

**Southern Highlands Botanic
Gardens Ltd**

ABN 68 164 166 821

Financial Statements

For the year ended 30 June 2018

HASSOS | CHARTERED ACCOUNTANTS

SYDNEY | BOWRAL

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REAL LIFE ADVICE

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Southern Highlands Botanic Gardens Ltd
ABN 68 164 166 821

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Your directors present this report on the company for the financial year ended 30 June 2018.

Directors

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

	Appointed/Resigned
Charlotte Webb	
Peter Rowe	
Lyn Collingridge	
Chris Webb	
Barry Barford	Resigned on 15 May 2018
Chris Blaxland	
Grant Blanchard	Resigned on 15 January 2018
Christine Hawkins	Appointed 21 May 2018
Gregory Freckmann	Appointed 21 May 2018

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities 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 purpose 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 student 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 Ltd

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Directors' Report

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:

Charlotte Webb

Director

Peter Rowe

Director

Dated: 7/11/18



Southern Highlands Botanic Gardens Ltd


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Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been :

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

 7/11/18

Peter Hassos



Southern Highlands Botanic Gardens Ltd
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Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2	334,487	278,420
Advertising and promotion		(49,871)	(11,397)
Office expenses		(4,934)	(1,563)
Other expenses		(87,129)	(89,610)
Total surplus attributable to members		192,552	175,851



Southern Highlands Botanic Gardens Ltd
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Statement of Financial Position as at 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Current Assets			
Cash assets	3	299,159	399,034
Receivables	4	179	
Total Current Assets		299,337	399,034
Non-Current Assets			
Other financial assets	5	10	10
Property, plant and equipment	7	504,370	219,656
Other	6	813	813
Total Non-Current Assets		505,193	220,479
Total Assets		804,531	619,513
Liabilities			
Current Liabilities			
Current tax liabilities	8	5,602	12,137
Provisions	9	1,128	2,127
Total Current Liabilities		6,730	14,264
Total Liabilities		6,730	14,264
Net Assets		797,801	605,249
Equity			
Retained surpluses		797,801	605,249
Total Equity		797,801	605,249

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Statement of Changes in Equity for the year ended 30 June 2018

	Retained surpluses	Total Equity
Balance at 1 July 2016	429,398	429,398
Surplus for the year	175,851	175,851
Balance at 30 June 2017	605,249	605,249
Surplus for the year	192,552	47,552
Balance at 30 June 2018	797,801	652,801



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Statement of Cash Flows

For the year ended 30 June 2018

	2018 \$	2017 \$
Cash Flow From Operating Activities		
Receipts from customers	185,785	274,597
Payments to Suppliers and employees	(141,087)	(81,502)
Interest received	3,523	3,824
Net cash from operating activities	48,221	196,918
Cash Flow From Investing Activities		
Payments for property, plant and equipment	(148,096)	(66,529)
Net cash provided by (used in) investing activities	(148,096)	(66,529)
Net increase (decrease) in cash held	(99,875)	130,389
Cash at the beginning of the year	399,034	268,645
Cash at the end of the year	299,159	399,034

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 because there are no users dependent on general purpose financial statements. The 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 the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of the statements are as follows:

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.

Note 1: Significant Accounting Policies (continued)

(a) Revenue recognition (continued)

Other revenue

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

(b) Income tax

As the company 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.

(c) 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.

(d) Property, plant and equipment

Property, plant and equipment is shown at cost less depreciation.

(e) 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.



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Notes to the Financial Statements

For the year ended 30 June 2018

2018

2017

Note 2: Revenue and Other Income

Revenue:

Interest revenue	3,523	3,824
Donations Received		5,560
- General	2,068	
- Tree Donations	1,000	
- Nursery Appeal	27,300	
- Donations in kind	145,000	
Fundraising Income		123,936
- Event Proceeds	35,883	
- Merchandise - Book Sales	136	
- Friends	182	
- Pavers	145	
- Autumn Garden Income	1,091	
Friends donations	5,002	8,013
Sponsorship Income	2,500	100
Other Income	1,181	
Plant sales	64,957	14,988
Subsidies/Grants Received		122,000
- Community Building Partnership	15,000	
- Wingecarribee Shire Council	5,550	
- IMB Community Foundation	15,000	
- Stronger Communities Dept Infrastructure	8,969	
	<u>334,487</u>	<u>278,420</u>

Note 3: Cash assets

Bank accounts:

- General Account		15,184
- IMB Everyday Account	24,407	21,462
- SHBG Barry Barford	1,006	1,900
- SHBG Chris Webb	588	1,240
- My Community Savings Account		279,870
- My Community A/c Payroll		78,369
- SHBG Chris Blaxland	1,660	1,009
- SHBG Ross Stone	23	
- SHBB Lyn Collingridge	905	
- My Community Account - Savings	167,064	
- My Community Account - Payroll	23,623	
- General Account	51,590	
- Appeals Account	28,292	
	<u>299,159</u>	<u>399,034</u>

Note 4: Receivables

Current

Trade debtors	179	
	<u>179</u>	

Note 5: Other Financial Assets

Non-Current

Shares in other companies - at cost

- Unlisted	10	10
	10	10
	<u>10</u>	<u>10</u>

Note 6: Other Assets

Non Current

Preliminary expenses	813	813
Less: accumulated amortisation		
	<u>813</u>	<u>813</u>

Note 7: Property, Plant and Equipment

Buildings:

- At cost	217,192	149,554
- Less: Accumulated depreciation	(10,614)	(7,502)
	<u>206,578</u>	<u>142,052</u>

Plant and equipment:

- At cost	16,983	15,572
- Less: Accumulated depreciation	(6,916)	(4,659)
	<u>10,067</u>	<u>10,913</u>

Other plant and equipment:

- At cost	148,588	69,547
- Less: Accumulated depreciation	(5,863)	(2,857)
	<u>142,725</u>	<u>66,690</u>

Sculptures and Artwork

- At valuation	145,000	
	<u>145,000</u>	
	<u>504,370</u>	<u>219,656</u>

Note 8: Tax Liabilities

Current

GST Payable	554	8,651
PAYG Withholding	5,048	3,486
	<u>5,602</u>	<u>12,137</u>



Southern Highlands Botanic Gardens Ltd

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Notes to the Financial Statements

For the year ended 30 June 2018

2018

2017

Note 9: Provisions

Current

Superannuation Payable	1,128	2,127
	<u>1,128</u>	<u>2,127</u>
	1,128	2,127

Note 10: Contingent Liabilities

The company has no contingent liabilities as at 30 June 2018

<u></u>	<u></u>

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

1. the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2018 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.
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.

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



Charlotte Webb
Director



Peter Rowe
Director

Dated: 7/11/18



Southern Highlands Botanic Gardens Ltd

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Statement by the Directors - Charitable Collections

For the year ended 30th June 2018

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:

Charlotte Webb (Director)

Peter Rowe (Director)

Date: 7/11/18

We have audited the financial report of Southern Highlands Botanic Gardens Ltd (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

Responsibilities of the Directors 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 control 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 Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial reports 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 reports. 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 purpose 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.

Basis for qualified opinion

Cash donations and cash 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 cash donations and cash 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 2018 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 accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the regulations.

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.

Signed on :



Peter Hassos

Date:

7/11/18.