

NATIONAL TRUST OF AUSTRALIA (TASMANIA)

ABN 98 258 180 740

FINANCIAL REPORT **FOR THE YEAR ENDED 30 JUNE 2019**

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

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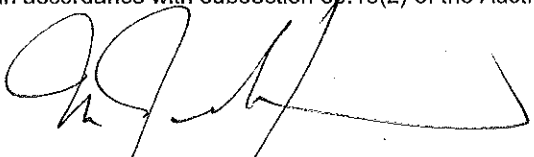
NATIONAL TRUST OF AUSTRALIA (TASMANIA)
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STATEMENT BY BOARD

In accordance with a resolution of the directors of National Trust Of Australia (Tasmania), the directors of the trust declare that:

1. In the directors' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.
2. 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-profits Commission Regulations 2013.



Director:

NICHOLAS HEYWARD

Dated:

16. XII. '19

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
INCOME			
State Government - administration grant		312,325	300,000
Commonwealth Government grants received	2	78,251	47,600
Other revenue	3	484,009	778,883
Grants received	4	381,485	30,700
Gross profit from trading	25	62,399	74,826
Fair value of additions to heritage collections at no cost	27	1,100,664	-
		<u>2,419,132</u>	<u>1,232,009</u>
LESS EXPENDITURE			
Grants expended	5	7,238	5,000
Auditors' remuneration	6	18,290	17,580
Commonwealth Government grants expensed	7	37,720	29,403
Depreciation	27	83,715	85,192
Employees expenses	8	586,197	601,555
Interest paid		6,040	17,362
Other expenses	9	582,392	525,018
		<u>1,321,591</u>	<u>1,281,110</u>
NET OPERATING SURPLUS (DEFICIT)		1,097,541	(49,101)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of properties	27	<u>74,695</u>	<u>613,973</u>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		<u>1,172,236</u>	<u>564,872</u>

The accompanying notes form part of these financial statements.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
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STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	478,698	634,374
Trade and other receivables	11	26,727	145,177
Inventories	12	43,363	47,982
Other financial assets	13	315,593	468,148
TOTAL CURRENT ASSETS		864,382	1,295,681
NON-CURRENT ASSETS			
Property, plant and equipment	14	12,088,314	11,023,769
TOTAL NON-CURRENT ASSETS		12,088,314	11,023,769
TOTAL ASSETS		12,952,696	12,319,450
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	121,154	468,105
Borrowings	16	5,135	20,371
Provisions	17	357,571	566,862
TOTAL CURRENT LIABILITIES		483,859	1,055,338
NON-CURRENT LIABILITIES			
Borrowings	16	10,206	-
Provisions	17	22,282	-
TOTAL NON-CURRENT LIABILITIES		32,488	-
TOTAL LIABILITIES		516,347	1,055,338
NET ASSETS		12,436,349	11,264,112
EQUITY			
Reserves	18	3,583,511	3,868,364
Retained earnings		8,852,838	7,395,749
TOTAL EQUITY		12,436,349	11,264,112

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

		Retained Earnings \$	Asset revaluation reserve \$	Specific purpose reserve \$	Total \$
Balance at 1 July 2017		7,699,024	2,166,938	833,279	10,699,241
Comprehensive income					
Surplus (deficit) for the year		(49,101)	-	-	(49,101)
Other comprehensive income for the year	18	-	613,973	-	613,973
Total comprehensive income for the year		(49,101)	613,973	-	564,872
Other					
Transfer to/(from) retained earnings		(254,173)	-	254,173	-
Total other		(254,173)	-	254,173	-
Balance at 30 June 2018		7,395,750	2,780,911	1,087,453	11,264,113
Balance at 1 July 2018		7,395,750	2,780,911	1,087,453	11,264,113
Comprehensive income					
Surplus (deficit) for the year		1,097,541	-	-	1,097,541
Other comprehensive income for the year	18	-	74,695	-	74,695
Total comprehensive income for the year		1,097,541	74,695	-	1,172,236
Other					
Transfer to/(from) retained earnings		359,548	-	(359,548)	-
Total other		359,548	-	(359,548)	-
Balance at 30 June 2019		8,852,839	2,855,606	727,905	12,436,349

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 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers and members		816,413	872,954
Interest received		5,870	9,480
State Government grants - recurrent		343,558	330,000
State Government grants - non-recurrent		350,000	-
Commonwealth Government grants - recurrent		86,076	52,360
Specific funded projects		31,485	30,700
Net GST refund/payment		(36,176)	1,803
Payments to suppliers and employees		(1,750,338)	(973,406)
Interest paid		(6,040)	(17,362)
Commonwealth Government grants - recurrent		(37,720)	(29,403)
Payments for specific funded projects		(7,238)	(5,000)
Net cash provided by (used in) operating activities	26	<u>(204,110)</u>	<u>272,126</u>
Cash flows from investing activities			
Proceeds from disposal of property, plant & equipment		78,220	3,636
Payments for property, plant & equipment		(24,756)	(72,895)
Net cash provided by (used in) investing activities		<u>53,464</u>	<u>(69,259)</u>
Cash flows from financing activities			
Proceeds from borrowings		14,390	(100,000)
Repayment of borrowings		(1,541)	-
Net cash provided by (used in) financing activities		<u>12,849</u>	<u>(100,000)</u>
Net increase (decrease) in cash held		(137,797)	102,867
Cash and cash equivalents at beginning of financial year		614,004	511,137
Cash and cash equivalents at end of financial year	26	<u><u>476,207</u></u>	<u><u>614,004</u></u>

The accompanying notes form part of these financial statements.

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

The financial statements cover National Trust Of Australia (Tasmania) as an individual entity. National Trust Of Australia (Tasmania) is a company (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 and unless stated have been rounded to the nearest dollar.

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) issued 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.

Property

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

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FOR THE YEAR ENDED 30 JUNE 2019

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 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

(i) Valuation basis

Heritage assets are recorded at fair value. Acquired items are added to the collection initially at cost. Where an item is acquired at no cost, or for nominal cost, the cost is its estimated fair value at acquisition. The difference between fair value at acquisition and any nominal cost is recognised as a contribution (income) in the Statement of Comprehensive Income in the year of acquisition or recognition.

(ii) Revaluations

Heritage assets are revalued on a periodic basis unless management or the Board consider the carrying amount of an asset or collections materially differ from attributed fair value, then it shall be revalued regardless of when the last valuation occurred. Only items registered in the collections are recognised for valuation purposes. Heritage assets are valued by independent valuers or by management and specialist staff.

(d) Impairment of Assets at Cost

The carrying amounts of the Trust's assets, 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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When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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 recognised at their amortised cost, less any expected credit 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's 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 as revenue when the Trust obtains control over the assets. Control over granted assets is normally obtained upon their receipt or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where the Trust becomes obligated to repay a 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

(j) Trade and Other Payables

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

Trade and other payables are initially measured at their fair value and subsequently measured at amortised cost using the effective interest method.

(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) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) 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 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.

(n) 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 trust. See notes 14, 17 and 27.

(o) Adoption of New and Amended Accounting Standards

AASB 9: Financial Instruments and associated Amending Standards (effective from 1 January 2018)

This standard replaces the existing standard, AASB139: Financial Instruments: Recognition and Measurement and revises classification, measurement and disclosure of financial assets and liabilities. It reduces the number of categories for financial assets and simplifies the measurement choices, including the removal of impairment testing of assets measured at fair value.

The Trust has applied this standard from 1 July 2018 and has determined there is no financial impact.

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(p) 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:

- 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 introduce a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

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 analysed the new revenue recognition requirements noting that future impacts include:

- Depending on the respective contractual terms, the new requirements of AASB 15 may result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred as a liability to a later reporting period to the extent that the Trust has received cash, but has not met its associated performance obligations (a promise to transfer a good or service).
- Grants received by the Trust to construct non-financial assets will be recognised as a liability, and subsequently recognised progressively as revenue as the Trust satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific.
- Grants that are not enforceable and/or not sufficiently specific, will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. The Trust receives several grants for which there are no sufficiently specific performance obligations, for example the State Government Administration Grant. This grant are will continue being recognised as revenue upfront assuming no change to the current grant arrangements.

The Trust has determined that the new revenue recognition requirements under these standards will be immaterial, except for certain grants, as the Trusts' main source of income is either cash based or from donations.

The Trust will apply this standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to retained earnings for the difference in accounting treatment on initial adoption. The Trust's assessment is that the majority of the Capital Works Program Grant will be transferred from the Specific Purpose Reserve and deferred as a liability under AASB 15. It will be progressively recorded as income as performance obligations are fulfilled.

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- AASB 2016-7: Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities.

This Standard amends the mandatory effective date (application date) of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018.

Therefore, this Standard also defers, for not-for-profit entities, the consequential amendments that were originally set out in AASB 2014-5: Amendments to Australian Accounting Standards arising from AASB 15. This deferral is achieved by restating the effective date of the amendments set out in AASB 2015-8: Amendments to Australian Accounting Standards - Effective Date of AASB 15 as they apply to not-for-profit entities.

Earlier application of AASB 15 is permitted for not-for-profit entities for annual reporting periods beginning before 1 January 2019, provided AASB 1058: Income of Not-for-Profit Entities is also applied to the same period.

- 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 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.

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 Trust's financial statements.

- AASB 1058: Income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019).

The objective of this Standard is to establish principles for not-for-profit entities that apply to transactions where the consideration to acquire an asset is significantly less than the fair value of the asset, and where the asset is to principally enable a not-for-profit entity its objectives. The impact is enhanced disclosure in relation to income of not-for-profit entities.

The Trust has a number of peppercorn leases in place which will result in the recognition of lease assets at fair value, the remaining lease liability and the balance as income. These right-of-use assets have not been previously recognised.

AASB 1058 requires the recognition of volunteer services where they would have been purchased if not donated and the fair value of those services can be reliably measured. The Trust has assessed these requirements and determined that the recognition of volunteer services will impact the financial statements. The Trust will recognise volunteer services by implementing timesheets, categorising volunteers based on the activities they perform and using an average wage rate for each volunteer category to determine the fair value. The determined fair value will be recognised on the profit and loss. The Trust will apply the standard from 1 July 2019.

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All other Australian accounting standards and interpretations with future effective dates are either not applicable to the Trust's activities, or have no material impact.

(q) Interest bearing liabilities

Interest bearing liabilities are recorded at amortised cost.

(r) Other financial assets

The balance of other financial assets is comprised of the Restoration Fund bank accounts. These investments are materially recorded at fair value and subsequently measured at amortised cost.

(s) Finance costs

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

(t) 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 Statement of Financial Position. Commitments are disclosed at their nominal value and inclusive of the GST payable.

(u) 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
2. COMMONWEALTH GOVERNMENT GRANTS RECEIVED		
NTPP other projects	78,251	27,100
NTPP Heritage Festival	-	20,500
	<u>78,251</u>	<u>47,600</u>
3. OTHER REVENUE		
Admissions	220,916	206,896
Donations, bequests and sponsorship	9,255	338,422
Interest	5,870	9,480
Net proceeds from function activities	26,976	36,151
Rentals	80,597	76,574
Subscriptions	47,143	43,839
Sundry	22,851	67,520
Profit on sale of non-current assets	26,364	-
Insurance recoveries	44,037	-
	<u>484,009</u>	<u>778,883</u>
4. GRANTS RECEIVED		
Grants received	-	200
PCHS - Life Behind Bars	735	-
Capital Works Program grant	350,000	-
State Government - International Women's Day	250	-
Home Hill Partnership Program - Devonport City Council	28,000	28,000
Community grant - Latrobe Council	2,500	2,500
	<u>381,485</u>	<u>30,700</u>
 (a) The Capital Works Program Grant of \$350,000 was provided by the State Government on the condition that the funds are used within 18 months to undertake a series of urgent and essential capital, conservation and maintenance works on the properties owned by the Trust. The grant is fully unexpended.		
5. GRANTS EXPENDED		
NRM - Clarendon	-	5,000
Guerrier - Clarendon	7,238	-
	<u>7,238</u>	<u>5,000</u>
6. AUDITORS' REMUNERATION		
Auditing the financial statements	18,290	17,580
7. COMMONWEALTH GOVERNMENT GRANTS EXPENSED		
NTPP other projects	-	4,204
NTPP Heritage Festival	37,720	25,199
	<u>37,720</u>	<u>29,403</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	2019 \$	2018 \$
8. EMPLOYEES EXPENSES		
Salaries and wages	593,661	541,249
Workers compensation	6,930	6,468
Superannuation	49,259	50,107
Employee provisions	(63,653)	3,731
	<u>586,197</u>	<u>601,555</u>
9. OTHER EXPENSES		
Accounting	25,765	26,490
Advertising	25,295	24,204
Bookkeeping	14,506	-
Bank expenses	6,044	12,627
Borrowing expenses	395	-
Cleaning	8,800	8,687
Computer costs	24,414	20,214
Conservation expenses	5,749	2,505
Consultancy	82,024	56,267
Consultancy funded from Specific Purpose Reserve	16,489	28,684
Exhibition expenses	13,296	33
Insurance	49,960	52,199
Legal costs	10,781	8,632
Levies - ACNT/INTO	2,356	5,398
Licencing costs	1,649	2,566
Light, water and power	40,454	45,972
Loss on sale of non-current assets	-	1,528
Maintenance of grounds	44,125	21,334
Member expenses	5,026	5,018
Postage	3,010	3,286
Printing and stationery	9,429	15,924
Rates and land taxes	23,017	20,537
Rent	27,882	4,568
Repairs	46,475	54,930
Security	22,710	25,302
Seminar and meeting expenses	14,393	22,029
Sundry	2,590	4,498
Telephone	8,454	9,693
Travelling and motor vehicle expenses	23,063	25,407
Volunteer expenses	24,239	16,487
	<u>582,392</u>	<u>525,018</u>
10. CASH AND CASH EQUIVALENTS		
Cash at bank	325,208	634,374
Cash at bank - secured	153,490	-
	<u>478,698</u>	<u>634,374</u>

NATIONAL TRUST OF AUSTRALIA (TASMANIA)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
11. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	25,131	145,177
Goods and services tax	1,596	-
	<u>26,727</u>	<u>145,177</u>
12. INVENTORIES		
CURRENT		
At cost:		
Stock on hand	<u>43,363</u>	<u>47,982</u>
13. OTHER FINANCIAL ASSETS		
CURRENT		
Restoration account	24 <u>315,593</u>	<u>468,148</u>
14. PROPERTY, PLANT AND EQUIPMENT		
Freehold premises at fair value	<u>8,375,500</u>	<u>8,356,500</u>
Leasehold premises at cost	<u>16,314</u>	<u>16,314</u>
Plant and equipment	689,766	691,475
Less accumulated depreciation	<u>(492,370)</u>	<u>(490,815)</u>
	<u>197,397</u>	<u>200,660</u>
Heritage collections at fair value	<u>3,499,103</u>	<u>2,450,295</u>
Total property, plant and equipment	<u>12,088,314</u>	<u>11,023,769</u>
(a) Movements in carrying amounts		
For disclosure on movement in carrying amounts please refer to note 27 at the end of this financial report.		
15. TRADE AND OTHER PAYABLES		
CURRENT		
Goods and services tax	-	15,554
Trade creditors	84,988	398,711
Other creditors	2,340	25,086
Withholding taxes payable	7,012	8,433
Superannuation payable	8,524	6,941
Accrued expenses	18,290	13,380
	<u>121,154</u>	<u>468,105</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	2019 \$	2018 \$
16. BORROWINGS		
CURRENT		
Bank overdraft - secured	-	20,371
Asset purchase liability	2,643	-
Credit card	2,492	-
Total current borrowings	<u>5,135</u>	<u>20,371</u>
NON-CURRENT		
Asset purchase liability	<u>10,206</u>	<u>-</u>
Total borrowings	<u>15,341</u>	<u>20,371</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.		
17. PROVISIONS		
CURRENT		
Provision for holiday pay	36,186	95,044
Provision for long service leave	6,528	33,606
Restoration fund	24 <u>314,856</u>	<u>438,213</u>
	<u>357,571</u>	<u>566,862</u>
NON-CURRENT		
Provision for long service leave	<u>22,282</u>	<u>-</u>
Number of employees on a FTE basis at year-end	8.24	8.62
(a) Reconciliation of Restoration Fund		
Balance at beginning of the financial year	438,213	431,009
Amounts received	36,560	126,116
Amounts used	<u>(159,917)</u>	<u>(118,912)</u>
Balance at the end of the financial year	<u>314,856</u>	<u>438,213</u>
18. RESERVES		
(a) Asset Revaluation Reserve		
The asset revaluation reserve records revaluations of non-current assets.	2,855,606	2,780,911
(b) Specific Purpose Reserve		
The specific purpose reserves set aside funds for specific purposes and general funds available to fund Trust activities.	727,905	1,087,453
Total reserves	<u>3,583,511</u>	<u>3,868,364</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
(c) Analysis of Items of Other Comprehensive Income by Each Class of Reserve:		
Asset revaluation reserve		
Revaluation of properties	74,695	613,973
Movement in asset revaluation reserve	74,695	613,973
Total other comprehensive income for the year	74,695	613,973

19. EVENTS AFTER THE REPORTING PERIOD

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

20. RELATED PARTY TRANSACTIONS

Related Parties

(a) 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.

(b) Non-executive directors are:

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

(c) Transactions with related parties

Throughout the 2018-2019 financial year there were no related party transactions.

The Managing Director's remuneration is:

i Short term employee benefits

Salary	1	100,000	100,000
Other allowances and benefits	2	47,159	9,158
		147,159	109,158

ii Post employment benefits

Superannuation	3	9,500	9,500
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iii Other long-term benefits

Non-monetary benefits	4	(36,682)	(1,841)
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iv Total

Total Managing Director remuneration		119,978	116,817
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$

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

(2) Other allowances and benefits includes all other forms of employment allowances, payments in lieu of leave and other compensation paid and payable.

(3) Superannuation is 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.

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.

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 7 Financial Instrument: Disclosures and AASB 9 Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	478,698	634,374
Trade and other receivables	26,727	145,177
Other financial assets	315,593	468,148
Total Financial Assets	821,018	1,247,699

Financial Liabilities

Trade and other payables	121,154	468,105
Interest bearing loans and borrowings	15,341	20,371
Total Financial Liabilities	136,495	488,476

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.

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2019 2018
\$ \$

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.

Credit risk exposures

Not past due	16,552	66,867
Past due 1 - 30 days	3,104	67,310
Past due 61+ days	5,475	11,000
	<u>25,131</u>	<u>145,177</u>

(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.

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

Financial liability and financial asset maturity analysis

Financial liabilities due for payment

	Within 1 Year	
Trade and other payables	121,154	468,105
Interest bearing loans and borrowings	5,135	20,371
Total contractual outflows	<u>126,289</u>	<u>488,476</u>
Total expected outflows	<u>126,289</u>	<u>488,476</u>
Net (outflow)/inflow on financial instruments	<u>(126,289)</u>	<u>(488,476)</u>

1 to 5 Years

Financial liabilities due for payment

Interest bearing loans and borrowings	10,206	-
Total contractual outflows	<u>10,206</u>	<u>-</u>
Total expected outflows	<u>10,206</u>	<u>-</u>
Net (outflow)/inflow on financial instruments	<u>(10,206)</u>	<u>-</u>

Total

Financial Liabilities

Trade and other payables	121,154	468,105
Interest bearing loans and borrowings	15,341	20,371
Total contractual outflows	<u>136,495</u>	<u>488,476</u>
Total expected outflows	<u>136,495</u>	<u>488,476</u>
Net (outflow)/inflow on financial instruments	<u>(136,495)</u>	<u>(488,476)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
(c) Market risk		
<i>Interest rate risk</i>		
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).		

Sensitivity Analysis

The following table illustrates sensitivities to the Trust'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.

	Profit	Equity
Year ended 30 June 2019		
+/- 1% in interest rates	+/-153	+/-153
Year ended 30 June 2018		
+/- 1% in interest rates	+/-204	+/-204

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

Fair Values

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

	2019 Carrying Amount	Fair Value
Financial Assets		
Cash and cash equivalents	478,698	478,698
Trade and other receivables	26,727	26,727
Other financial assets	315,593	315,593
Total financial assets	<u>821,018</u>	<u>821,018</u>
Financial Liabilities		
Trade and other payables	121,154	121,154
Interest bearing loans and borrowings	15,341	15,341
Total financial liabilities	<u>136,495</u>	<u>136,495</u>
	2018	
	Carrying Amount	Fair Value
Financial Assets		
Cash and cash equivalents	634,374	634,374
Trade and other receivables	145,177	145,177
Other financial assets	468,148	468,148
Total financial assets	<u>1,247,699</u>	<u>1,247,699</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Financial Liabilities		
Trade and other payables	468,105	468,105
Interest bearing loans and borrowings	20,371	20,371
Total financial liabilities	<u>488,476</u>	<u>488,476</u>

23. FAIR VALUE MEASUREMENTS

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

(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.

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 Trust 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.

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2019
\$

2018
\$

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.

The following tables provide the fair values of the Trust's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

LEVEL 1

Recurring fair value measurements

Non-financial assets

Heritage collections	59,089	59,089
Total non-financial assets recognised at fair value on a recurring basis	59,089	59,089

LEVEL 2

Recurring fair value measurements

Non-financial assets

Land	2,806,000	2,787,000
Heritage collections	807,768	807,768
Buildings	5,569,500	5,569,500
Total non-financial assets recognised at fair value on a recurring basis	9,183,268	9,164,268

LEVEL 3

Recurring fair value measurements

Non-financial assets

Heritage collections	2,632,247	1,583,438
Total non-financial assets recognised at fair value on a recurring basis	2,632,247	1,583,438

TOTAL

Recurring fair value measurements

Non-financial assets

Land	2,806,000	2,787,000
Heritage collections	3,499,104	2,450,295
Buildings	5,569,500	5,569,500
Total non-financial assets recognised at fair value on a recurring basis	11,874,604	10,806,795

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	2019 \$	2018 \$
(b) Valuation Techniques and Inputs Used to Measure Level 2 Fair Values		
Description	Fair Value at 30 June 2019 \$	
<i>Non-Financial Assets</i>		
Land	2,806,000	
Heritage collections	807,768	
Buildings	5,569,500	
	<u>9,183,268</u>	

Land and building fair values are based on Valuer General valuations as stated on the annual council rates notices.

Fair values of heritage collections have been determined using purchase prices and valuations based on market values from registered valuers.

There were no changes during the period in the valuation techniques used by the Trust to determine Level 2 fair values.

(c) Valuation Techniques and Unobservable Inputs Used to Measure Level 3 Fair Values

Heritage collections are valued using unobservable inputs. These include auction prices of similar items as well as estimates based on valuations undertaken by a certified valuer on similar or the same assets.

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 \$314,856 (2018: \$438,213) 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 \$315,593 (2018: \$468,148), as per note 13. These funds are held on behalf of external parties and do not represent funds controlled by the Trust.

25. TRADING STATEMENT

SALES

Sales	127,752	153,106
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LESS COST OF GOODS SOLD

Opening stock	47,982	51,118
Purchases	60,734	75,144
	<u>108,716</u>	<u>126,263</u>
Closing stock	43,363	47,982
	<u>65,353</u>	<u>78,280</u>
GROSS PROFIT	<u>62,399</u>	<u>74,826</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	2019 \$	2018 \$
26. CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash	478,698	634,374
Bank Overdraft	-	(20,370)
Credit card	(2,491)	-
	<u>476,207</u>	<u>614,004</u>
(b) Reconciliation of net cash from operating activities		
Surplus / (deficit) for the period	1,097,541	(49,101)
Non-cash flows in profit:		
Depreciation	83,715	85,192
(Profit)/loss on disposal of fixed assets	(26,364)	1,528
Fair value of additions to heritage collections at no cost	(1,100,664)	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables & other assets	120,046	(144,501)
(Increase)/decrease in inventories	4,619	3,136
Increase/(decrease) in payables & other liabilities	(319,349)	372,141
Increase/(decrease) in employee provisions	(63,654)	3,731
Net cash provided by (used in) operating activities	<u>(204,110)</u>	<u>272,126</u>
(c) Reconciliation of liabilities arising from financing activities		
Borrowings		
Opening balance	-	100,000
Cash flow	12,849	(100,000)
Closing balance	<u>12,849</u>	<u>-</u>
Balance at year end	<u>12,849</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	Freehold & Leasehold Premises \$	Plant and equipment \$	Heritage collections \$	Total \$
27. MOVEMENT IN CARRYING AMOUNTS				
Movements in the carrying amounts for each class of property, plant and equipment.				
Balance at 1 July 2017	7,814,536	221,515	2,391,206	10,427,257
Additions	-	13,806	59,089	72,895
Depreciation	(55,695)	(29,496)	-	(85,191)
Disposals	-	(5,164)	-	(5,164)
Revaluations	613,973	-	-	613,973
Carrying amount at 30 June 2018	8,372,814	200,661	2,450,295	11,023,770
Additions	-	24,756	1,100,664	1,125,420
Depreciation	(55,695)	(28,020)	-	(83,715)
Disposals	-	-	(51,856)	(51,856)
Revaluations	74,695	-	-	74,695
Carrying amount at 30 June 2019	8,391,814	197,397	3,499,103	12,088,314

- (a) The Trust began a project of recognising previously unrecorded Heritage Collection assets which are being recorded at their fair value on recognition. This has resulted in substantial increase to the Heritage Collections during the 2018/2019 financial year. This project is still ongoing.