



Tasmanian Audit Office

Independent Auditor's Report

To Members of the Parliament of Tasmania

National Trust of Australia (Tasmania)

Financial Report for the Year Ended 30 June 2013

I have audited the accompanying financial report of National Trust of Australia (Tasmania) (the Trust), which comprises the balance sheet as at 30 June 2013 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the Directors of the Trust.

Basis for Qualified Opinion

The Trust possesses certain heritage collections referred to in Note 1(j) of the financial report, but not all of these assets have been recognised in the financial report. Due to the nature of the assets, it is not possible to quantify the financial effects of the Trust's failure to comply with Australian Accounting Standard AASB 116 Property, Plant and Equipment.

Auditor's Opinion

In my opinion, except for effect of the matter described in the Basis for Qualified Opinion paragraph, the Trust's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2013 and its financial performance, cash flows and changes in equity for the year then ended; and
- (b) is in accordance with the *National Trust Act 2006* and Australian Accounting Standards.

Emphasis of Matter

I draw attention to Note 1 (b) to the financial report, which describes the Trust's economic dependency on the State Government for continued financial support. My opinion is not modified in respect of this matter.

The Responsibility of the Directors for the Financial Report

The Directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Section 37 of the *National Trust Act 2006*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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Auditor's Responsibility

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of 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 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 Directors' preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office



H M Blake
Auditor-General

Hobart
23 October 2013

NATIONAL TRUST OF AUSTRALIA (TASMANIA)

FINANCIAL STATEMENTS

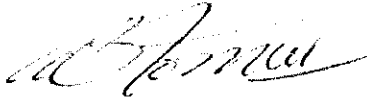
FOR THE YEAR ENDED 30 JUNE 2013

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013
STATEMENT BY BOARD

In the opinion of the Directors of the National Trust of Australia (Tasmania):

- (a) The accompanying financial statements of the Trust on pages 3 to 21 have been prepared in accordance with the National Trust Act 2006, Australian Accounting Standards and proper accounts and records to present fairly the financial transactions and cash flows for the year ended 30 June 2013 and the financial position at that date; and
- (b) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due subject to continued financial support from the State Government and the receipt of future grant funding.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



.....
Dario Tomat
Board
Chairman

Dated this 23rd day of October 2013

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue			
Revenue from sale of goods		136,468	151,067
<i>Recurrent grants</i>			
State government			
Administration grant		300,000	300,000
Commonwealth government		75,591	81,950
<i>Specific purpose grants</i>			
Revenue from Other Funding Programs	2e	144,813	311,609
Other revenue	2d	365,086	328,727
Net profit/ (loss) from sale of property, plant and equipment	2a	2,064	-
Property transfers	6	147,500	200,000
Total revenue		<u>1,171,522</u>	<u>1,373,353</u>
Expenditure			
Cost of goods sold		71,460	84,279
Finance Costs		24,443	20,637
Employee Expenses	2c	476,594	432,267
Other Expenses	2b	385,420	453,158
		<u>957,917</u>	<u>990,341</u>
<i>Non cash expenses</i>			
Depreciation		68,791	69,399
Employee provisions		27,002	11,120
		<u>95,793</u>	<u>80,519</u>
<i>Specific purpose grant expenses</i>			
Expenses from Other Funding Programs	2e	208,205	219,707
Total expenses		<u>1,261,915</u>	<u>1,290,567</u>
Surplus / (deficit) :		<u>(90,393)</u>	<u>82,786</u>
Other comprehensive income:			
<i>Items that will not be reclassified to surplus or deficit</i>			
Revaluations of properties	6	65,000	-
Comprehensive result		<u>(25,393)</u>	<u>82,786</u>

The above income statement should be read in conjunction with the accompanying notes.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
BALANCE SHEET AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	11a	74,350	163,805
Trade and other receivables	3	91,811	105,026
Inventories	4	65,339	67,875
Other financial assets	5	420,713	342,066
Prepayments		434	-
Total current assets		<u>652,647</u>	<u>678,772</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	9,694,973	9,551,265
Total non-current assets		<u>9,694,973</u>	<u>9,551,265</u>
TOTAL ASSETS		<u>10,347,620</u>	<u>10,230,037</u>
CURRENT LIABILITIES			
Trade and other payables	7	145,173	126,566
Interest bearing liabilities	8	186,283	244,665
Employee benefits	9	130,015	103,014
Restoration fund provision	10	319,155	321,406
Total current liabilities		<u>780,626</u>	<u>795,651</u>
NON-CURRENT LIABILITIES			
Interest bearing liabilities	8	100,000	-
Restoration fund provision	10	196,914	138,913
Total non-current liabilities		<u>296,914</u>	<u>138,913</u>
TOTAL LIABILITIES		<u>1,077,540</u>	<u>934,564</u>
NET ASSETS		<u>9,270,080</u>	<u>9,295,473</u>
EQUITY			
Retained earnings		7,096,842	7,187,235
Reserves		2,173,238	2,108,238
TOTAL EQUITY		<u>9,270,080</u>	<u>9,295,473</u>

The above balance sheet should be read in conjunction with the accompanying notes.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Receipts from customers		607,305	535,272
Interest Received		4,633	5,494
Government Funding			
State Government recurrent grants		300,000	300,000
Commonwealth government recurrent		75,591	81,950
Specific funded projects		144,813	253,609
Outflows:			
Payments to suppliers and employees		(983,732)	(1,059,087)
Interest Paid		(24,443)	(20,637)
Payments for specific funded projects		(208,205)	(219,707)
Net cash from (used in) operating activities	11(b)	<u>(84,038)</u>	<u>(123,106)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Proceeds from disposal of property, plant & equipment		2,064	
Proceeds from / (payments for) investments		(49,099)	4,836
Outflows:			
Payments for property, plant & equipment		-	(462)
Net cash from (used in) investing activities		<u>(47,035)</u>	<u>4,374</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings received		40,000	-
Outflows:			
Repayment of borrowings		-	(117,000)
Net cash from (used in) financing activities		<u>40,000</u>	<u>(117,000)</u>
Net increase (decrease) in cash held		(91,073)	(235,732)
Cash at beginning of financial year		(20,860)	214,872
Cash at end of financial year	11(a)	<u>(111,933)</u>	<u>(20,860)</u>

The above cash flow statement should be read in conjunction with the accompanying notes.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013**

	Retained Earnings	Asset Revaluation Reserve	Total Equity
	\$	\$	\$
As at 1 July 2011	7,104,449	2,108,238	9,212,687
Profit / (loss) for the period	82,786	-	82,786
Asset Revaluations	-	-	-
As at 30 June 2012	<u>7,187,235</u>	<u>2,108,238</u>	<u>9,295,473</u>
As at 1 July 2012	7,187,235	2,108,238	9,295,473
Surplus / (deficit) for the period	(90,393)	-	(90,393)
Asset Revaluations	-	65,000	65,000
As at 30 June 2013	<u>7,096,842</u>	<u>2,173,238</u>	<u>9,270,080</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

1. Statement of Significant Accounting Policies

The significant policies which have been adopted in the preparation of this financial report are:

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of National Trust Act 2006 and Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board. The Trust has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, the Trust has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. As a result this financial report does not comply with International Financial Reporting Standards.

The following standards and amendments applicable to the Trust were available for early adoption but have not been applied by the Trust in the financial report:

Standard/ Interpretation	Summary	Operative date *	Impact
AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards	This Standard addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular, accounting for available-for-sale financial assets and financial liabilities that are designated at fair value through profit or loss.	1 Jan 2015	No impact is expected as the Trust does not have any available-for-sale financial assets or financial liabilities that are designated at fair value through profit or loss.
AASB 13: Fair Value Measurement	This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements.	1 Jan 2013	No financial impact.
AASB 119: Employee Benefits, AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and int 14]	This Standard supersedes AASB 119 Employee Benefits, introducing a number of changes to accounting treatments. This Standard was issued in September 2011.	1 Jan 2013	Annual leave and other short-term benefits not expected to be used within 12 months of end of reporting period will in future be discounted when calculating the leave liability. The impact is not expected to be material.
AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and int 2, 4, 12, 13, 14, 17, 19, 131, 132]	This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011.	1 Jan 2013	No financial impact.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Standard/ Interpretation	Summary	Operative date *	Impact
AASB 1053 Application of Tiers of Australian Accounting Standards	Establishes a differential reporting framework, which consists of two tiers of reporting requirements.	1 Jul 2013	No financial impact.

* Annual reporting periods beginning on or after

(b) Basis of preparation

The financial report is presented in Australian dollars.

The financial report has been prepared on the historical cost basis, unless where stated.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the applications of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Trust has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, except the decision not to depreciate leasehold improvements (refer Note 1 (j)). Judgements that have significant effects on the financial report are disclosed in the relevant notes as follows:

Employee Entitlements

Assumptions are utilised in the determination of the employee entitlement provisions. These assumptions are discussed in note 1(m).

Fair Value of Property, Plant and Equipment

Assumptions and judgements are utilised in determining the fair value of property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 1(j) and note 6.

Going Concern

The financial report has been prepared on a going concern basis.

Economic Dependency

The Trust is aware that its future operations are dependent upon continued financial support from the State Government and the receipt of future grant funding.

Subsequent to 30 June 2013, the Trust signed an agreement with the State Government for additional funding of \$200,000 to support ongoing operations.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Capital Management

The Trust manages its capital to ensure that it will be able to continue as a going concern. The Trust seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The capital structure of the Trust consists of debt, which includes interest bearing liabilities (Note 8), cash and cash equivalents (Note 11a), other financial assets (Note 5) and equity comprising accumulated surplus and reserves.

Operating cash flows are used to maintain and expand the Trust's property, plant and equipment and antique assets, as well as to make routine outflows such as the repayment of maturing debt.

There were no significant changes in the Trust's approach to capital management during the year.

(c) Revenue Recognition

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when control of the goods passes to the customer

All grant monies are recorded as revenue by the Trust in the period in which the Trust obtains control of the contribution or the right to receive the contribution.

Where the Trust becomes obligated to repay a capital grant, a liability and expense are recognised in the period in which the present obligation to repay the grant, or part of a grant, arises.

(d) Finance Costs

Finance costs include interest and ancillary costs incurred in connection with interest-bearing liabilities. Finance costs are expensed as incurred.

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (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 are stated with the amount of GST included.

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

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Trust's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement. Refer Note 11 (a).

(g) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses.

(h) Inventories

Stocks of brochures, catalogues and trading stock are valued at the lower of cost or net replacement cost.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

(i) Other Financial Assets

The balance of Other Financial Assets is comprised of the Restoration Fund bank accounts. These investments are recorded at fair value with interest recognised as it accrues.

(j) Property, plant and equipment

Freehold properties

The Trust's freehold land and buildings are disclosed in the financial statements at fair value.

Depreciation is charged to the income statement using the straight line method over the estimated useful life of the assets, which has been estimated as 100 years.

Leasehold properties

Leasehold properties are disclosed at cost of improvements and represent properties leased at a nominal or no rental charge from the Department of Primary Industries and Water and Local Government Councils. The Trust presently intends to renew all other leases at their expiration date and to hold the properties in perpetuity, therefore it is difficult to calculate an appropriate time period over which to amortise the recorded cost of improvements. The resulting treatment is that these improvements are not amortised. In addition, during any given year restoration and repair work may be undertaken on these properties at a direct cost to the owner. Therefore the Trust will obtain future benefits from the work undertaken on the properties but will not capitalise the additional cost of these improvements.

Heritage collections

The items disclosed as antiques are recognised at fair value less accumulated impairment losses. Fair value is determined as either the purchase price, or for properties gifted to the Trust, based on independent valuations obtained from qualified antique dealers (based on market values).

In addition, the Trust has in its possession household furniture and effects, pictures, plates, plated articles, china, glass, books and other articles bequeathed to the Trust and held in Trust houses. Because of their age and nature, these items have not been valued and therefore not included in these financial statements.

Plant and equipment

All other items of plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement using the diminishing value method over the estimated useful life of the asset at a rate of 15%.

(k) Trade and other payables

Trade and other payables are stated at amortised cost.

(l) Interest bearing liabilities

Interest bearing liabilities are recorded at amortised cost.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

(m) Provisions for employee entitlements

Wages, salaries, and annual leave

Liabilities for the employee benefits for wages, salaries, annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Trust expects to pay as at reporting date including superannuation.

Long service leave

The employees of the Trust are entitled to long service leave after 10 years of service. The Trust provides for long service leave in respect of those employees having more than seven years service calculated at nominal amounts based on current wage and salary rates, including superannuation.

This provision provides an estimate of the long service leave liability not materially different from using expected future increases in wage and salary rates, including related on-costs, and discounting using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Trust's obligations.

Superannuation

Accumulated contributions funds operate for employees. Employees contribute to the funds on a fixed percentage of salary and a similar fixed percentage of salary is contributed by the employer. Employer contributions are recognised as an expense in the income statement as incurred. The Trust is under no legal obligation to make up any shortfall in the funds' assets to meet payments due to employees.

(n) Impairment

The carrying amounts of the Trust's assets, other than inventories (see accounting policy h) are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

(o) Income tax

The Trust is exempt from income tax.

(p) Contingent assets, contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and inclusive of the GST payable.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
2a. Net profit from sale of property , plant and equipment		
Net Proceeds from sale of assets	2,064	-
Written down value of assets sold	-	-
	2,064	-
2b. Other expenses		
Advertising	17,063	46,331
Accounting	2,750	3,250
Bad debt impairment	-	-
Bank expenses	5,213	4,810
Cleaning	10,921	10,908
Computer costs	7,588	14,381
Consevation expenses	169	2,477
Consulting services	1,460	3,225
Donations	3,954	1,717
Exhibition expenses	1,045	1,502
FBT tax	5,116	8,057
Heritage week	21,601	23,160
Insurance	65,135	62,530
Legal expenses	-	1,400
Levies - Australian Council of National Trusts	3,414	3,960
Light, water and power	52,531	58,886
Maintenance of grounds	15,139	17,243
National Trust Program expenses	8,909	
Newsletter	16,953	22,683
Postage	3,845	5,098
Printing and stationery	13,621	12,193
Rates and land taxes	16,505	15,699
Rent	5,662	2,555
Repairs	28,639	31,230
Security	14,611	20,043
Seminar and meeting expenses	6,777	4,350
Staff training	18	272
Sundry	14,948	33,510
Telephone, fax and internet	10,431	12,587
Travelling and motor vehicle expenses	26,247	26,212
Volunteer expenses	5,155	2,889
	385,420	453,158

The fee for the audit of the financial statements for 2012-13 is \$15,600 (2011-12, \$15,000).

2c. Employee expenses

Wages and salaries	430,837	392,176
Workers compensation	7,749	5,727
Superannuation	38,008	34,364
	476,594	432,267

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
2d. Other revenue		
Subscriptions	46,926	50,720
Admissions	154,722	122,999
Net proceeds from fundraising activities	52,777	46,133
Donations, bequests & sponsorships	14,737	20,849
Interest	4,633	5,494
Rentals	36,612	33,613
Sundry	54,679	48,919
	365,086	328,727
2e. Specific purpose grants		
Grants received		
Arts Tas Heritage Photo	-	8,589
Arts Tas Old Umbrella Shop Collection Conservation	9,157	-
Arts Tas Paper Conservation	900	8,100
Australian Fly Fishing Museum Target 300 Campaign	15,000	-
Convict Connections	-	10,000
Franklin House LCC Booklet	787	1,293
Franklin House Magic Carpet	-	3,698
Gordon Darling	-	12,000
Home from War	-	25,000
Latrobe Group	-	2,000
Miners of Queenstown	-	24,909
Mt Lyell Mine Heritage Centre	-	78,670
Mt Lyell Copper Mines Tas	31,000	-
National Trust Spread Sheet Collections	9,544	-
Norfolk Plains - Heritage Grant	1,660	-
PCHS - Roofing grant	30,265	-
Penghana Gardens	40,000	60,000
Runnymede - Hobart City Council Community Grant	-	5,000
Runnymede Ships Portrait	-	9,350
Seeing Trout	-	25,000
Strathroy Bridge - Launceston City Council	-	8,000
Tasmanian Aborigines and James Cox	6,500	-
Tas Whaling Heritage	-	30,000
	144,813	311,609

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
2e. Specific purpose grants (cont)		
Grants expensed		
Arts Tas Heritage Photo	6,407	3,136
Arts Tas Old Umbrella Shop Collection Conservation	5,034	-
Arts Tas Paper Conservation	1,642	7,368
Australian Fly Fishing Museum Target 300 Campaign	8,614	-
Clarendon Rediscovered	-	29,777
Clarendon - Threshing Barn	-	7,879
Copland	-	4,500
Convict Connection	9,753	-
Franklin House - Contemporary Arts Grant	-	596
Franklin House - LCC Booklet	-	500
Franklin House - Magic Carpet	3,348	-
Gordon Darling	8,074	526
Home From War	245	-
Home Hill - Devonport City Council	-	28,527
Miners of Queenstown	19,970	-
Mt Lyell Copper Mines	11,726	-
Mt Lyell Mine Heritage Centre	23,101	55,567
National Trust Spread Sheet Collections	9,465	-
Norfolk Plains - Heritage Grant	1,456	-
PCHS - Roofing grant	29,495	-
Penghana Gardens	19,290	68,662
R Spence	-	2,618
Runnymede - Ships Portrait Project	-	9,399
Seeing Trout	24,686	-
Tasmanian Community Fund - Trust Archive Pilot	-	652
Tas Whaling Heritage	25,899	-
	208,205	219,707
Net grant revenue/expenditure	(63,392)	91,902
2f. Underlying result		
Surplus / (deficit) :	(90,393)	82,786
less: Property transfers	(147,500)	(200,000)
less: Specific purpose grants - net revenue/expenditure	63,392	(91,902)
Underlying result	(174,501)	(209,116)
3. Trade and other receivables		
Trade debtors	91,811	105,026
	91,811	105,026
4. Inventories		
At cost	65,339	67,875

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
5. Other financial assets		
Restoration account	<u>420,713</u>	<u>342,066</u>
6. Property, plant and equipment		
Land & Buildings		
Freehold premises - at valuation	8,215,000	7,850,000
Less accumulated depreciation	(201,661)	(147,435)
Leasehold premises (cost)	1(j) 16,314	168,814
Total land and buildings	<u>8,029,653</u>	<u>7,871,379</u>
Plant and equipment		
At cost	518,724	518,724
less accumulated depreciation	(436,342)	(421,776)
	<u>82,382</u>	<u>96,948</u>
Heritage collections - at fair value	1(j) <u>1,582,938</u>	<u>1,582,938</u>
<i>Total Property, Plant & Equipment</i>	<u>9,694,973</u>	<u>9,551,265</u>
<i>Reconciliations:</i>		
Land and buildings		
Carrying amount at beginning of the year	7,871,379	7,723,627
Less depreciation	(54,226)	(52,248)
Revaluations	65,000	-
Property transfers	147,500	200,000
Carrying amount at end of the year	<u>8,029,653</u>	<u>7,871,379</u>

Freehold property values are based on the Valuer-General's valuations.

In 2012, a block of land forming part of a new subdivision was transferred to the Trust. The valuation of the land was based on comparable values for land in the area.

In 2013, a property previously leased from the State Government was transferred to the Trust. The valuation of the property was based on the current Valuer-General's valuation.

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	2013	2012
	\$	\$
Property, plant and equipment (continued)		
Plant and equipment		
Carrying amount at beginning of year	96,948	114,099
Depreciation	(14,566)	(17,151)
	82,382	96,948
Heritage collections		
Carrying amount at beginning of year	1,582,938	1,582,476
Additions	-	462
	1,582,938	1,582,938

Heritage collection assets recognised in 2010-11 have been valued at fair value as at 31 March 2011.

7. Trade and other payables

Trade creditors and accruals	134,498	107,424
GST creditor	1,623	11,449
PAYG Withholding	-	6,414
Superannuation Payable	9,052	-
FBT Instalments	-	1,279
	145,173	126,566

8. Interest bearing liabilities

Current		
Bank overdraft - Secured	11(a) 186,283	184,665
Loan - Tasmanian Trustees Limited	-	60,000
	186,283	244,665
Non-Current		
Loan - Tasmanian Trustees Limited	100,000	-
	100,000	-
	286,283	244,665

The bank overdraft is secured by a first registered mortgage over Franklin House. The bank overdraft is payable on demand and is subject to annual review.

The loan from Tasmanian Trustees Limited is an interest only loan and is secured by first mortgage over The Old Umbrella Shop, Launceston. The loan does not have any fixed term and the Trust intends to repay when funds allow. The loan bears interest at the variable market rate which is payable quarterly in arrears.

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	2013	2012
	\$	\$
9. Employee benefits		
Current		
Annual Leave	87,683	70,289
Long Service Leave	42,332	32,725
	<u>130,015</u>	<u>103,014</u>
Number of employees on a FTE basis at year-end	7	7
10. Provisions		
Restoration Fund		
Current	<u>319,155</u>	<u>321,406</u>
Non-Current	<u>196,914</u>	<u>138,913</u>
	<u>516,069</u>	<u>460,319</u>
Restoration Fund		
Balance at 1 July	460,319	387,100
Restoration Appeal Funds Received	468,485	269,067
Restoration Appeal Funds Expended	(412,735)	(195,848)
	<u>516,069</u>	<u>460,319</u>

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
11. Notes to the statement of cash flows		
(a) Reconciliation of cash		
For the purpose of the statement of cash flows, cash includes cash on hand and at bank net of outstanding bank overdrafts. Cash as at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash assets	74,350	163,805
Bank overdraft	8 (186,283)	(184,665)
	<u>(111,933)</u>	<u>(20,860)</u>
 (b) Reconciliation of net cash from operating activities		
Surplus / (deficit) for the period	(90,393)	82,786
<i>Add/ (less) non-cash items</i>		
(Profit)/ Loss on sale of property, plant	(2,064)	-
Property transfers	(147,500)	(200,000)
Depreciation	68,791	69,399
 <i>Changes in assets and liabilities</i>		
(Increase)/ Decrease in inventories	2,536	692
(Increase)/ Decrease in receivables	13,215	(87,028)
Increase/ (Decrease) in employee provisions	27,001	11,121
Increase/ (Decrease) in payables	44,809	(76)
(Increase)/ Decrease in prepayments	(434)	-
	<u>(84,038)</u>	<u>(123,106)</u>

12. Related party transactions

There were no related party transactions for the year ended 30 June 2013.

13. Subsequent events

There were no events occurring after the reporting date that would materially effect any of the amounts or disclosures in these accounts.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

14. Commitments

(a) Restoration appeal trust funds

The Trust administers appeal monies on behalf of individual restoration appeals. The Trust must approve expenditure before any appeal monies are paid. The level of appeal monies held as at balance date for which the Trust has a commitment to undertake specific works totalled \$516,069 (2012: \$460,319) as per note 10. The timing of expenditure of these funds is generally expected to be greater than one year.

The total cash held at balance date to meet these commitments was \$420,713 (2012: \$342,066), as per Note 5.

(b) Insurance Premiums

The Trust has entered into an agreement to pay its insurance premiums in ten monthly instalments. At 30 June 2013, the Trust has an outstanding commitment relating to insurance payments totalling \$43,651 (2012: \$40,397).

15. Segments

The Trust operates predominantly in one business segment being heritage preservation and tourism and one geographic segment being Tasmania. The primary services provided by the Trust are the protection, maintenance and promotion of heritage place and objects.

16. Financial Instruments

1. Financial Risk Management and Risk Exposures

a) Risk management policies and processes

The Trust has exposure to the following risks from its use of financial instruments:

Credit risk;
Liquidity risk; and
Market risk.

The Managing Director has overall responsibility for the establishment and oversight of the Trust's risk management framework. Risk management policies are established to identify and analyse risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

i) Credit risk

Exposures

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from trade and other receivables and cash and investments.

The carrying amount of financial assets recorded in the financial statements represents the Trust's maximum exposure to credit risk without taking account of any collateral of other security.

The Trust's policy in relation to receivables is summarised below.

Debtors of the Trust are required to settle their accounts within 30 days. Debtors may apply to the Trust to pay accounts by instalments, subject to approved terms and conditions. Should amounts remain unpaid outside of approved payment options, the Trust will instigate collection proceedings.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

16. Financial Instruments (cont.)

ii) Liquidity risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due. The Trust's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

iii) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices. The objective of market risk management is to manage and control market risk within acceptable parameters, while optimizing the return to the Trust.

2. Net Fair Values and Categories of Financial Assets and Liabilities

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Balance Sheet, are as follows:

Fair Values	30 June 2013		30 June 2012	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<i>Financial assets</i>				
Cash and cash equivalents	74,350	74,350	163,805	163,805
Receivables	91,811	91,811	105,026	105,026
Other financial assets	420,713	420,713	342,066	342,066
	<u>586,874</u>	<u>586,874</u>	<u>610,897</u>	<u>610,897</u>
<i>Financial liabilities</i>				
Payables	145,173	145,173	126,566	126,566
Interest bearing liabilities	286,283	286,283	244,665	244,665
	<u>431,456</u>	<u>431,456</u>	<u>371,231</u>	<u>371,231</u>
Net financial assets / (liabilities)	<u>155,418</u>	<u>155,418</u>	<u>239,666</u>	<u>239,666</u>

Carrying amounts classified as:

	30 June 2013	30 June 2012
<i>Financial assets</i>		
Cash and cash equivalents - restoration accounts	420,713	342,066
Loans and receivables	91,811	105,026
Cash and cash equivalents	74,350	163,805
	<u>586,874</u>	<u>610,897</u>
<i>Financial liabilities</i>		
Financial liabilities measured at amortised cost	431,456	371,231
	<u>431,456</u>	<u>371,231</u>
Net financial assets / (liabilities)	<u>155,418</u>	<u>239,666</u>

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

3. Maturity of Financial Liabilities

The following tables detail the undiscounted cash flows payable by the Trust (excluding interest) by remaining contractual maturity for its financial liabilities.

	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total contractual cash flows	Carrying amount
30 June 2013						
Payables	145,173	-	-	-	145,173	145,173
Interest bearing liabilities	186,283	-	100,000	-	286,283	286,283
	<u>331,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>431,456</u>	<u>431,456</u>
30 June 2012						
Payables	126,566	-	-	-	126,566	126,566
Interest bearing liabilities	244,665	-	-	-	244,665	244,665
	<u>371,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>371,231</u>	<u>371,231</u>

4. Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The analysis assumes all other variables remain constant and was performed on the same basis for 2012.

At 30 June 2013, if interest rates had moved, as illustrated in the table below, profit and equity would have been affected as follows:

	Profit/ (loss)		Equity	
	2013	2012	2013	2012
+1% (100 basis points)	2,088	2,612	2,088	2,612
-1% (100 basis points)	(2,088)	(2,612)	(2,088)	(2,612)

5. Ageing of Debtors

The following table provides an ageing of the Trust's trade receivables at the reporting date:

	Gross	Impairment	Gross	Impairment
	2013	2013	2012	2012
Not past due	24,349	-	46,676	-
Past due 0 - 30 days	4,286	-	12,535	-
Past due 31 - 60 days	874	-	1,085	-
Past due 60 days	62,302	-	44,730	-
	<u>91,811</u>	<u>-</u>	<u>105,026</u>	<u>-</u>