

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**GENERAL PURPOSE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

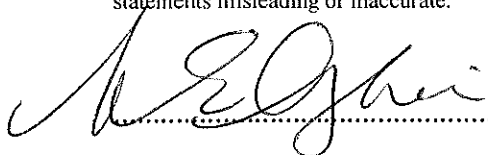
**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**  
**STATEMENT BY BOARD**

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

(a) The accompanying financial statements of the Trust on pages 2 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 2016 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.

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.



.....

Dated this 14 day of October 2016

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>Revenue</b>			
Revenue from sale of goods		160,429	157,028
<i>Recurrent grants</i>			
State government			
Administration grant		300,000	300,000
Commonwealth government	2e	67,000	37,500
<i>Specific purpose grants:</i>			
Revenue from other funding programs	2a	597,276	74,295
Other revenue	2b	1,828,170	787,080
<b>Total revenue</b>		<b>2,952,875</b>	<b>1,355,903</b>
<b>Expenses</b>			
Cost of goods sold		83,863	81,844
Finance costs		19,520	20,025
Employee expenses	2c	478,886	448,718
Other expenses	2d	378,297	418,665
		<u>960,566</u>	<u>969,252</u>
<i>Non cash expenses</i>			
Depreciation	6	71,453	73,872
Employee provisions		(14,240)	29,248
Property transfers	6	-	200,000
		<u>57,213</u>	<u>303,120</u>
<i>Recurrent grants</i>			
Expenses for Commonwealth government grants programs	2e	58,535	34,643
<i>Specific purpose grants</i>			
Expenses from other funding programs	2a	526,015	82,817
<b>Total expenses</b>		<b>1,602,329</b>	<b>1,389,832</b>
<b>Net operating surplus/(deficit)</b>		<b>1,350,546</b>	<b>(33,929)</b>
<b>Other comprehensive income:</b>			
Revaluations of properties	6	28,700	(35,000)
<b>Comprehensive result</b>		<b>1,379,246</b>	<b>(68,929)</b>

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

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**BALANCE SHEET**  
**AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$	1 July 2014 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	11a	964,310	89,050	76,922
Trade and other receivables	3	31,036	22,959	34,627
Inventories	4	57,450	60,799	63,840
Other financial assets	5	395,391	386,276	403,033
<b>Total current assets</b>		<b>1,448,187</b>	<b>559,084</b>	<b>578,422</b>
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	6	10,148,401	9,666,940	9,653,810
<b>Total non-current assets</b>		<b>10,148,401</b>	<b>9,666,940</b>	<b>9,653,810</b>
<b>TOTAL ASSETS</b>		<b>11,596,588</b>	<b>10,226,024</b>	<b>10,232,232</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	7	165,474	122,822	154,593
Interest bearing liabilities	8	150,617	172,457	86,547
Employee benefits	9	142,345	163,001	151,793
Restoration fund provision	10	334,823	148,152	149,649
<b>Total current liabilities</b>		<b>793,259</b>	<b>606,432</b>	<b>542,582</b>
<b>NON-CURRENT LIABILITIES</b>				
Interest bearing liabilities	8	100,000	100,000	100,000
Restoration fund provision	10	18,246	213,755	214,884
<b>Total non-current liabilities</b>		<b>118,246</b>	<b>313,755</b>	<b>314,884</b>
<b>TOTAL LIABILITIES</b>		<b>911,505</b>	<b>920,187</b>	<b>857,466</b>
<b>NET ASSETS</b>		<b>10,685,083</b>	<b>9,305,837</b>	<b>9,374,766</b>
<b>EQUITY</b>				
Retained earnings		7,495,353	6,981,279	7,072,058
Reserves		3,189,730	2,324,558	2,302,708
<b>TOTAL EQUITY</b>		<b>10,685,083</b>	<b>9,305,837</b>	<b>9,374,766</b>

*The above balance sheet 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 2016**

	Retained Earnings	Asset Revaluation Reserve	Specific Purpose Reserve	Total Equity
	\$	\$	\$	\$
As at 1 July 2014	7,072,058	2,173,238	129,470	9,374,766
Surplus / (deficit) for the period	(33,929)	-	-	(33,929)
Asset revaluations	-	(35,000)	-	(35,000)
Transfer from retained earnings	(56,850)	-	56,850	-
<b>As at 30 June 2015</b>	<b><u>6,981,279</u></b>	<b><u>2,138,238</u></b>	<b><u>186,320</u></b>	<b><u>9,305,837</u></b>
As at 1 July 2015	6,981,279	2,138,238	186,320	9,305,837
Surplus / (deficit) for the period	1,350,546	-	-	1,350,546
Asset revaluations	-	28,700	-	28,700
Transfer from retained earnings	(836,472)	-	836,472	-
<b>As at 30 June 2016</b>	<b><u>7,495,353</u></b>	<b><u>2,166,938</u></b>	<b><u>1,022,792</u></b>	<b><u>10,685,083</u></b>

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

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Inflows:			
Receipts from customers		1,575,113	704,672
Interest received		8,291	2,327
Government funding:			
State Government recurrent grants		300,000	300,000
Commonwealth government recurrent		-	37,500
Specific funded projects		597,276	74,295
State government non-recurrent grant		-	-
Outflows:			
Payments to suppliers and employees		(974,422)	(1,021,356)
Interest paid		(19,520)	(20,025)
Commonwealth government recurrent		(58,535)	(34,643)
Payments for specific funded projects		(526,015)	(82,817)
<b>Net cash from/(used in) operating activities</b>	<b>11(b)</b>	<b>902,188</b>	<b>(40,047)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Inflows:			
Proceeds from disposal of property, plant & equipment		909	-
Outflows:			
Payments for property, plant & equipment		(5,997)	(33,735)
<b>Net cash from/(used in) investing activities</b>		<b>(5,088)</b>	<b>(33,735)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Inflows:			
Borrowings received		-	-
Outflows:			
Repayment of borrowings		-	-
<b>Net cash from/(used in) financing activities</b>		<b>-</b>	<b>-</b>
Net increase/(decrease) in cash held		897,100	(73,782)
Cash at the beginning of the financial year		(83,407)	(9,625)
<b>Cash at the end of the financial year</b>	<b>11(a)</b>	<b>813,693</b>	<b>(83,407)</b>

*The above cash flow statement 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 2016**

**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.

**(b) New and revised accounting standards - Adoption of new and amended accounting standards**

**AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality (effective from 1 July 2015)**

The completion of AASB project to remove Australian guidance on materiality from Australian Accounting Standards with the issue of the final amending standard to effect the withdrawal of AASB 1031 *Materiality*. Guidance on materiality is now located in AASB 101 *Presentation of Financial Statements*.

The adoption of this accounting standard will not have any financial effect on the Trust.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**1. Statement of Significant Accounting Policies (cont.)**

**(c) Pending accounting standards**

Standard/ Interpretation	Summary	Operative date *	Impact
AASB 9 Financial Instruments and the relevant amending standards	AASB 9 is one of a series of amendments that are expected to replace AASB 139 Financial Instruments: Recognition and Measurement. The main impact of the standard is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four categories of financial assets in AASB 139 will be replaced with two measurement categories: fair value and amortised cost.	1 January, 2018	No financial impact.
AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101	The amendments to AASB 101 do not require any significant change to current practice, but should facilitate improved reporting, including emphasis on only including material disclosures, clarity on the aggregation and disaggregation of line items, the presentation of subtotals, the ordering of notes and the identification of significant accounting policies.	1 January, 2016	No financial impact.
AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities	The amendments extend the scope to AASB 124 Related Party Disclosures to include not-for-profit public sector entities.	1 July, 2016	No financial impact.
AASB 15 Revenue from Contracts with Customers, and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	Under the new standard, a single model that applies to contracts with customers and two approaches to recognising revenue, at a point in time or over time is proposed. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.  The new standard will apply to contracts of not-for-profit entities that are exchange contracts. AASB 1004 Contributions will continue to apply to non-exchange transactions until the Income from Transactions of Not-for-Profit Entities project is completed.	1 January, 2018	The Trust is still assessing the likely impact of adopting this standard



**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**1. Statement of Significant Accounting Policies (cont.)**

Standard/ Interpretation	Summary	Operative date *	Impact
Disclosure Initiative - Amendments to AASB 107	Amendments to AASB 107 will see the introduction of additional disclosures to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as effects of changes in foreign exchange rates and changes in fair values).	1 January, 2017	The Trust is still assessing the likely impact of adopting this standard
AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation	This amendment introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. In addition to this, there is limited opportunity for presumption to be overcome and clarifies that revenue-based depreciation for property, plant and equipment cannot be used.	1 January, 2016	No financial impact
AASB 2015-1 Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle	Amendments to existing accounting standards, particularly in relation to: IFRS 5 - guidance on changes in method of disposal;  IFRS 7 - clarifies 'continuing involvement for service contracts and also clarifies offsetting disclosures are not specifically required in interim financial statements, but may be included under general requirements of IAS 34;  IAS 19 - clarifies that discount rates used should be in the same currency as the benefits are to be paid; and  IAS 34 - clarifies that disclosures may be incorporated in the interim financial statements by cross-reference to another part of the interim financial report.	1 January, 2016	No financial impact
AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities	The amendment provides relief to not-for-profit public sector entities from certain disclosures about the fair value measurement of property, plant and equipment held for their current service potential rather than to generate net cash inflows that is categorised within Level 3 of the fair value hierarchy.	1 July, 2016	The Trust is still assessing the likely impact of adopting this standard

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**1. Statement of Significant Accounting Policies (cont.)**

Standard/ Interpretation	Summary	Operative date *	Impact
AASB 1057 Application of Australian Accounting Standards, AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs	The AASB has reissued most of its Standards (and Interpretations) that incorporate IFRSs to make editorial changes. The editorial changes will enable the AASB to issue Australian versions of IFRS more efficiently. As part of the reissuance, the AASB has moved the application paragraphs that identify the reporting entities and general purpose financial statements to which the pronouncements apply to a new Standard, AASB 1057 Application of Australian Accounting Standards. However, the technical application requirements have not been amended.	1 January, 2016	No financial impact
AASB 16 Leases	AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.	1 January, 2019	The Trust is still assessing the likely impact of adopting this standard

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**1. Statement of Significant Accounting Policies (cont.)**

**(d) 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 (l)). 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(o).

***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(l) and note 6.

***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 critically dependent on the on-going financial support from the Tasmanian Government, currently secured through a triennial funding agreement.

***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.

***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 1(a)), 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.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**1. Statement of Significant Accounting Policies (cont.)**

**(e) 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.

**(f) Finance Costs**

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

**(g) 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.

**(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. Refer Note 11 (a).

**(i) Trade and other receivables**

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

**(j) Inventories**

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

**(k) 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.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**1. Statement of Significant Accounting Policies (cont.)**

**(l) 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 Statement of Comprehensive Income using the diminishing value 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%.

**(m) Trade and other payables**

Trade and other payables are stated at amortised cost.

**(n) 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 2016**

**1. Statement of Significant Accounting Policies (cont.)**

**(o) 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. The employer contributes to the funds on a fixed percentage of salary. Employer contributions are recognised as an expense in the Statement of Comprehensive Income as incurred.

**(p) Impairment**

The carrying amounts of the Trust's assets, other than inventories (see accounting policy 1(j)) 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.

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.

**(q) Income tax**

The Trust is exempt from income tax.

**(r) 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 2016**

	2016 \$	2015 \$
<b>2a. Specific purpose grants</b>		
Grants received		
Clarendon Roof	261,000	-
Clarendon - Guerrier	7,238	-
Clarendon - NRM	5,000	-
Franklin House - LCC Booklet	-	755
Franklin House - Underpinning	-	25,000
Franklin Village	3,300	-
Home Hill - Devonport City Council	28,000	28,000
Home Hill - Sewpac Film	-	636
Museum of Australian Democracy	-	5,000
National Trust Spread Sheet Collections	-	954
PCHS - Life Behind Bars	-	6,611
PCHS - Pandemonium	285,120	-
Strathroy Bridge	1,818	-
The Copland Foundation	-	4,165
WW1 - Memorials Denison	-	3,175
Grant - Latrobe Council	2,500	-
NTPP - Operational Funding	3,300	-
	<u>597,276</u>	<u>74,295</u>
Grants expensed		
Clarendon Roof	261,000	330
Franklin House - LCC Booklet	-	1,168
Franklin House - Underpinning	-	22,236
Franklin Village	1,345	-
Home From War	917	24,083
Home Hill Collection	4,448	-
Lyons - eBook	-	32,000
PCHS - Life Behind Bars	-	3,000
PCHS - Pandemonium	256,105	-
Strathroy Bridge	2,200	-
Strathroy Bridge - LCC Flood Lighting	-	-
Tasmanian Whaling Heritage	-	-
	<u>526,015</u>	<u>82,817</u>
<b>Net grant revenue/(expenditure)</b>	<u>71,262</u>	<u>(8,522)</u>
<b>2b. Other revenue</b>		
Subscriptions	50,577	50,660
Admissions	171,960	196,053
Net proceeds from fundraising activities	30,194	50,868
Donations, bequests & sponsorships	943,049	393,879
Interest	8,292	2,327
Recognised heritage assets at fair value	519,500	-
Rentals	50,096	52,937
Sundry	54,502	40,357
	<u>1,828,170</u>	<u>787,080</u>

Donations, bequests and sponsorship consists of donations of \$95,721 and four bequests totalling \$847,328.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	2016 \$	2015 \$
<b>2c. Employee expenses</b>		
Wages and salaries	433,429	402,729
Workers compensation	6,048	4,757
Superannuation	39,409	41,233
	<u>478,886</u>	<u>448,718</u>
<b>2d. Other expenses</b>		
Advertising	30,515	30,193
Auditors' remuneration*	17,040	17,300
Accounting	20,365	16,191
Bad debt impairment	11,885	-
Bank expenses	5,218	5,184
Cleaning	5,956	10,065
Computer costs	12,804	17,820
Conservation expenses	301	937
Exhibition expenses	1,554	13,762
FBT tax	5,388	5,223
Heritage week	-	309
Insurance	47,608	54,137
Legal expenses	4,500	-
Levies - Australian Council of National Trusts	4,391	3,621
Licencing costs	1,069	2,259
Light, water and power	40,613	43,110
Maintenance of grounds	8,361	13,896
Newsletter	7,169	4,449
Postage	3,131	3,540
Printing and stationery	7,278	6,740
Rates and land taxes	16,873	16,623
Rent	5,923	5,808
Repairs	40,236	64,729
Security	10,790	12,903
Seminar and meeting expenses	7,260	8,757
Staff training	1,314	914
Sundry	11,145	8,827
Telephone, fax and internet	13,424	15,965
Travelling and motor vehicle expenses	20,957	16,201
Volunteer expenses	15,229	19,201
	<u>378,297</u>	<u>418,665</u>

\* Includes base audit fee for 2015-16 audit of \$16,560 (2014-15 \$16,480)

**2e. Recurrent grants**

Grants received

Commonwealth government

NTTP other projects

NTTP heritage festival

45,000

19,500

22,000

18,000

67,000

37,500

Grants expensed

Commonwealth government

NTTP other projects

NTTP heritage festival

42,318

12,523

16,217

22,121

58,535

34,643

**Net grant revenue/(expenditure)**

8,465

2,857



**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>3. Trade and other receivables</b>			
Trade debtors		31,036	16,029
Rent receivable		-	6,930
<b>Total trade and other receivables</b>		<u>31,036</u>	<u>22,959</u>
<b>4. Inventories</b>			
At cost		<u>57,450</u>	<u>60,799</u>
<b>5. Other financial assets</b>			
Restoration account		<u>395,391</u>	<u>386,276</u>
<b>6. Property, plant and equipment</b>			
Land & buildings			
Freehold premises			
Directors valuation in 2016		8,008,700	7,980,000
Less accumulated depreciation		(364,671)	(309,864)
Leasehold premises (cost)	1(l)	16,314	16,314
<b>Total land and buildings</b>		<u>7,660,343</u>	<u>7,686,450</u>
Plant & equipment			
At cost		579,552	577,190
less accumulated depreciation		(482,700)	(468,406)
<b>Total plant &amp; equipment</b>		<u>96,852</u>	<u>108,784</u>
Heritage collections - at fair value	1(l)	<u>2,391,206</u>	<u>1,871,706</u>
<b>Total Property, Plant &amp; Equipment</b>		<u>10,148,401</u>	<u>9,666,940</u>
<b>Land &amp; buildings:</b>			
Carrying amount at beginning of the year		7,686,450	7,975,970
Less depreciation		(54,807)	(54,520)
Revaluations		28,700	(35,000)
Property transfers		-	(200,000)
Carrying amount at the end of the year		<u>7,660,343</u>	<u>7,686,450</u>

Freehold properties were reviewed on 30 June 2016 to ensure carrying values were consistent with the Valuer-General's valuations

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	2016 \$	2015 \$
<b>6. Property, plant and equipment (continued)</b>		
<b>Plant and equipment:</b>		
Carrying amount at beginning of year	108,785	94,403
Additions	5,997	33,734
Disposals	(1,285)	-
Depreciation	(16,645)	(19,352)
Carrying amount at end of the year	<u>96,852</u>	<u>108,785</u>
<b>Heritage collections:</b>		
Carrying amount at beginning of year	1,871,706	1,583,438
Additions	519,500	288,268
Carrying amount at end of the year	<u>2,391,206</u>	<u>1,871,706</u>
<b>7. Trade and other payables</b>		
Trade creditors and accruals	129,811	91,167
GST creditor	10,525	1,298
PAYG Withholding	5,074	9,517
Superannuation Payable	8,217	4,325
FBT Instalments	1,347	1,347
Accrued expenses	10,500	15,168
	<u>165,474</u>	<u>122,821</u>
<b>8. Interest bearing liabilities</b>		
<b>Current</b>		
Bank overdraft - Secured	11(a) <u>150,617</u>	<u>172,457</u>
	<u>150,617</u>	<u>172,457</u>
<b>Non-current</b>		
Loan - Tasmanian Trustees Limited	<u>100,000</u>	<u>100,000</u>
	<u>100,000</u>	<u>100,000</u>
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.		
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.		
<b>9. Employee benefits</b>		
<b>Current</b>		
Annual Leave	116,687	126,935
Long Service Leave	25,658	36,066
	<u>142,345</u>	<u>163,001</u>
Number of employees on a FTE basis at year-end	6.447	6.671

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	2016 \$	2015 \$
<b>10. Provisions</b>		
<b>Restoration Fund Current</b>		
Current	334,823	148,152
Non-Current	18,246	213,755
	<u>353,069</u>	<u>361,907</u>
<b>Restoration Fund</b>		
Balance at 1 July	361,908	364,532
Restoration appeal funds received	122,800	84,765
Restoration appeal funds expended	(131,638)	(87,389)
	<u>353,069</u>	<u>361,908</u>

**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	964,310	89,050
Bank overdraft	8 (150,617)	(172,457)
	<u>813,693</u>	<u>(83,407)</u>

**(b) Reconciliation of net cash from operating activities**

Surplus / (deficit) for the period	1,350,546	(21,996)
<i>Add/ (less) non-cash items:</i>		
Depreciation	71,453	73,872
Net property transfers	(519,126)	(88,268)
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables & other assets	(8,077)	(21,330)
(Increase)/decrease in inventories	3,349	3,041
Increase/(decrease) in payables & other liabilities	24,699	3,426
Increase/(decrease) in employee provisions	(20,656)	11,208
	<u>902,188</u>	<u>(40,047)</u>

**12. Related party transactions**

Stuart Huys of Cultural Heritage Management Australia was contracted with Board approval to provide a Historic Heritage Impact Assessment for submission to Heritage Tasmania and Hobart City Council regarding the Pandemonium interpretation project, Penitentiary Chapel Historic Site. This service was provided at a greatly reduced commercial rate. Stuart Huys is the husband of National Trust Australia (Tasmania) Board Member, Zoe Smith. Cultural Heritage Management Australia was selected for this project due to their highly regarded international reputation and expertise.

National Trust of Australia (Tasmania) Board Member, Warwick Oakman is an appointed Commonwealth Government Approved Cultural Gifts Valuer. Mr Oakman provided professional valuation services relating to the collection held at Runnymede. Mr Oakman provided these services on a pro bono basis with no costs incurred by the National Trust of Australia (Tasmania).

**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)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**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 totalled \$353,069 (2015: \$361,908) 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 \$395,391 (2015: \$386,276), as per Note 5. These funds are held on behalf of external parties and do not represent funds controlled by the Trust.

**(b) Insurance Premiums**

The Trust has entered into an agreement to pay its insurance premiums in ten monthly instalments. At 30 June 2016, the Trust has an outstanding commitment relating to insurance payments totalling \$Nil (2015: \$38,409).

**15. Financial Instruments**

**(a) Financial Risk Management and Risk Exposures**

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.

**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.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**15. Financial Instruments (cont.)**

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

**(b) 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-16		30-Jun-15	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>Financial assets</i>				
Cash and cash equivalents	964,310	964,310	89,050	89,050
Receivables	31,036	31,036	22,959	22,959
Other financial assets	395,391	395,391	386,276	386,276
	<b>1,390,737</b>	<b>1,390,737</b>	<b>498,285</b>	<b>498,285</b>
<i>Financial liabilities</i>				
Payables	165,474	165,474	122,822	122,822
Interest bearing liabilities	250,617	250,617	272,457	272,457
	<b>416,091</b>	<b>416,091</b>	<b>395,279</b>	<b>395,279</b>
<b>Net financial assets / (liabilities)</b>	<b>974,646</b>	<b>974,646</b>	<b>103,006</b>	<b>103,006</b>

**Carrying amounts classified as:**

	30-Jun 2016	30-Jun 2015
<i>Financial assets</i>		
Cash and cash equivalents - restoration accounts	395,391	386,276
Loans and receivables	31,036	22,959
Cash and cash equivalents	964,310	89,050
	<b>1,390,737</b>	<b>498,285</b>
<i>Financial liabilities</i>		
Amortised cost	416,091	395,279
	<b>416,091</b>	<b>395,279</b>
<b>Net financial assets / (liabilities)</b>	<b>974,646</b>	<b>103,006</b>

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**15. Financial Instruments (cont.)**

**(c) 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 2016</b>						
Payables	165,474	-	-	-	165,474	165,474
Interest bearing liabilities	150,617	-	100,000	-	250,617	250,617
	<u>316,091</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>416,091</u>	<u>416,091</u>
<b>30 June 2015</b>						
Payables	122,822	-	-	-	122,822	122,822
Interest bearing liabilities	172,457	-	100,000	-	272,457	272,457
	<u>295,279</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>395,279</u>	<u>395,279</u>

**(d) 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 2015.

At 30 June 2016, if interest rates had moved, as illustrated in the table below, profit and equity would have been affected as follows:

	Profit/ (loss)		Equity	
	2016	2015	2016	2015
+ 1% (100 basis points)	(2,506)	(2,725)	(2,506)	(2,725)
- 1% (100 basis points)	2,506	2,725	2,506	2,725

**(e) Ageing of Debtors**

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

	Gross 2016	Impairment 2016	Gross 2015	Impairment 2015
Not past due	19,043	-	29,464	-
Past due 0 - 30 days	10,964	-	1,511	-
Past due 31 - 60 days	749	-	1,170	-
Past due 60 days	280	-	7,323	-
	<u>31,036</u>	<u>-</u>	<u>39,468</u>	<u>-</u>

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**16. Fair Value Measurements**

The Trust measures and recognises the following assets at fair value on a recurring basis: Property, plant and equipment

- Land
- Buildings
- Heritage collections

The Trust does not measure any liabilities at fair value on a recurring basis.

**(a) Fair value hierarchy**

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Trust. The table presents the Trust's assets and liabilities measured and recognised at fair value at 30 June 2016.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3.

As at 30 June 2016

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Land	6	-	2,528,000	-	2,528,000
Buildings	6	-	5,480,700	-	5,480,700
Heritage collections	6	-	807,768	1,583,438	2,391,206
		-	8,816,468	1,583,438	10,399,906

Non-recurring fair value measurements

Assets held for sale	-	-	-	-
	-	-	-	-

As at 30 June 2015

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
Land	6	-	2,528,000	-	2,528,000
Buildings	6	-	5,452,000	-	5,452,000
Heritage collections	6	-	288,268	1,583,438	1,871,706
		-	8,268,268	1,583,438	9,851,706

Non-recurring fair value measurements

Assets held for sale	-	-	-	-
	-	-	-	-

Transfers between levels of the hierarchy

The trust's policy is to recognise transfers in and out of the fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer. No relevant transfers occurred during the 2016 financial year. This has been independently valued.

**(b) Highest and best use**

All assets valued at fair value in this note are being used for their highest and best use.

**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**16. Fair Value Measurements (cont.)**

**(c) Valuation techniques and significant inputs used to derive fair values**

The Trust adopted AASB 13 Fair Value Measurement for the first time in the 2013-14 financial year and has reviewed each valuation to ensure compliance with the requirements of the new standard. There have been no changes in valuation techniques as a result of this review.

**Heritage collections**

The fair value of Heritage collections has been determined with reference to several sources, including informal appraisals performed by antique dealers, discussions with collectors and auctioneers, plus the industry knowledge of the Trust's staff. The Directors believe that the values used on the heritage assets are conservative. The Trust has looked into having the assets formally valued but found the option cost prohibitive.

**(d) Unobservable inputs and sensitivities**

**As at 30 June 2016**

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	- Auction prices of similar items - Formal & Informal appraisals performed by antique dealers	Assets will be revalued as a result of receiving information that suggests prices are overstated.

**As at 30 June 2015**

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	- Auction prices of similar items - Formal & Informal appraisals performed by antique dealers	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.

**(e) Changes in recurring level 3 fair value measurements**

There have been no transfers between level 1, 2 or 3 measurements during the year.

**(f) Valuation processes**

The Trust's valuation policies and procedures for land and buildings involve reviewing all assets' value at the reporting date and ensuring the values are consistent with other available information. The primary source of information comes from the Valuer-General's valuations disclosed on the relevant council rates notices.

The Trust also reviews asset holdings for other indicative evidence that may indicate a change in fair value. No evidence attained during the financial year suggested that the values used were inappropriate.

Heritage collections are not formally valued each reporting period. The value of each item is determined upon acquisition, then reviewed when information becomes available to determine if any changes are necessary.



**NATIONAL TRUST OF AUSTRALIA (TASMANIA)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**17. Correction of Error**

In previous years, the Trust treated special purpose funds in the same manner as restoration funds received from external parties. That is, the funds were recognised as a liability upon receipt, with subsequent movements adjusted against the liability. The special purpose funds are controlled by the Trust, and should therefore be recognised as revenue upon receipt.

The comparative figures have been restated in accordance with the revised treatment.

The following table summarises the impacts on the Trust's financial statements:

<b>Statement of Financial Position</b>	<b>As previously reported</b>	<b>Adjustment</b>	<b>As restated</b>
<b>As at 30 June 2015</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Total Assets</b>	10,226,024	-	10,226,024
<b>Total Liabilities (Restoration Provision)</b>	<u>1,037,724</u>	<u>(117,537)</u>	<u>920,187</u>
<b>Net Assets</b>	9,188,300	117,537	9,305,837
<b>Equity</b>			
Retained earnings	6,981,279	-	6,981,279
Reserves	<u>2,207,021</u>	<u>117,537</u>	<u>2,324,558</u>
<b>Total Equity</b>	9,188,300	117,537	9,305,837

<b>Statement of Comprehensive Income</b>	<b>As previously reported</b>	<b>Adjustment</b>	<b>As restated</b>
<b>For the year ended 30 June 2015</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Total revenue (Other revenue)</b>	1,340,775	15,128	1,355,903
<b>Total expenses (Other expenses)</b>	<u>1,362,771</u>	<u>27,061</u>	<u>1,389,832</u>
<b>Net operating surplus/(deficit)</b>	(21,996)	(11,933)	(33,929)
<b>Other comprehensive income</b>			
Revaluations of properties	<u>(35,000)</u>	<u>-</u>	<u>(35,000)</u>
<b>Comprehensive result</b>	<u>(56,996)</u>	<u>(11,933)</u>	<u>(68,929)</u>

<b>Statement of Changes in Equity</b>	<b>As previously reported</b>	<b>Adjustment</b>	<b>As restated</b>
<b>For the year ended 30 June 2015</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 1 July 2014</b>	9,245,296	129,470	9,374,766
Surplus/(deficit) for the period	(21,996)	(11,933)	(33,929)
Asset revaluations	<u>(35,000)</u>	<u>-</u>	<u>(35,000)</u>
<b>As at 30 June 2015</b>	<u>9,188,300</u>	<u>117,537</u>	<u>9,305,837</u>