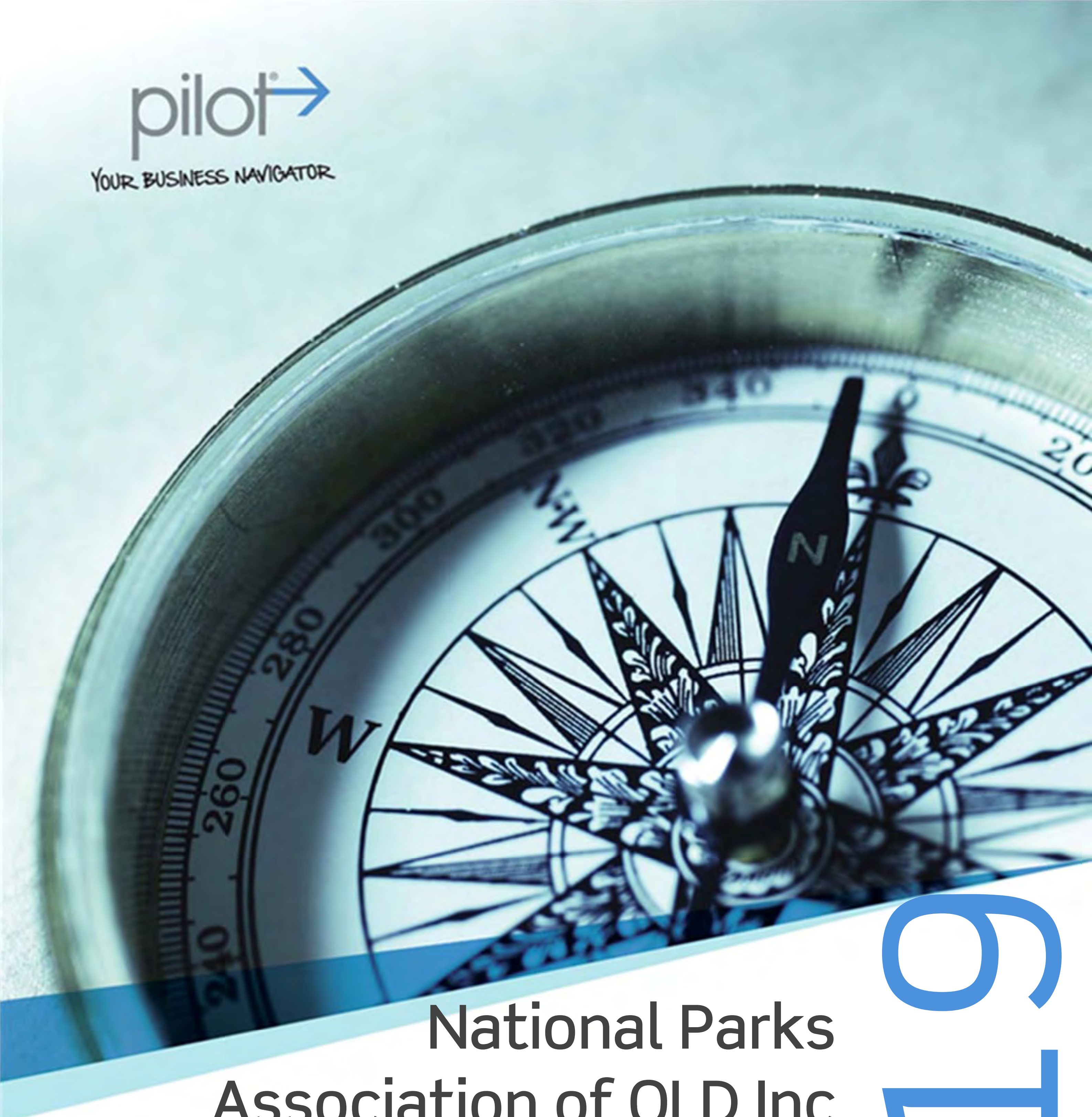

National Parks Association of QLD Inc

ABN 60 206 792 095

Financial Report

For the year ended
30 June 2019

2019

Contents

Your Council presents this report on the Association for the financial year ended 30 June 2019.

Council

The names of the councillors in office at any time during or since the year are:

- Graeme Bartrim - President
- Yvonne Parsons – Vice President/ Assistant Honorary Secretary
- Neil Williams – Honorary Treasurer
- Debra Marwedel – Honorary Secretary
- Jackie Rose Meyer – Assistant Honorary Secretary/ Vice President
- Julie Hainsworth – Councillor
- David Ball - Councillor
- Alexsis Wilson – Councillor, Resigned 19 September 2018
- Susanne Cooper – Councillor
- Emma Pethybridge – Assistant Honorary Secretary, Resigned 20 November 2018
- Cameron Hudson – Councillor, Resigned 21 November 2018
- Kalam McTaggart – Councillor
- Abigail Kerr – Councillor, Resigned 18 November 2018
- Colleen Thornton – Councillor, Appointed 29 April 2019
- Karan Pandey – Councillor, Appointed 29 April 2019

Review of Operations

The surplus of the Association for the financial year is $196,800 (2018 reported a deficit of $87,915). 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.

COUNCIL'S REPORT

FOR THE YEAR ENDED 30 JUNE 2019

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.

This council's report is signed in accordance with a resolution of the council:

Treasurer Signed by Neil Williams dated this 22nd day of July 2019

President Signed by Graeme Bartrim dated this 23rd day of July 2019

STATEMENT OF PROFIT OF LOSS

FOR THE YEAR ENDED 30 JUNE 2019

	2019 $	2018 $
REVENUE		
Members Contributions	17,645	19,622
Investment Income	76,050	74,527
Profit on sale of investments	6,160	47,045
Profit on Sale of Fixed Asset	220,342	-
Donations and Fundraising	30,795	25,816
Grants	11,145	15,000
Bequests	50,000	7,000
Other Income	68	-
TOTAL REVENUE	**412,205**	**189,010**
EXPENSES		
Members Expenses	(2,116)	(3,933)
Core Focus Expenditure	(8,061)	(22,339)
Administration Expenses	(35,418)	(43,075)
Fundraising Expenses	(2,262)	(9,491)
Depreciation Expenditure	(6,051)	(5,370)
Employment Expenses	(142,065)	(174,697)
Property Expenses	(19,432)	(18,020)
TOTAL EXPENSES	**(215,405)**	**(276,925)**
Surplus/ (deficit) before income tax	196,800	(87,915)
Income tax expense	-	-
Surplus/ (deficit) after income tax	**196,800**	**(87,915)**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

ASSETS	Note	2019 $	2018 $
CURRENT ASSETS			
Cash and cash equivalents		328,310	48,558
Trade and other receivables	2	18,432	17,328
Inventories		1,866	1,877
Prepayments – Body Corporate Fees		910	2,020
Other assets		50	50
TOTAL CURRENT ASSETS		**349,568**	**69,833**
NON-CURRENT ASSETS			
Financial assets	3	843,108	862,068
Property, plant and equipment	4	115,008	170,532
TOTAL NON-CURRENT ASSETS		**958,116**	**1,032,600**
TOTAL ASSETS		**1,307,684**	**1,102,433**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		38,379	13,879
Deferred Income		10,355	21,500
Provisions	5	11,333	15,970
TOTAL CURRENT LIABILITIES		**60,067**	**51,349**
NON-CURRENT LIABILITIES			
Provisions	5	1,325	1,592
TOTAL NON-CURRENT LIABILITIES		**1,325**	**1,592**
TOTAL LIABILITIES		**61,392**	**52,941**
NET ASSETS		**1,246,292**	**1,049,492**
EQUITY			
Retained earnings		1,246,292	1,049,492
TOTAL EQUITY		**1,246,292**	**1,049,492**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 JUNE 2019

	Note	Retained Surplus $	Total $
Balance at 1 July 2017		1,137,407	1,137,407
Surplus/ (deficit) for the year		(87,915)	(87,915)
Balance at 30 June 2018		**1,049,492**	**1,049,492**
Balance at 1 July 2018		1,049,492	1,049,492
Surplus/ (deficit) for the year		196,800	196,800
Balance at 30 June 2019		**1,246,092**	**1,246,092**

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 Australian Charities and Not-for-Profits Commission Act 2012. 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 the 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%

Asset 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) New and Amended Accounting Policies Adopted by the Association

Initial application of AASB 9: Financial Instruments

The Association has adopted AASB 9 with a date of initial application of 1 July 2018. As a result there is no impact to the financial instruments of the Association.

There were no financial assets/liabilities which the Association had previously designated as at fair value through profit or loss under AASB 139: Financial Instruments: Recognition and Measurement that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the Association has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

The Association applied AASB 9 (as revised in July 2014) and the related consequential amendments to other Accounting Standards. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting.

The date of initial application was 1 July 2018. The Association has applied AASB 9 to instruments that have not been derecognised as at 1 July 2018 and has not applied AASB 9 to instruments that have already been derecognised as at 1 July 2018.

Financial assets in terms of AASB 9 need to be measured subsequently at either amortised cost or fair value on the basis of the Association's business model and the cash flow characteristics of the financial assets, as follows:

- debt investments that are held within a business model whose goal is to collect the contractual cash flows, and that have contractual cash flows that are purely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost;
- debt investments that are held within a business model whose goal is both to collect contractual cash flows and to sell it, and that have contractual cash flows that are purely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income; and
- all other debt investments and equity investments are measured at fair value through profit or loss.

Despite the issues mentioned, the Association may make irrevocable elections at initial recognition of a financial asset as follows:

- the Association may choose to present subsequent changes in fair value of an equity investment that is not held for trading and not a contingent consideration in a business combination in other comprehensive income; and
- the Association may choose to present a debt investment that meets the amortised cost or fair value through other comprehensive income criteria as measured at fair value through profit or loss if this choice significantly reduces an accounting mismatch.

When an equity investment at fair value through other comprehensive income has a gain or loss previously recognised in other comprehensive income, it is not reclassified to profit or loss. However, when a debt investment at fair value through other comprehensive income is derecognised, the gain or loss recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Debt instruments that are subsequently measured at amortised cost or at fair value through other comprehensive income are subject to impairment.

The councillors of the Association determined the existing financial assets as at 1 July 2018 based on the facts and circumstances that were present and determined that the initial application of AASB 9 had no effect.

(e) Impairment

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous standard applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the Association to account for expected credit losses since initial recognition.

AASB 9 also determines that a loss allowance for expected credit loss be recognised on debt investments subsequently measured at amortised cost or at fair value through other comprehensive income, lease receivables, contract assets, loan commitments and financial guarantee contracts as the impairment provision would apply to them.

If the credit risk on a financial instrument has not shown significant change since initial recognition, an expected credit loss amount equal to 12-month expected credit losses is used. However, a loss allowance is recognised at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the instrument is an acquired credit-impaired financial asset.

The Association reviewed and assessed the existing financial assets on 1 July 2018. The assessment was done to test the impairment of these financial assets using reasonable and supportable information that is available to determine the credit risk of the respective items at the date they were initially recognised. The assessment was compared to the credit risk as at 1 July 2017 and 1 July 2018. The assessment was done without undue cost or effort in accordance with AASB 9. As a result, there is no impact to the financial statements.

(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	2019 $	2018 $
2.	TRADE AND OTHER RECEIVABLES			
	Current			
	Input & Frank credits receivable		18,432	16,852
	GST receivable		-	476
			18,432	17,328
3.	Financial Assets			
	Non-current			
	Available-for-sale financial assets			
	Investments at cost		823,108	842,068
	NPAQ Perpetual Fund at cost		20,000	20,000
			843,108	862,068
4.	Property, Plant and Equipment			
	Land and Buildings			
	Land at Cost		56,000	98,000
	Building at Cost		83,354	135,090
	Less accumulated depreciation		(32,300)	(64,548)
	Total land and buildings at cost		107,054	168,542
	Plant and Equipment			
	Furniture and equipment:			
	At cost		74,959	89,087
	Less accumulated depreciation		(67,005)	(87,097)
	Total plant and equipment		7,954	1,990
	Total property, plant and equipment		115,008	170,532
5.	Provisions			
	Current			
	Provision for employee benefits: annual leave, TOIL		11,333	15,970
	Non-current			
	Provision for employee benefits: long service leave		1,325	1,592
			12,658	17,562

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

	Note	2019 $	2018 $

the next 12 months. However, these amounts 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).

INDEPENDEN AUDIT REPORT

FOR THE YEAR ENDED 30 JUNE 2019

In the opinion of the council, 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 2019 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 Signed by Neil Williams dated this 22nd day of July 2019

President Signed by Graeme Bartrim dated this 23rd day of July 2019

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF

NATIONAL PARKS ASSOCIATION OF QLD INC.

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

We have audited the financial report of National Parks Association of QLD Inc. ("registered entity"), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by council members' declaration.

In our opinion the financial report of National Parks Association of QLD Inc. has been prepared in accordance with *Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012*, including:

(a) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013.*

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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and 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 for the purpose of fulfilling the registered entity's financial reporting responsibilities under the ACNC Act. 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 DIRECTORS FOR THE FINANCIAL REPORT

The Council of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members.

The Council's responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the registered entity'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 responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

The Council are responsible for overseeing the registered entity'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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism 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 audit 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Pilot Partner

PILOT PARTNERS
Chartered Accountants

Signed by Chris King
[redacted]

CHRIS KING
Partner

Signed on 23 July 2019

Level 10
1 Eagle Street
Brisbane Qld 4000