



Established in 1957 and incorporated in 1988, the National Parks Association of NSW (NPA) is a community-based organisation dedicated to the protection and conservation of nature. Incorporation is held under the *Associations Incorporation Act 2009* [NSW] (registration Y00789-26). NPA is listed on the Australian Business Register (ABN 67 694 961 955) and is registered for GST purposes.

NPA is a registered charity under the *Australian Charities and Not-for-profits Commission Act 2012* [Cth], and is endorsed by the Australian Taxation Office to access income tax exemption, GST concessions and the fringe benefit tax rebate. It is listed as a deductible gift recipient under the *Income Tax Assessment Act 1997* [Cth], and holds a fundraising authority under the *Charitable Fundraising Act 1991* [NSW].

Registration status is publicly listed on the Australian Business Register, the ACNC Register, and the Service NSW Public Register at:

<http://www.abr.business.gov.au>

<http://www.acnc.gov.au/>

<https://www.onegov.nsw.gov.au/publicregister/#/publicregister/categories>

For more information about NPA's structure, and to access a copy of its Constitution, please visit:

<https://npansw.org/what-we-do/our-structure/>

For enquiries about this document, please contact Gary Dunnett, Executive Officer on 02 9299 0000.

© 2019 National Parks Association of NSW Inc.

Cover: Australian King Parrot, *Alisterus scapularis*

Financial report to members for the year ended 30 June 2019

The Executive of the National Parks Association of NSW Inc. (the Association) hereby presents its financial report to members, supporters, donors and staff for the financial year 1 July 2018 to 30 June 2019.

Executive membership & meetings

Members of the Executive who held office during the 2019 financial year and up to the date of this report are set out below, together with the positions they held and the number of meetings they attended. If a member held office for only part of the period, this is indicated in the Notes.

| Name | Position | Meetings | |
|-------------------|------------------------------------|----------|----|
| | | A | E |
| Anne Dickson | President ¹ | 11 | 11 |
| Ian Donovan | Secretary ¹ | 11 | 11 |
| Graeme Douglas | Executive member ¹ | 9 | 11 |
| Brian Everingham | Executive member ² | 2 | 3 |
| Tom Fink | Executive member ² | 3 | 3 |
| Sam Garrett-Jones | Vice President ¹ | 9 | 10 |
| Samantha Newton | Senior Vice President ² | 2 | 3 |
| Samantha Newton | Executive member ³ | 5 | 6 |
| David Papps | Executive member ³ | 7 | 8 |
| Anne Reeves | Executive member ¹ | 10 | 10 |
| Peter Wilson | Executive member ⁴ | 4 | 4 |
| Ted Woodley | Treasurer ¹ | 11 | 11 |

Notes

- A. Meetings attended
E. Meetings eligible to attend (excludes meetings for which the member was granted leave of absence)
1. Position held for entire period, re-elected 3 Nov 2018
 2. Position held 1 Jul 2018 to 3 Nov 2018
 3. Position held 3 Nov 2018 to date of report
 4. Position held 2 May 2019 to date of report (appointed member - non-voting)

Operating results

The net surplus of the Association for the 2019 financial year amounted to \$37,258.

We were very appreciative of funds provided by the NSW Environmental Trust

We would like to thank our members and supporters who gave their time and financial support to enable the important work of the Association to continue.

Principal activities

The Association is a non-government, not-for-profit conservation organisation and registered charity dedicated to protecting nature through community action. We work to provide outstanding opportunities for people to experience and learn about nature through our unrivalled community program of bushwalks, field surveys, events and bush regeneration projects. We continue to advocate for nature by providing informed and evidence-based input to legislative, policy, planning and public land management processes, and through our ongoing campaign for a world-class reserve system.

Goals and directions for the Association's activities are set out in the *NPA Strategy 2018-2022*, available at <https://npansw.org/what-we-do/our-structure/>

Significant changes in state of affairs

No significant change in the nature of the Association's activities occurred during the year.

Events subsequent to balance date

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

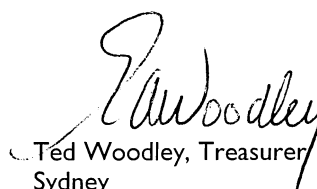
Application of accounting policies

The Executive has determined that the Association is a reporting entity, and that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the Financial Statements.

Signed in accordance with a resolution of the Executive.



Anne Dickson, President
Sydney
17 October 2019



Ted Woodley, Treasurer
Sydney
17 October 2019

Executive member's declaration for the year ended 30 June 2019

The members of the Executive declare that, in their opinion:

- (a) the financial statements and notes presented herewith:
 - (i) give a true and fair view of the Association's income, expenditure, state of affairs and fundraising appeals as at 30 June 2019, and
 - (ii) comply with the *Australian Accounting Standards –Reduced Disclosure Requirements*, and
 - (ii) satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and
- (b) there are reasonable grounds to believe that the Association will be able to pay all of its debts, as and when they become due and payable, and
- (c) the provisions of the *Charitable Fundraising Act 1991* [NSW], the regulations under the Act and the conditions attached to the Association's Fundraising Authority have been complied with, and
- (d) the internal controls exercised by the Association are appropriate and effective in accounting for all income received and applied by the Association from any of its fundraising appeals.

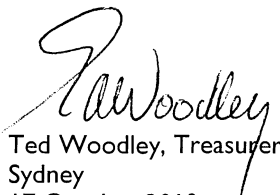
Made in accordance with:

- section 60.15, *Australian Charities and Not-for-profits Commission Regulation 2013* [Cth], and
- condition 6(3), Fundraising Authority CFN 12368, issued 27 Aug 2015 under section 13A, *Charitable Fundraising Act 1991* [NSW].

Signed in accordance with a resolution of the Executive.



Anne Dickson, President
Sydney
17 October 2019



Ted Woodley, Treasurer
Sydney
17 October 2019

Statement of profit and loss and comprehensive income for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|------------|---------------|----------------|
| Revenue from ordinary activities | 2 | 1,170,124 | 1,582,950 |
| Less: Expenses | | | |
| Employee benefits - Core | | 434,032 | 382,235 |
| Employee benefits - Projects | | 137,129 | 249,654 |
| Employee benefits - Total | | 571,161 | 631,889 |
| Conservation activities – General | | 48,750 | 92,567 |
| Conservation activities – Projects | | 277,494 | 246,051 |
| Conservation activities – Branch support | | 42,735 | 62,940 |
| Activity insurance | | 13,348 | 14,810 |
| Merchandise and fundraising | | 7,366 | 17,305 |
| Loss on disposal of non-current assets | | - | 18,828 |
| Amortisation | l(g), l(h) | 98,670 | 17,651 |
| Depreciation | | 9,579 | 5,763 |
| Direct membership servicing and support | | 46,587 | 69,866 |
| Journal - Nature NSW | | 17,176 | 19,250 |
| | | 1,132,866 | 1,196,920 |
| Surplus (deficit) from ordinary activities before income tax | | 37,258 | 386,030 |
| Income tax expense relating to ordinary activities | l(a) | - | - |
| Surplus (deficit) from ordinary activities after income tax | | 37,258 | 386,030 |
| Total comprehensive income for the year | | 37,258 | 386,030 |

Statement of financial position

as at 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|--------------------------------------|-------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash assets | 4 | 1,419,590 | 1,300,127 |
| Receivables | 5 | 19,307 | 18,425 |
| Inventory | 6 | 7,818 | 13,571 |
| TOTAL CURRENT ASSETS | | 1,446,715 | 1,332,123 |
| NON-CURRENT ASSETS | | | |
| Financial assets | 7 | 34,024 | 19,844 |
| Plant and equipment | 8 | 38,424 | 41,268 |
| Intangible Assets | 9 | 134,411 | 29,473 |
| TOTAL NON-CURRENT ASSETS | | 206,859 | 90,585 |
| TOTAL ASSETS | | 1,653,574 | 1,422,708 |
| CURRENT LIABILITIES | | | |
| Payables | 10 | 441,136 | 294,147 |
| Employee provisions | 11 | 54,919 | 54,295 |
| TOTAL CURRENT LIABILITIES | | 496,055 | 348,442 |
| NON-CURRENT LIABILITIES | | | |
| Payables | 10 | 45,995 | - |
| TOTAL NON-CURRENT LIABILITIES | | 45,995 | - |
| TOTAL LIABILITIES | | 542,050 | 348,442 |
| NET ASSETS | | 1,111,524 | 1,074,266 |
| ACCUMULATED FUNDS | | | |
| Balance at end of year | | 1,111,524 | 1,074,266 |
| TOTAL ACCUMULATED FUNDS | | 1,111,524 | 1,074,266 |

Statement of changes in equity for the year ended 30 June 2019

| | \$ |
|-------------------------------------|------------------|
| Balance as at 1 July 2017 | 688,236 |
| Surplus for year ended 30 June 2018 | 386,030 |
| Balance at 30 June 2018 | 1,074,266 |
| Surplus for year ended 30 June 2019 | 37,258 |
| Balance at 30 June 2019 | 1,111,524 |

Statement of cash flows for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from memberships, bequests, donations, grants, sponsorship and other activities | | 1,254,000 | 1,488,740 |
| Interest received | | 25,977 | 9,803 |
| Dividends Received | | 1,410 | 940 |
| Payments to employees and suppliers | | (1,073,547) | (1,260,613) |
| Net cash provided by operating activities | 15 | 207,840 | 238,870 |
| CASH FLOW FROM INVESTMENT ACTIVITIES | | | |
| Plant and equipment purchased | | (975) | (32,650) |
| Computers and peripherals purchased | | (5,760) | - |
| Computer software purchased | | (3,518) | (11,812) |
| Refund of security deposit re old lease | | - | 29,036 |
| Payment of security deposit re new lease | | - | (18,425) |
| Funds invested in term deposits | | (169,401) | (504,220) |
| Net cash (used) provided in investing activities | | (179,654) | (538,071) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Payment of lease liabilities | | (78,124) | - |
| Net cash used in financing activities | | (78,124) | - |
| Net (decrease) increase in cash held | | (49,938) | (299,201) |
| Cash at the beginning of the financial year | | 795,907 | 1,095,108 |
| CASH AT END OF FINANCIAL YEAR | 4 | 745,969 | 795,907 |
| Reconciliation of cash at bank and on hand | | | |
| Cash at bank and on hand | | 745,969 | 795,907 |
| Term deposits maturing later than 3 months | | 673,621 | 504,220 |
| | 4 | 1,419,590 | 1,300,127 |

Notes to the financial statements for the year ended 30 June 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements are general purpose financial statements prepared in accordance with:

- (a) relevant Australian Accounting Standards published by the Australian Accounting Standards Board (AASB),
- (b) the Reduced Disclosure Requirements (RDR) set out in *AASB 1053 Application of Tiers of Australian Accounting Standards*,
- (c) Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* [Cth],
- (d) all requirements of the *Associations Incorporation Act 2009* [NSW].

The Association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The financial statements include all parts of the Association and its constituent branches.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

The accounting policies set out below have been consistently applied to all years presented.

(a) Income tax

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

(b) Inventories on hand

Inventories held for sale are measured at the lower of cost and net realisable value.

(c) Revenue

Donations and bequests are recognised as revenue when received.

Grant revenue is recognised as income when it is controlled by the Association. When there are conditions attached to grants relating to the use of those grants for specific purposes it is recognised in the Statement of Financial Position as a liability until such conditions are met or services provided.

Membership fee revenue is recognised upon receipt.

Dividend revenue is recognised when the right to receive a dividend has been established.

Interest received is accounted for on an accrual basis.

Revenue subject to GST is stated net of GST.

Revenue from sale of goods is recognised upon the delivery of the goods to the customer.

(d) 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). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are only inclusive of GST if the transactions relating hereto are subject to GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or current liability 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

(e) Property, plant and equipment

Plant and equipment are measured on a cost basis, less, where applicable, any accumulated depreciation and impairment losses.

(f) Depreciation

The depreciable amount of plant and equipment including capitalised leased assets, is depreciated using the straight-line method, at rates based on their estimated useful lives to the Association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful life of the improvement.

The depreciation rates and methods used for each class of financial assets are as follows:

| Class of fixed asset | Depreciation rate |
|------------------------|-------------------|
| Computer & peripherals | 33 % |
| Equipment & fixtures | 15 % |

An asset's residual value and useful life are reviewed and adjusted, if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit and Loss and other Comprehensive Income.

(g) Intangible assets

Computer software is capitalised and amortised over its useful life using the straight-line method. The software is amortised at the rate of 20%

In the current year leases are capitalised and amortised over the term of the lease.

Notes to the financial statements for the year ended 30 June 2019

(h) Leases

In prior years lease payments for operating leases where substantially all the risks and benefits remain with the lessor were charged as expenses in the period in which they were incurred.

In the current year, leases are capitalised and amortised over the term of the lease.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been set at the amount expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been set at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Association to employee superannuation funds and are charged as expense when incurred.

(j) 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 set at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) 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.

(l) Investments

Listed and unlisted investments are recognised at cost, which includes transaction costs.

(m) Comparative figures

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

(n) Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid.

(o) Critical accounting estimates and judgment

Estimates and judgments incorporated into the financial statement are evaluated 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.

Key estimates – impairment

Impairment of assets is assessed on each reporting date by evaluating conditions specific to the Association that may lead to impairment. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgments – doubtful debts provision

Except as disclosed in the financial statements, each debtor has been assessed as to whether or not the full amount is recoverable

(p) Operating segment

The Association operates predominantly in one business and geographical segment with the general goal of protecting nature through community action. This is pursued by providing the community with outstanding opportunities to experience and learn about nature, while vigorously advocating for the protection of nature within NSW and beyond.

(q) New standards & interpretations not yet adopted

There are no known impending new standards that will result in any material changes in relation to the financial statements.

Notes to the financial statements for the year ended 30 June 2019

NOTE 2: REVENUE

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|------------------|------------------|
| Operating activities | | | |
| Donations | | 393,603 | 427,823 |
| Bequests | | 195,359 | 449,306 |
| Government grants - projects | | 343,960 | 434,400 |
| Other grants and project contributions | | 34,845 | 45,665 |
| Member fees and subscriptions | | 151,998 | 147,719 |
| Merchandise and event sales | | 21,314 | 54,492 |
| Office sharing income | | - | 3,082 |
| Expenses reimbursed | | 1,136 | 584 |
| Other income | | - | 9,136 |
| | | 1,142,215 | 1,572,207 |
| Non-operating activities | | | |
| Interest received | | 25,977 | 9,803 |
| Dividends-franked | | 1,932 | 940 |
| Total revenue | | 1,170,124 | 1,582,950 |

NOTE 3: EXPENSES

Surplus (Deficit) from ordinary activities has been determined after charging:

(a) Expenses

| | | | |
|--|------|--------|--------|
| Amortisation - leases | | 78,123 | - |
| Amortisation - software | | 20,547 | 11,812 |
| Depreciation - computer and peripherals | | 3,826 | 2,827 |
| Depreciation - equipment and fixtures | | 5,753 | 2,936 |
| Loss on disposal of plant and equipment | | - | 18,828 |
| Loss on disposal of shares | 7(a) | - | 199 |
| Operating lease - photocopier, telephone | 1(h) | - | 10,350 |
| Operating lease - office rent | 1(h) | - | 84,583 |
| Employee provisions | | 624 | (977) |

(b) Remuneration of Auditor for:

| | | | |
|------------|--|-------|-------|
| Audit fees | | 6,000 | 6,000 |
|------------|--|-------|-------|

Notes to the financial statements for the year ended 30 June 2019

NOTE 4: CASH ASSETS

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|------------------|------------------|
| Cash on hand | | 145 | 168 |
| Cash at bank | | 386,539 | 190,557 |
| Cash at bank - Branches | | 69,766 | 49,420 |
| Term Deposits maturing within 3 months | | 289,519 | 555,762 |
| Cash and cash equivalents as per cash flow statement | | 745,969 | 795,907 |
| Term Deposits maturing later than 3 months | | 673,621 | 504,220 |
| | | 1,419,590 | 1,300,127 |

NOTE 5: RECEIVABLES

Current

| | | | |
|--|--|---------------|---------------|
| Bank deposit to secure bank guarantee relating to office lease (refer note 18) | | 18,785 | 18,425 |
| Sundry Debtors | | 522 | - |
| | | 19,307 | 18,425 |

NOTE 6: INVENTORY

| | | | |
|---|--|--------------|---------------|
| Stock on hand at cost (Survey Techniques for Citizen Scientists) | | 7,818 | 13,571 |
|---|--|--------------|---------------|

NOTE 7: FINANCIAL ASSETS

Non-Current

| | | | |
|------------------------------|------|---------------|---------------|
| Shares in listed investments | 7(a) | 14,180 | - |
| Natural Areas Ltd – at cost | 7(b) | 19,844 | 19,844 |
| | | 34,024 | 19,844 |

Note 7(a): At market value

Note 7(b): The sole activity of Natural Areas Ltd (ACN 000 864 077) is the ownership and management of a parcel of land in Cromer NSW, which is subject to a voluntary conservation agreement with the Minister for the Environment.

Notes to the financial statements for the year ended 30 June 2019

NOTE 8: PLANT AND EQUIPMENT

| | Notes | 2019 \$ | 2018 \$ |
|----------------------------------|-------|---------------|---------------|
| Computers and peripherals | | 14,386 | 8,626 |
| Less: accumulated depreciation | | (9,024) | (5,198) |
| | | 5,362 | 3,428 |
| Equipment and fixtures | | 43,126 | 42,151 |
| Less: accumulated depreciation | | (10,064) | (4,311) |
| | | 33,062 | 37,840 |
| Total plant and equipment | | 38,424 | 41,268 |

Movements in carrying amounts

| | Computers & peripherals | Equipment & fixtures | Total |
|--|----------------------------|-------------------------|---------------|
| Balance at 1/7/2017 | 5,230 | 27,979 | 33,209 |
| Additions | 1,499 | 31,151 | 32,650 |
| Depreciation | (2,827) | (2,936) | (5,763) |
| Loss on disposal of non-current assets | (474) | (18,354) | (18,828) |
| Carrying amount at 30/6/2018 | 3,428 | 37,840 | 41,268 |
| Additions | 5,760 | 975 | 6,735 |
| Depreciation | (3,826) | (5,753) | (9,579) |
| Carrying amount 30/6/2019 | 5,362 | 33,062 | 38,424 |

Notes to the financial statements

for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|----------------|---------------|
| NOTE 9: INTANGIBLE ASSETS | | | |
| Software | | | |
| Software at cost | | 103,519 | 100,001 |
| Less accumulated amortisation | | 91,075 | (70,528) |
| | | 12,444 | 29,473 |
| Movements in Carrying Amounts | | | |
| Balance at beginning of year | | 29,473 | 35,312 |
| Additions | | 3,518 | 11,812 |
| Amortisation | | (20,547) | (17,651) |
| Carrying amount at end of year | | 12,444 | 29,473 |
| Leasehold tenancy agreement | | | |
| Balance at beginning of year | | 180,200 | - |
| Less Accumulated amortisation | | (67,977) | - |
| | | 112,223 | - |
| Movements in carrying amounts:- | | | |
| Balance at beginning of year | | 180,200 | - |
| Amortisation | | (67,977) | - |
| Balance at end of year | | 112,223 | - |
| Lease of copying machine | | | |
| Balance at beginning of year | | 12,384 | - |
| Less Accumulated amortisation | | (4,128) | - |
| | | 8,256 | - |
| Movements in carrying amounts:- | | | |
| Balance at beginning of year | | 12,384 | - |
| Amortisation | | (4,128) | - |
| Balance at end of year | | 8,256 | - |
| Lease of telephones | | | |
| Balance at beginning of year | | 7,506 | - |
| Less Accumulated amortisation | | (6,018) | - |
| | | 1,488 | - |
| Movements in carrying amounts:- | | | |
| Balance at beginning of year | | 7,506 | - |
| Amortisation | | (6,018) | - |
| Balance at end of year | | 1,488 | - |
| Written down values of intangible assets | | | |
| Software | | 12,444 | 29,473 |
| Leasehold tenancy | | 112,223 | - |
| Lease of copy machine | | 8,256 | - |
| Lease of telephones | | 1,488 | - |
| Total | | 134,411 | 29,473 |

Note: In current year leases were capitalised where as in previous years leases were expensed and future commitments shown by way of note.

Notes to the financial statements for the year ended 30 June 2019

| | Notes | 2019 | 2018 |
|-----------------------------------|-------|----------------|----------------|
| | | \$ | \$ |
| NOTE 10: PAYABLES | | | |
| Current | | | |
| Sundry creditors | | 931 | 916 |
| Australian Taxation Office | | 14,282 | 6,701 |
| Lease liability - tenancy | 1(h) | 70,356 | - |
| Lease liability - copying machine | 1(h) | 4,128 | - |
| Lease liability - telephones | 1(h) | 1,487 | - |
| Unexpended grants | | 349,952 | 286,530 |
| | | 441,136 | 294,147 |
| Non-Current | | | |
| Lease liability - tenancy | 1(h) | 41,867 | - |
| Lease liability – copying machine | 1(h) | 4,128 | - |
| | | 45,995 | - |

NOTE 11: EMPLOYEE PROVISIONS

| | | | |
|---|--|---------------|---------------|
| Current | | | |
| Provision for annual and long service leave | | 54,919 | 54,295 |
| Analysis of employee provisions: | | | |
| Balance at beginning of year | | 54,295 | 55,272 |
| Increase (decrease) in provision | | 624 | (977) |
| Balance at end of year | | 54,919 | 54,295 |

NOTE 12: CAPITAL & LEASING COMMITMENTS

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

| | | | |
|---|--|---|----------------|
| Payable | | | |
| not later than one year | | - | 78,099 |
| later than one year and not later than five years | | - | 120,465 |
| | | | 198,564 |

Please note that all leases have now been capitalised and are now treated as intangible assets

General description of leasing arrangement

Operating leases consist primarily of office premises rent which is a non-cancellable lease, with rent payable monthly in advance. (3 years until 31 January, 2021).

The Association also has operating leases for a photocopier commencing July 2016 for a period of 5 years and telephones for a period of 3 years commencing July 2016

Notes to the financial statements for the year ended 30 June 2019

NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE

The Association is not aware of any item, transaction or event of a material and unusual nature not otherwise dealt with in the report or financial statements that has significantly affected, or may affect the operations of the Association, the results of those operations or the state of affairs of the Association in subsequent years.

NOTE 14: RELATED PARTY TRANSACTIONS

| | Notes | 2019 | 2018 |
|---|-------|----------------|----------------|
| | | \$ | \$ |
| (a) Payments to Executive members | | | |
| Remuneration or benefits received by Executive members for acting as an Executive member (other than reimbursements of reasonable out-of-pocket-expenses) | | - | - |
| (b) Payments to key management personnel | | | |
| Short-Term employee benefits | | 171,502 | 194,647 |
| Post-Employment Benefits | | 15,706 | 18,248 |
| Key management personnel compensation | | <u>187,208</u> | <u>212,895</u> |

(c) Other related party transactions

The amount shown as payments to key management personnel included \$5,351 paid to Samantha Newton for performing the position of acting Executive Officer from 08/01/2019 to 05/03/2019. Samantha Newton stood down as an executive member while acting as the Executive Officer.

NOTE 15: CASH FLOW RECONCILIATION

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

| | | |
|--|----------------|----------------|
| Surplus (deficit) for the year | 37,258 | 386,030 |
| <i>Non-cash flows in current year surplus:</i> | | |
| Amortisation-Software | 20,547 | 17,651 |
| Amortisation - Leases | 78,123 | - |
| Depreciation | 9,579 | 5,763 |
| Loss on disposal of plant and equipment | - | 18,828 |
| Loss on disposal of shares | - | 199 |
| Bequest of shares received at market value | (14,180) | - |
| <i>Changes in assets and liabilities:</i> | | |
| Increase in accounts receivable | (882) | - |
| Decrease in inventories on hand | 5,753 | 1,265 |
| Increase (Decrease) in accounts payable | 7,596 | (28,860) |
| Increase (Decrease) in unexpended grants | 63,422 | (161,029) |
| Increase (Decrease) in employee provisions | 624 | (977) |
| Net cash provided by operations | <u>207,840</u> | <u>238,870</u> |

Notes to the financial statements for the year ended 30 June 2019

NOTE 16: FINANCIAL RISK MANAGEMENT

The Association's financial instruments and the policies associated with the risks of carrying these are summarised below.

A. MARKET RISK

(i) Interest rate risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities is as follows:

| | Note | Floating interest rate \$ | Non interest bearing \$ | Total \$ |
|------------------------------|------|---------------------------------|-------------------------------|-------------|
| 2019 | | | | |
| Financial assets | | | | |
| Cash & cash equivalents | 4 | 745,969 | | 745,969 |
| Other receivables | | 692,928 | | 692,928 |
| | | 1,438,897 | | 1,438,897 |
| Financial liabilities | | | | |
| Payables | 10 | | 137,179 | 137,179 |
| | | | 137,179 | 137,179 |
| 2018 | | | | |
| Financial assets | | | | |
| Cash & cash equivalents | 4 | 795,907 | | 795,907 |
| Other receivables | 5 | 522,645 | | 522,645 |
| | | 1,318,552 | | 1,318,552 |
| Financial liabilities | | | | |
| Payables | 10 | | 7,617 | 7,617 |
| | | | 7,617 | 7,617 |

(ii) Price risk

The Association is holding shares in listed companies with a market value of \$14,180. Therefore there is no major price risk.

B. CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss by the Association.

The Association does not have any material credit risk exposures as its major sources of revenue are membership fees, bequests, donations and grants for specific projects.

Credit risk related to balances with banks and other financial institutions is managed by the Executive.

C. LIQUIDITY RISK

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Association manages this risk through the following mechanisms:

- planning and monitoring cash flow requirements
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus funds with major financial institutions
- planning and managing the maturity dates of the financial assets and liabilities.

Notes to the financial statements for the year ended 30 June 2019

NOTE 17: CHARITABLE FUNDRAISING APPEALS

The following statement relating to fundraising appeals during the period 1 July 2018 to 30 June 2019 is prepared in accordance with Fundraising Authority CFN 12368 (expiry date 26/08/2020) issued under the *Charitable Fundraising Act 1991* [NSW].

1. Manner in which net surplus from fundraising activities was applied - Condition 7(2)(c):

Fundraising activities were applied in accordance with the objectives of the Association as contained within its Constitution. Funds were applied to many areas over the year including marine conservation; citizen science; Forests for All; Great Koala National Park; Protect our Parks; Regional Forest Agreements; connectivity conservation and national park expansion proposals. In addition, conservation education workshops and forums were held throughout NSW.

2. Appeals involving traders - Condition 6(2)(d): **NIL**

3. Income & Expenditure of Fundraising Appeals - Condition 6(1)(a):

The following fundraising appeals were conducted during the financial year:

| | |
|--|---------------|
| (a) President's Appeals (2 appeals) | \$ |
| Income | 66,061 |
| Less expenditure | |
| Postage | (3,570) |
| Layout/ printing | (5,957) |
| Surplus: | 56,534 |
| | |
| (b) Raffle | |
| Income | 4,530 |
| Less expenditure- Raffle Books | (350) |
| Surplus: | 4,180 |

NOTE 18: CONTINGENT LIABILITY

| | 2019 | 2018 |
|--|--------|--------|
| | \$ | \$ |
| Commonwealth Bank Guarantee relating to office lease (secured on bank deposit: refer to Note 5) | 18,425 | 18,425 |

NOTE 19: MEMBERS' GUARANTEE

The Association is incorporated under the *Associations Incorporation Act 2009* (NSW). Under section 90 of the Association's Constitution, the liability of a member to contribute to the payments of the debts and liabilities of the Association or the cost, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the member in respect of membership of the Association. At 30 June 2019, the number of members was 4,043 (2018: 4,064).

Auditor's declaration of independence for the year ended 30 June 2019

MURRAY A RICHARDSON

CHARTERED ACCOUNTANT

87 Rosa Street Oatley NSW 2223 Australia
Telephone: (02) 9580 1867 Fax: (02) 9585 0406
International Telephone: 61 2 9580 1867 Fax: 61 2 9585 0406
Mobile: 0419 987 232

Liability limited by a scheme approved
under Professional Standards Legislation

AUDITOR'S INDEPENDENCE DECLARATION

**UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012**

TO NATIONAL PARKS ASSOCIATION OF NSW INC. (ABN 67 694 961 955)

I declare to the best of my knowledge and belief that during the year ended 30th June 2019,
there have been no contraventions of any applicable code of professional conduct in relation
to the audit.

Date

16th October 2019

.....
Murray Richardson

Murray A Richardson

Auditor's report to members for the year ended 30 June 2019

MURRAY A RICHARDSON

CHARTERED ACCOUNTANT

87 Rosa Street Oatley NSW 2223 Australia
Telephone: (02) 9580 1867 Fax: (02) 9585 0406
International Telephone: 61 2 9580 1867 Fax: 61 2 9585 0406
Mobile: 0419 987 232

Liability limited by a scheme approved
under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

NATIONAL PARKS ASSOCIATION OF NSW INC

ABN 67 694 961 955

Opinion

I have audited the financial report of National Parks Association of NSW INC, which comprises the statement of financial position as at the 30th June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the responsible entities declaration.

In my opinion, the financial report of the National Parks Association of NSW 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 30th June 2019 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not for Profits Commission Regulation 2013*.

In accordance with the *Associations Incorporation Act 2009* [NSW] I report that the Association's records:

- (a) have been properly kept, and
- (b) give a true and fair view of the association's affairs as at 30th June 2019 and results for the year ended thereon.

In accordance with the *Charitable Fundraising Act 1991* [NSW] I report:

- (a) the accounts show a true and fair view of the financial results of fundraising appeals for the year ended 30th June 2019, and
- (b) the accounts and associated records have been properly kept during that year in accordance with the Act and Regulations.
- (c) that the money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Act and Regulations.
- (d) in my opinion the National Parks Association of NSW Inc. is able to pay its debts as when due and payable.

Auditor's report to members

for the year ended 30 June 2019

Basis for opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the registered entity 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 is relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information other than the Financial Report and Auditor's Report thereon

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30th June 2019, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the 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, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit.

Auditor's report to members for the year ended 30 June 2019

I 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 my 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My 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 registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in the manner that achieves fair presentation.

I communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.


.....

Murray A. Richardson

87 Rosa Street

Oatley NSW 2223

Dated *17th October 2019*
.....