			
	Provision for employee benefits: long service leave		2,871	2,173
			10,251	**6,960**

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Association does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts

	Note	2017 $	2016 $

must be classified as current liabilities since the Association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

STATEMENT BY COUNCIL MEMBERS
FOR THE YEAR ENDED 30 JUNE 2017

In the opinion of the council members, the financial report:

1. Presents a true and fair view of the financial position of National Parks Association of Queensland Inc as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards, Australian Accounting Interpretation and other authoritative pronouncements of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that National Parks Association of Queensland 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:

Treasurer ______ dated this 15TH day of AUGUST 2017

President ______ dated this 15th day of August 2017

PILOT PARTNERS
Chartered Accountants

Level 10, Waterfront Place
1 Eagle St. Brisbane 4000

PO Box 7095 Brisbane 4001
Queensland Australia

P +61 7 3023 1300
F +61 7 3229 1227

pilotpartners.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF

National Parks Association of QLD Inc.

OPINION

We have audited the financial report of National Parks Association of QLD Inc., which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies and the statement by the members of the Council.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2017 and of its financial performance for the year in accordance with the *Association Incorporations Act 1981*.

BASIS FOR 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 *Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with 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 *Association Incorporations Act 1981*. 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 MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL REPORT

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Association Incorporations Act 1981* and for such internal control as management 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, management 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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

Pilot Partners

PILOT PARTNERS
Chartered Accountants

CHRIS KING
Partner

Signed on 2017

Level 10
1 Eagle Street
Brisbane Qld 4000