

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**

**ABN 98 258 180 740**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2018**

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**ABN 98 258 180 740**

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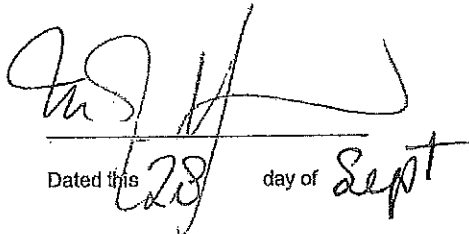
**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**ABN 98 258 180 740**

**STATEMENT BY BOARD**

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

- a. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- b. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

  
Dated this 28 day of Sept 2018

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**ABN 98 258 180 740**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>INCOME</b>			
State Government - Administration grant		300,000	300,000
Commonwealth Government grants received	2	47,600	70,000
Other revenue	3	778,883	675,814
Other grants received	4	30,700	30,500
Gross profit from trading	27	74,826	68,362
		<u>1,232,009</u>	<u>1,144,676</u>
<b>LESS EXPENDITURE</b>			
Other grants expended	5	5,000	34,155
Auditors' remuneration	6	17,580	16,400
Commonwealth Government grants expended	7	29,403	55,911
Depreciation	26	85,192	74,121
Employee provisions		3,731	6,953
Employees expenses	8	597,824	500,063
Interest paid		17,362	19,143
Other expenses	9	525,018	423,772
		<u>1,281,110</u>	<u>1,130,518</u>
<b>NET OPERATING SURPLUS (DEFICIT)</b>		<b>(49,101)</b>	<b>14,158</b>
<b>Other comprehensive income:</b>			
Revaluation of properties:	26	613,973	-
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>		<b><u>564,872</u></b>	<b><u>14,158</u></b>

The accompanying notes form part of these financial statements.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**ABN 98 258 180 740**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	10	634,374	703,310
Trade and other receivables	11	145,176	30,486
Inventories	12	47,982	51,118
Other assets	13	468,148	448,484
<b>TOTAL CURRENT ASSETS</b>		<u>1,295,680</u>	<u>1,233,398</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	14	11,023,769	10,427,257
<b>TOTAL NON-CURRENT ASSETS</b>		<u>11,023,769</u>	<u>10,427,257</u>
<b>TOTAL ASSETS</b>		<u>12,319,449</u>	<u>11,660,655</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	468,105	113,314
Borrowings	16	20,371	192,173
Provisions	17	566,862	555,927
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,055,338</u>	<u>861,414</u>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	16	-	100,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>-</u>	<u>100,000</u>
<b>TOTAL LIABILITIES</b>		<u>1,055,338</u>	<u>961,414</u>
<b>NET ASSETS</b>		<u>11,264,113</u>	<u>10,699,241</u>
<b>EQUITY</b>			
Reserves	18	3,868,363	3,000,217
Retained earnings		7,395,750	7,699,024
<b>TOTAL EQUITY</b>		<u>11,264,113</u>	<u>10,699,241</u>

The accompanying notes form part of these financial statements.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Retained Earnings \$	Asset revaluation reserve \$	Specific purpose reserve \$	Total \$
Balance at 1 July 2016	7,495,353	2,166,938	1,022,792	10,685,083
Surplus (deficit) for the year	14,158	-	-	14,158
Transfer (from)/to retained earnings	189,513	-	(189,513)	-
Balance at 30 June 2017	<u>7,699,024</u>	<u>2,166,938</u>	<u>833,279</u>	<u>10,699,241</u>
Balance at 1 July 2017	<u>7,699,024</u>	<u>2,166,938</u>	<u>833,279</u>	<u>10,699,241</u>
Surplus (deficit) for the year	(49,101)	-	-	(49,101)
Asset revaluations 18	-	613,973	-	613,973
Transfer (from)/to retained earnings	(254,173)	-	254,173	-
Balance at 30 June 2018	<u>7,395,750</u>	<u>2,780,911</u>	<u>1,087,452</u>	<u>11,264,113</u>

The accompanying notes form part of these financial statements.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		872,954	636,134
Interest received		9,480	12,768
State Government recurrent grants		330,000	330,000
Commonwealth government recurrent		52,360	77,000
Specific funded projects		30,700	30,500
Payments to suppliers and employees		(971,603)	(1,125,319)
Interest paid		(17,362)	(19,143)
Commonwealth government recurrent		(29,403)	(55,911)
Payments for specific funded projects		(5,000)	(34,155)
<b>Net cash provided by (used in) operating activities</b>	<b>25</b>	<u>272,126</u>	<u>(148,126)</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of property, plant & equipment		3,636	824
Payments for property, plant & equipment		(72,895)	(155,254)
<b>Net cash provided by (used in) investing activities</b>		<u>(69,259)</u>	<u>(154,430)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(100,000)	-
<b>Net cash provided by (used in) financing activities</b>		<u>(100,000)</u>	<u>-</u>
Net increase (decrease) in cash held		102,867	(302,556)
Cash and cash equivalents at beginning of financial year		511,137	813,693
<b>Cash and cash equivalents at end of financial year</b>	<b>25</b>	<u><u>614,004</u></u>	<u><u>511,137</u></u>

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2018

The financial statements cover National Trust Of Australia (Tasmania) as an individual entity. National Trust Of Australia (Tasmania) is a trust (body corporate) with perpetual succession created under the National Trust Act 2006.

The financial statements were authorised for issue by the directors of the Trust.

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### **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.

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of National Trust Act 2006, the Australian Charities and Not for Profit Commission Act 2012 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 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.

##### **(a) Income Tax**

The Trust is exempt from income tax.

##### **(b) Inventories**

Stocks of brochures, catalogues and trading stock are valued at the lower of cost or net realisable value. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be current replacement cost as at date of acquisition.

##### **(c) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Property**

The Trust's freehold land and buildings are disclosed in the financial statements at fair value based on Valuer General valuations.

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

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.

**Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

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%.

**Heritage collections**

Heritage collections are recognised at fair value. 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.

**(d) Impairment of assets held at cost**

The carrying amounts of the Trust's assets held at cost, other than inventories (see accounting policy 1(b)) 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 Statement of Comprehensive Income, unless the 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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

**(e) Trade and Other Receivables**

Trade and other receivables are stated at their amortised cost less impairment losses. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

**(f) Employee Benefits**

Provision is made for the Trust liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability.

**Other long-term employee benefits**

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.

**(g) Government Grants**

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

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.

**(h) 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.

**(i) Revenue and Other Income**

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

**(j) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period at amortised cost. The balance is recognised as a current liability.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**(k) Goods and Services Tax (GST)**

Revenues, expenses and fixed assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component 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.

**(l) 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, cash and cash equivalents, other financial assets 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.

**(m) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. See notes 14, 17 and 26.

**(n) Impact of new and revised accounting standards**

In the current year, the Board has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

2016-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107

The objective of this standard is to amend AASB 107 Statement of Cash Flows to require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This standard applies to annual periods beginning on or after 1 January 2017. The impact is increased disclosure of financial activities in relation to cash flows and non-cash changes as shown at Note 25. There is no financial impact.

**(o) New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Trust. The Trust has decided not to early adopt any of the new and amended pronouncements. The Trust's assessment of the new and amended pronouncements that are relevant to the Trust but applicable in future reporting periods is set out below:

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**NOTES TO THE FINANCIAL STATEMENTS**  
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- AASB 9 Financial Instruments and 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

The objective of these standards is to establish the principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. These standards apply to annual reporting periods beginning on or after 1 January 2018. The financial impact is immaterial.

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 January 2019, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards - Effective Date of AASB 15).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

The Trust has commenced analysing the new revenue recognition requirements under these standards and has concluded that the impact will be immaterial as the Trust receives no income from contracts; it's main source of income is either cash based or from donations.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The board anticipates that the adoption of AASB 16 will have no material impact to the the Trust's financial statements as the Trust has not significant leases.

- AASB 1058: Income of Not for Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. AASB applies when the Trust enters into transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the asset is principally to enable the Trust to further its objectives. The Trust has a number of peppercorn leases in places which will result in the recognition of right-of-use lease assets and a remaining lease liability. The balance will be adjusted against Accumulated surpluses. Although the Board anticipates that the adoption of AASB 1058 will impact the Trust's financial statements due to the volunteer services provided to the Trust, it has not been recognised.

**(p) Interest bearing liabilities**

Interest bearing liabilities are recorded at amortised cost.

**(q) Other Financial Assets**

The balance of Other Financial Assets is comprised of the Restoration Fund bank accounts.

**(r) Finance Costs**

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

**(s) Contingent assets, contingent liabilities and commitments**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**(t) Going Concern**

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

The Directors have reviewed the appropriateness of continuing to prepare the financial statements on the basis that the National Trust of Australia (Tasmania) is a going concern.

The Board resolved that it is appropriate to prepare the financial statements on the basis that the National Trust of Australia (Tasmania) is a going concern, recognising that its future sustainability is dependent on the on-going financial support from the Tasmanian Government, currently secured through a triennial funding agreement.

**2. COMMONWEALTH GOVERNMENT GRANTS RECEIVED:**

NTPP Other Projects	27,100	50,000
NTPP Heritage Festival	20,500	20,000
	<u>47,600</u>	<u>70,000</u>

**3. OTHER REVENUE:**

Admissions	206,896	177,177
Donations, bequests and sponsorship	338,423	248,129
Interest	9,480	12,767
Net proceeds from fundraising activities	36,151	47,890
Rentals	76,574	52,404
Subscriptions	43,839	42,690
Sundry	67,520	94,605
Profit on sale of non-current assets	-	152
	<u>778,883</u>	<u>675,814</u>

**4. OTHER GRANTS RECEIVED:**

State Government	200	-
Home Hill - Devonport City Council	28,000	28,000
Grant - Latrobe Council	2,500	2,500
	<u>30,700</u>	<u>30,500</u>

**5. OTHER GRANTS EXPENDED:**

NRM - Clarendon	5,000	-
PCHS - Life behind bars	-	5,140
PCHS - Pandemonium	-	29,015
	<u>5,000</u>	<u>34,155</u>

**6. AUDITORS' REMUNERATION:**

Auditing or reviewing the financial statements	17,580	16,400
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**7. COMMONWEALTH GOVERNMENT GRANTS EXPENSED:**

NTPP Other Projects	4,204	45,943
NTPP Heritage Festival	25,199	9,968
	<u>29,403</u>	<u>55,911</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**8. EMPLOYEES EXPENSES:**

Wages and salaries	541,249	452,396
Workers compensation	6,468	5,353
Superannuation	50,107	42,314
	<u>597,824</u>	<u>500,063</u>

**9. OTHER EXPENSES:**

Accounting	26,490	19,501
Advertising	24,204	37,944
Bank expenses	12,627	5,594
Cleaning	8,687	7,924
Computer costs	20,214	15,304
Conservation expenses	2,505	114
Consultancy	56,267	20,563
Consultancy funded from Specific Purpose Reserve	28,684	9,013
Exhibition expenses	33	1,013
FBT expense	-	2,551
Insurance	52,199	52,212
Legal costs	8,632	1,350
Levies - Australian Council of National Trusts	5,398	4,830
Licencing costs	2,566	1,805
Light, water and power	45,972	39,471
Loss on sale of non-current assets	1,528	10,605
Maintenance of grounds	21,334	13,639
Newsletter	5,018	2,692
Postage	3,286	3,131
Printing and stationery	15,924	8,113
Rates and land taxes	20,537	18,830
Rent	4,568	6,686
Repairs	54,930	38,817
Security	25,301	19,198
Seminar and meeting expenses	22,029	15,213
Staff training	-	746
Sundry	4,498	14,758
Telephone, fax and internet	9,693	11,288
Travelling and motor vehicle expenses	25,407	25,551
Volunteer expenses	16,487	15,316
	<u>525,018</u>	<u>423,772</u>

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**ABN 98 258 180 740**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018 \$	2017 \$
<b>10. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	<u>634,374</u>	<u>703,310</u>
<b>11. TRADE AND OTHER RECEIVABLES</b>		
Current		
Trade receivables	<u>145,176</u>	<u>30,486</u>
<b>12. INVENTORIES</b>		
Current		
At cost:		
Stock on hand	<u>47,982</u>	<u>51,118</u>
<b>13. OTHER ASSETS</b>		
CURRENT		
Restoration account	<u>468,148</u>	<u>448,484</u>
The funds in the Restoration account relate to the Liabilities shown at Note 17. These funds are restricted and are not used for operational purposes. See Note 24 for further explanation.		
<b>14. PROPERTY, PLANT AND EQUIPMENT</b>		
Leasehold premises at cost	<u>16,314</u>	<u>16,314</u>
Freehold premises at fair value	8,356,500	8,217,700
Less accumulated depreciation	<u>-</u>	<u>(419,478)</u>
	<u>8,356,500</u>	<u>7,798,222</u>
Total land and buildings	<u>8,372,814</u>	<u>7,814,536</u>
Plant and equipment	691,475	697,382
Less accumulated depreciation	<u>(490,815)</u>	<u>(475,867)</u>
	<u>200,660</u>	<u>221,515</u>
Heritage collections - at fair value	<u>2,450,295</u>	<u>2,391,206</u>
Total plant and equipment	<u>2,650,955</u>	<u>2,612,721</u>
Total property, plant and equipment	<u>11,023,769</u>	<u>10,427,257</u>

- (a) Movements in carrying amounts  
For disclosure on movement in carrying amounts please refer to note 26 at the end of this financial report.



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	2018 \$	2017 \$
<b>15. TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Goods and services tax	15,554	3,563
Trade creditors	398,711	84,758
Other creditors	25,086	2,339
Withholding taxes payable	8,433	6,336
Superannuation payable	6,941	3,418
Accrued expenses	13,380	12,900
	<u>468,105</u>	<u>113,314</u>
<b>16. BORROWINGS</b>		
<b>CURRENT</b>		
Bank overdraft - secured	<u>20,371</u>	<u>192,173</u>
<b>NON-CURRENT</b>		
Loan - Tasmanian Trustees Limited	<u>-</u>	<u>100,000</u>
<b>Total borrowings</b>	<u>20,371</u>	<u>292,173</u>
(a) The bank overdraft is secured by a first registered mortgage over Franklin House, Launceston. The bank overdraft is payable on demand and is subject to annual review.		
<b>17. PROVISIONS</b>		
<b>CURRENT</b>		
Provision for holiday pay	95,044	95,058
Provision for long service leave	33,606	29,861
Restoration fund	438,212	431,008
	<u>566,862</u>	<u>555,927</u>
Number of employees on a FTE basis at year-end	8.62	7.62

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	2018 \$	2017 \$
<b>18. RESERVES</b>		
(a) <b>Asset Revaluation Reserve</b>	<u>2,780,911</u>	<u>2,166,938</u>
The asset revaluation reserve records revaluations of non-current assets.		
 (b) <b>Specific Purpose Reserve</b>	<u>1,087,452</u>	<u>833,279</u>
The specific purpose reserves set aside funds for specific purposes and general funds available to fund Trust activities.		
 (c) <b>Analysis of Items of Other Comprehensive Income by Each Class of Reserve:</b>		
Asset revaluation reserve		
Revaluation of properties	<u>613,973</u>	-
Movement in asset revaluation reserve	<u>613,973</u>	-
Total other comprehensive income for the year	<u>613,973</u>	-
 <b>19. EVENTS AFTER THE REPORTING PERIOD</b>		
There were no events occurring after the reporting date that would materially effect any of the amounts or disclosures in these accounts.		

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**20. RELATED PARTY TRANSACTIONS**

**Key Management Personnel Remuneration**

Key management personnel has been determined to include all Directors. Non-executive directors do not receive remuneration, however receive reimbursement of expenses where incurred on Trust business.

**Non-executive Directors are:**

Warwick Oakman  
 Nicholas R Heyward  
 Hamish Maxwell-Stewart  
 Phillip W Mussared  
 Beth Mathison  
 Louise A Wilson

**The Managing Director's remuneration is:**

2018	Short term employee benefits			Post employment benefits	Other Long-term Benefits <sup>4</sup>	Total
	Salary <sup>1</sup>	Annual Leave Cashed Out	Vehicles <sup>2</sup>	Super-annuation	Non-monetary Benefits	
	\$	\$	\$	\$	\$	
	100,000	9,158	-	9,500	(1,841)	116,817
<b>Total</b>	<b>100,000</b>	<b>9,158</b>	<b>-</b>	<b>9,500</b>	<b>(1,841)</b>	<b>116,817</b>

2017	Short term employee benefits			Post employment benefits	Other Long-term Benefits <sup>4</sup>	Total
	Salary <sup>1</sup>	Annual Leave Cashed Out	Vehicles <sup>2</sup>	Super-annuation <sup>3</sup>	Non-monetary Benefits	
	\$	\$	\$	\$	\$	
	100,000	-	4,757	9,500	5,673	119,930
<b>Total</b>	<b>100,000</b>	<b>-</b>	<b>4,757</b>	<b>9,500</b>	<b>5,673</b>	<b>119,930</b>

1. Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

2. Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

3. Superannuation means the contribution to the superannuation fund of the individual.

4. Other non-monetary benefits include annual and long service leave movements and non-monetary benefits

Throughout the 2017-2018 financial year there were no related party transactions.

**21. ECONOMIC DEPENDENCE**

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.

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	2018	2017
	\$	\$

**22. FINANCIAL RISK MANAGEMENT**

The Trust's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 Financial Instruments Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets	634,374	703,310
Cash and cash equivalents	<u>634,374</u>	<u>703,310</u>
Total Financial Assets	<u>634,374</u>	<u>703,310</u>

**Specific Financial Risk Exposures and Management**

The main risks the Trust is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the Trust is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

**(a) Credit Risk**

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.

**(b) 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.

**(c) Market risk**

*Interest rate 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 optimising the return to the National Trust of Australia (Tasmania).

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2018                      2017  
\$                              \$

22. FINANCIAL RISK MANAGEMENT (Cont.)

*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-Jun-18		30-Jun-17	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	634,374	634,374	703,310	703,310
Receivables	145,176	145,176	30,486	30,486
Other financial assets	468,148	468,148	448,484	448,484
	<u>1,247,698</u>	<u>1,247,698</u>	<u>1,182,280</u>	<u>1,182,280</u>
<b>Financial liabilities</b>				
Payables	468,105	468,105	113,314	113,314
Interest bearing liabilities	20,371	20,371	292,173	292,173
	<u>488,476</u>	<u>488,476</u>	<u>405,487</u>	<u>405,487</u>
<b>Net financial assets / (liabilities)</b>	<u>759,222</u>	<u>759,222</u>	<u>776,793</u>	<u>776,793</u>

Carrying amounts classified as:

	30-Jun 2018	30-Jun 2017
<b>Financial assets</b>		
Cash and cash equivalents - restoration accounts	468,148	448,484
Loans and receivables	145,176	30,486
Cash and cash equivalents	634,374	703,310
	<u>1,247,698</u>	<u>1,182,280</u>
<b>Financial liabilities</b>		
At cost	488,476	405,487
	<u>488,476</u>	<u>405,487</u>
<b>Net financial assets / (liabilities)</b>	<u>759,222</u>	<u>776,793</u>

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*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
<b>30 June 2018</b>						
Payables	468,105	-	-	-	468,105	468,105
Interest bearing liabilities	20,371	-	-	-	20,371	20,371
	<u>488,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>488,476</u>	<u>488,476</u>
<b>30 June 2017</b>						
Payables	113,314	-	-	-	113,314	113,314
Interest bearing liabilities	192,173	-	100,000	-	292,173	292,173
	<u>305,487</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>405,487</u>	<u>405,487</u>

*Sensitivity Analysis*

The following table illustrates sensitivities to the company's exposure to changes in interest rates, exchange rates and commodity and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

	Profit/ (loss)		Equity	
	2018	2017	2018	2017
+ 1% (100 basis points)	(204)	(2,922)	(204)	(2,922)
- 1% (100 basis points)	204	2,922	204	2,922

*Ageing of Debtors*

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

	Gross 2018	Impairment 2018	Gross 2017	Impairment 2017
Not past due	66,866	-	3,565	-
Past due 0 - 30 days	67,310	-	26,422	-
Past due 31 - 60 days	-	-	100	-
Past due 60 days	11,000	-	399	-
	<u>145,176</u>	<u>-</u>	<u>30,486</u>	<u>-</u>

**23. FAIR VALUE MEASUREMENTS**

The company measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

The company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

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**(a) Fair Value Hierarchy**

Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

**Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**As at 30 June 2018**

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Land	-	-	2,787,000	-	2,787,000
Buildings	-	-	5,569,500	-	5,569,500
Heritage collections	-	59,089	807,768	1,583,438	2,450,295
		<u>59,089</u>	<u>9,164,268</u>	<u>1,583,438</u>	<u>10,806,795</u>
Non-recurring fair value measurements					
Assets held for sale	-	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**As at 30 June 2017**

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Land	-	-	2,737,000	-	2,737,000
Buildings	-	-	5,480,700	-	5,480,700
Heritage collections	-	-	807,768	1,583,438	2,391,206
		<u>-</u>	<u>9,025,468</u>	<u>1,583,438</u>	<u>10,608,906</u>
Non-recurring fair value measurements					
Assets held for sale	-	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**Unobservable inputs and sensitivities**

**As at 30 June 2018**

Asset / liability category*	Carrying amount (at fair value)	Key unobservable inputs *	Description of how changes in inputs will affect the fair value
Heritage Collections.	1,583,438	<ul style="list-style-type: none"> <li>- Auction prices of similar items</li> <li>- Formal &amp; Informal appraisals performed by antique dealers</li> </ul>	Assets will be revalued as a result of receiving information that suggests prices are overstated.

**As at 30 June 2017**

Asset / liability category*	Carrying amount (at fair value)	Key unobservable inputs *	Description of how changes in inputs will affect the fair value
Heritage Collections	1,583,438	<ul style="list-style-type: none"> <li>- Auction prices of similar items</li> <li>- Formal &amp; Informal appraisals performed by antique dealers</li> </ul>	Assets will be revalued as a result of receiving information that suggests prices are overstated.

\*There were no significant inter-relationships between unobservable inputs that materially affect fair values.



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**Valuation techniques**

The Trust selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Trust gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**24. COMMITMENTS**

**Restoration appeal trust funds**

The Trust administers appeal monies on behalf of individual restoration appeals. The Trust must approve expenditure before any appeals monies are paid. The level of appeals monies held as at balance date totalled \$438,212 (2017: \$431,008) as per note 17. 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 \$468,148 (2017: \$448,484), as per Note 13. These funds are held on behalf of external parties and do not represent funds controlled by the Trust.

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**25. CASH FLOW INFORMATION**

	2018	2017
<b>Reconciliation of cash</b>	\$	\$
Cash assets	634,374	703,310
Bank overdraft	(20,371)	(192,173)
	<u>614,004</u>	<u>511,137</u>
 <b>Reconciliation of net cash from operating activities</b>		
Surplus / (deficit) for the period	(49,101)	14,158
 <b>Add/ (less) non-cash items:</b>		
Depreciation	85,192	74,121
(Profit)/loss on disposal of fixed assets	1,528	10,453
Net property transfers	-	(209,000)
 <b>Changes in assets and liabilities:</b>		
(Increase)/decrease in receivables & other assets	(144,501)	550
(Increase)/decrease in inventories	3,136	6,332
Increase/(decrease) in payables & other liabilities	372,142	(27,314)
Increase/(decrease) in employee provisions	3,731	(17,426)
	<u>272,126</u>	<u>(148,126)</u>

**RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Liabilities	Closing Balance 2017 \$	Non-Cash Changes				Cash Flows		Closing Balance 2018 \$
		Transfers	New Leases Acquired	Change in Fair Value	Other	Cash Received \$	Cash Repayments \$	
Leases	-	-	-	-	-	-	-	-
Borrowings	100,000	-	-	-	-	-	(100,000)	-
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>

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**26. MOVEMENTS IN CARRYING AMOUNTS**

**Land & buildings:**

Carrying amount at beginning of the year	7,814,536	7,660,343
Less depreciation	(55,695)	(54,807)
Revaluations	613,973	-
Property transfers	-	209,000
Carrying amount at the end of the year	<u>8,372,814</u>	<u>7,814,536</u>

Freehold properties were reviewed on 30 June 2018 to ensure carrying values were consistent with the Valuer-General's valuations

**Plant and equipment:**

Carrying amount at beginning of year	221,515	96,852
Additions	13,806	155,188
Disposals	(5,164)	(11,210)
Depreciation	(29,496)	(19,315)
Carrying amount at end of the year	<u>200,661</u>	<u>221,515</u>

**Heritage collections:**

Carrying amount at beginning of year	2,391,206	2,391,206
Additions	59,089	-
Carrying amount at end of the year	<u>2,450,295</u>	<u>2,391,206</u>

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<b>27. TRADING STATEMENT</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>SALES</b>		
Sales	153,106	154,933
<b>LESS COST OF GOODS SOLD</b>		
Opening stock	51,118	57,450
Purchases	75,144	80,239
	126,263	137,689
Closing stock	47,983	51,118
	78,280	86,571
<b>GROSS PROFIT</b>	<b>74,826</b>	<b>68,362</b>