

SOUTHERN HIGHLANDS BOTANIC GARDENS

ABN: 68 164 166 821

DIRECTOR'S REPORT

Your directors present this report on the company for the financial year ended 30 June 2016.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Charlotte Webb
Grant Blanchard
Lyn Collingridge
Chris Webb

Barry Barford
Chris Blaxland
Peter Rowe

Principal activities

The principal activity of Southern Highlands Botanic Gardens is the establishment, plantings, design and operation of a botanic garden.

Objectives

The objective of the company is to provide a botanic garden for the purposes of:

- developing living and other collections for research and educational purposes;
- conducting and disseminating the results of scientific research;
- contributing to conservation of local and other threatened or endangered plants;
- educating and informing students and the general public about plants and plant communities;
- promoting environmental responsibility and sustainability through best practice and education;
- providing an enjoyable and inspiring environment for a wide range of recreational activities commensurate with the function of a botanic garden;
- building community capacity and social interaction through participation in horticulture;
- fostering the arts through providing a space of artistic performance and production and display of the visual arts; and
- providing for the benefit of visitors and the community.

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity.

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
DIRECTOR'S REPORT

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 3 of the financial report.

On behalf of the officers

signed Charlotte Webb

.....
Director

signed Peter Rowe

.....
Director

Date: 14/10/2016

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SOUTHERN HIGHLANDS BOTANIC GARDENS

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been no contraventions of:

- I. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- II. any applicable code of professional conduct in relation to the audit.

Kelly + Partners
Chartered Accountants

signed David Duff

David Duff
Partner

BOWRAL

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	169,072	108,851
Advertising and promotion		(6,621)	(1,345)
Office expenses	3	(1,416)	(826)
Other expenses	3	<u>(38,265)</u>	<u>(101,402)</u>
Surplus before income tax		122,770	5,278
Income tax expense		<u>-</u>	<u>-</u>
Surplus after income tax expense for the year attributable to the members		122,770	5,278
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members		<u>122,770</u>	<u>5,278</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	4	268,645	206,471
Trade and other receivables	5	-	-
Other assets	6	<u>813</u>	<u>813</u>
Total current assets		<u>269,458</u>	<u>207,284</u>
Non-current assets			
Property, plant and equipment	7	168,145	106,362
Other financial assets	8	<u>10</u>	<u>10</u>
Total non-current assets		<u>168,155</u>	<u>106,372</u>
Total assets		<u>437,613</u>	<u>313,656</u>
Current liabilities			
Trade and other payables	9	<u>8,215</u>	<u>7,028</u>
Total current liabilities		<u>8,215</u>	<u>7,028</u>
Total liabilities		<u>8,215</u>	<u>7,028</u>
Net assets		<u>429,398</u>	<u>306,628</u>
Equity			
Retained surpluses	10	<u>429,398</u>	<u>306,628</u>
Total equity		<u>429,398</u>	<u>306,628</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained surpluses	Total equity
	\$	\$
Balance at 1 July 2014	301,350	301,350
Other comprehensive income for the year, net of tax	-	-
Surplus after income tax expense for the year	<u>5,278</u>	<u>5,278</u>
Total comprehensive income for the year	<u>5,278</u>	<u>5,278</u>
Balance at 30 June 2015	<u>306,628</u>	<u>306,628</u>
Other comprehensive income for the year, net of tax	-	-
Surplus after income tax expense for the year	<u>122,770</u>	<u>122,770</u>
Total comprehensive income for the year	<u>122,770</u>	<u>122,770</u>
Balance at 30 June 2016	<u>429,398</u>	<u>429,398</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers		151,770	120,857
Payments to suppliers		(60,269)	(118,837)
Interest received		3,154	3,721
Donations received		<u>29,302</u>	<u>7,914</u>
Net cash from operating activities	14	<u>123,957</u>	<u>13,655</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		<u>(61,783)</u>	<u>(51,242)</u>
Net cash from investing activities		<u>(61,783)</u>	<u>(51,242)</u>
Cash flows from financing activities			
		-	-
Net (decrease)/increase in cash and cash equivalents		62,174	(37,587)
Cash and cash equivalents at the beginning of the financial year		<u>206,471</u>	<u>244,058</u>
Cash and cash equivalents at the end of the financial year	4	<u>268,645</u>	<u>206,471</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

The financial statements cover Southern Highlands Botanic Gardens as an individual entity, incorporated and domiciled in Australia. Southern Highlands Botanic Gardens is a company limited by guarantee.

Note 1: Significant accounting policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity as there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those in previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting policies

a. Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the net carrying amount of the financial asset.

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 1: Significant accounting policies (continued)

1. Revenue recognition (continued)

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

2. Income tax

As the association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

3. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4. Property, plant and equipment

Property, plant and equipment is shown at cost.

5. Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Note 2: Revenue		
Donations received	22,286	7,914
Fundraising income	111,400	62,019
Interest received	3,154	3,721
Friends donations	7,016	6,646
Other income	-	34
Plant sales	10,216	8,517
Subsidies/grants received	15,000	20,000
Tree sponsorship	-	-
Total revenue	<u>169,072</u>	<u>108,851</u>

As at 30 June 2016, the Southern Highlands Botanic Gardens has funds held in trust by the Southern Highlands Foundation in the amount of \$50,808 (2015 - \$53,582). This amount represents the total value of donations and sponsorships received by the Southern Highlands Foundation on behalf of the Southern Highlands Botanic Gardens for which a tax deductible receipt was requested. As at the date of this report \$34,174 has been distributed from the Southern Highlands Foundation, Southern Highlands Botanic Gardens Trust.

	2016	2015
	\$	\$
Note 3: Expenses		
<i>Office expenses</i>		
Printing and stationery	1,266	667
Postage	150	159
Filing fees	-	-
<i>Total office expenses</i>	<u>1,416</u>	<u>826</u>
<i>Other expenses</i>		
Audit fees	2,000	2,500
Consultancy	1,500	64,167
Fundraising	16,403	12,325
Garden construction	12,656	14,169
Insurance	3,793	7,039
Sundry expenses	1,913	1,202
<i>Total other expenses</i>	<u>38,265</u>	<u>101,402</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Note 4: Cash and cash equivalents		
General account	56,250	13,802
E-Access account	206,714	185,353
IMB everyday account	3,884	6,282
SHBG Barry Barford	500	-
SHBG Chris Webb	1,026	19
SHBG Jacqui Page	-	890
SHBG Jan Edwards	<u>271</u>	<u>125</u>
Total cash and cash equivalents	<u>268,645</u>	<u>206,471</u>
Note 5: Trade and other receivables		
GST receivable	-	-
Accounts receivable	<u>-</u>	<u>-</u>
Total trade and other receivables	<u>-</u>	<u>-</u>
Note 6: Other assets		
Formation expenses	<u>813</u>	<u>813</u>
Note 7: Property, plant and equipment		
Volunteer Support Centre – at cost	46,916	46,916
Amenities Block – at cost	79,942	40,097
Plant and equipment – at cost	<u>41,287</u>	<u>19,349</u>
Total property, plant and equipment	<u>168,145</u>	<u>106,362</u>
Note 8: Other financial assets		
Shares in unlisted corporations	<u>10</u>	<u>10</u>
Note 9: Trade and other payables		
GST Payable	<u>8,215</u>	<u>7,028</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Note 10: Equity – retained surpluses		
Retained surpluses at the beginning of the financial year	306,628	301,350
Surplus after income tax expense for the year	<u>120,770</u>	<u>5,278</u>
Retained surpluses at the end of the financial year	<u>429,398</u>	<u>306,628</u>

Note 11: Contingent liabilities

The association has no contingent liabilities as at 30 June 2016.

Note 12: Commitments for expenditure

The association had no commitments for expenditure as at 30 June 2016.

Note 13: Events occurring after the reporting date

No matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the association's state of affairs in future financial years.

Note 14: Reconciliation of result for the year to cashflows from operating activities

	2016	2015
	\$	\$
Surplus for the year	122,770	5,278
Cashflows excluded from profit attributable to operating activities		
<i>Changes in assets and liabilities</i>		
Decrease/(increase) in receivables	-	1,349
(Increase) in other assets	-	-
Increase in payables	<u>1,187</u>	<u>7,028</u>
Cashflows from operations	<u>123,957</u>	<u>13,655</u>

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 15: Results of fundraising appeals

	2016	2015
	\$	\$
Gross proceeds from fundraising appeals	111,400	62,019
Less: Direct costs of fundraising appeals	<u>(16,403)</u>	<u>(12,325)</u>
Net surplus from fundraising appeals	<u>94,997</u>	<u>49,694</u>

Note 16: Gross comparisons

	A	B	Surplus	2016	2015
	\$	\$	\$	A/B %	A/B %
Total cost of fundraising/gross proceeds from fundraising	16,403	111,400	94,997	15	20
Net surplus from fundraising/gross proceeds from fundraising	94,997	111,400		85	80
Total cost of services/total expenditure	29,899	46,302		65	88
Total cost of services/total income	29,899	169,072		18	84
<i>Fundraising appeals (total cost/gross proceeds)</i>					
Autumn Gardens Weekend	11,159	95,068	83,909	12	20
General	<u>5,244</u>	<u>16,332</u>	<u>11,088</u>		98
Total	<u>16,403</u>	<u>111,400</u>	<u>94,997</u>		

Note 17: Entity details

The registered office of the company is:

Southern Highlands Botanic Gardens

443B Moss Vale Road

BOWRAL NSW 2576

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
DIRECTORS DECLARATION

In accordance with a resolution of the directors of Southern Highlands Botanic Gardens, the directors declare that:

1. The financial statements and notes, as set out on pages 4 to 13 are in accordance with the *Corporations Act 2001* and:
 - a. comply with the Australian Accounting Standards applicable to the company;
 - b. give a true and fair view of the financial position of the company as at 30 June 2016 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
 - c. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Board of Directors.

signed Charlotte Webb

.....
Director

signed Peter Rowe

.....
Director

Date: 17/10/2016

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
STATEMENT BY THE DIRECTORS' – CHARITABLE COLLECTIONS
FOR THE YEAR ENDED 30 JUNE 2016

In the opinion of the officers:

- a) the accounts give a true and fair view of all income and expenditure in respect to fundraising appeals;
- b) the statement of financial position gives a true and fair view of the state of the company with respect to fundraising appeals;
- c) the provisions of the Act, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the organisation; and
- d) the internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied to the organisation from any of its fundraising appeals.

This statement is made in accordance with a resolution by the directors' and is signed for and on behalf of the directors by:

signed Charlotte Webb

.....
Director

signed Peter Rowe

.....
Director

Date: 17/10/2016

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
SOUTHERN HIGHLANDS BOTANIC GARDENS

We have audited the accompanying financial report, being a special purpose financial report, of Southern Highlands Botanic Gardens, which comprises the statement of financial position as at 30 June 2016, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors declaration.

Directors responsibility for the financial report

The directors of the company 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 *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal controls as the directors 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.

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 company'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 purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Southern Highlands Botanic Gardens, would be in the same terms if given to the directors as at the time of the auditor's report.

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
SOUTHERN HIGHLANDS BOTANIC GARDENS

Basis for qualified opinion

Donations and fundraising income are significant sources of revenue for the company. As is common for organisations of this type, it is not practicable for Southern Highlands Botanic Gardens to maintain an effective system of internal control over donations and other fundraising activities until their initial entry in the accounting records. Accordingly, as the evidence available to us regarding revenue from this source is limited, our audit procedures with respect to donations had to be restricted to the amounts recorded in the financial records. We therefore, are unable to express an opinion whether the donations and fundraising income the company obtained are complete.

Qualified opinion

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial report of Southern Highlands Botanic Gardens is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date;
- b. complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*;
- c. complying with *Div 60 of the Australian Charities and Not-for-profits Commission Act 2012*.

We also report that:

- a) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- b) the accounting and associated records have been properly kept during the year in accordance with the *Charitable Fundraising Act 1991*, and the regulations; and
- c) money received as a result of fundraising appeals conducted during the year have been properly accounting for and applied in accordance with the *Charitable Fundraising Act 1991* and the regulations.

SOUTHERN HIGHLANDS BOTANIC GARDENS
ABN: 68 164 166 821
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
SOUTHERN HIGHLANDS BOTANIC GARDENS

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Kelly + Partners
Chartered Accountants

Signed by David Duff
David Duff
Partner

BOWRAL
Date: