

**KEEP AUSTRALIA BEAUTIFUL
COUNCIL (NT) INCORPORATED**

Special Purpose Financial Report

30 June 2017

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Contents

30 June 2017

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General information

The financial statements cover Keep Australia Beautiful Council (NT) Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Keep Australia Beautiful Council (NT) Incorporated Association Special Purpose's functional and presentation currency, and rounded to the nearest dollar.

The financial report consists of the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements and the Statement by the Committee Members.

The financial report was authorised for issue by the Committee members on December 2017. The Committee members have the power to amend and reissue the financial report.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

**Statement of profit and loss and other comprehensive income
For the year ended 30 June 2017**

	Note	2017	2016
		\$	\$
Revenue			
Revenue from ordinary activities	3	17,454	3,505
Revenue from grants	4	272,693	222,491
Interest received		290	339
Other revenue	5	35,951	1,719
Total revenue		326,388	228,054
Expenses			
Expenses from ordinary activities	6	149,759	132,009
Employee expenses		123,214	138,705
Depreciation and loss on written off assets		19,717	13,148
Total expenses		292,690	283,862
Surplus (deficit) before income tax		33,698	(55,808)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		33,698	(55,808)

The above statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Statement of financial position

As at 30 June 2017

	Note	2017 \$	2016 \$
Assets			
Current assets			
Cash assets	7	365,395	328,219
Trade and other receivables	8	2,682	4,534
Total current assets		368,077	332,753
Non-current assets			
Property, plant and equipment	9	46,409	38,228
Total non-current assets		46,409	38,228
Total assets		414,486	370,981
Liabilities			
Current liabilities			
Trade and other payables	10	36,305	35,104
Provisions	11	34,164	31,643
Total current liabilities		70,469	66,747
Non-current liabilities			
Provisions	11	24,638	18,553
Total non-current liabilities		24,638	18,553
Total liabilities		95,107	85,300
Net assets		319,379	285,681
Equity			
Retained surpluses	12	319,379	285,681
Total equity		319,379	285,681

The above statement of financial position should be read in conjunction with the accompanying notes

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

**Statement of changes in equity
For the year ended 30 June 2017**

	Retained Surpluses \$	Total Equity \$
Balance at 1 July 2016	341,489	341,489
Deficit for the year	(55,808)	(55,808)
Other comprehensive income for the year	-	-
Total comprehensive deficit for the year	<u>(55,808)</u>	<u>(55,808)</u>
Balance at 30 June 2016	<u>285,681</u>	<u>285,681</u>
Balance at 1 July 2017	285,681	285,681
Surplus for the year	33,698	33,698
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>33,698</u>	<u>33,698</u>
Balance at 30 June 2017	<u>319,379</u>	<u>319,379</u>

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

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

**Statement of cash flows
For the year ended 30 June 2017**

	2017	2016
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	22,358	44,255
Payments to suppliers and employees (inclusive of GST)	<u>(263,166)</u>	<u>(289,107)</u>
	(240,808)	(244,852)
Interest received	290	339
Grants received	<u>272,693</u>	<u>222,491</u>
Net cash (used in) from operating activities	<u>32,175</u>	<u>(22,022)</u>
Cash flow from investing activities		
Receipts from sale of property, plant and equipment	5,001	-
Payments for property, plant and equipment	<u>-</u>	<u>(51,375)</u>
Net cash (used in) investing activities	<u>5,001</u>	<u>(51,375)</u>
Net increase (decrease) in cash and cash equivalents	37,176	(73,397)
Cash and cash equivalents at the beginning of the year	328,219	401,616
Cash and cash equivalents at the end of the year	<u>365,395</u>	<u>328,219</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Council has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the Committee members' opinion, the Council is not a reporting entity because there are no users dependent on general purpose financial statements.

For the purpose of preparing the financial statements, the Council is a not-for-profit entity.

These are special purpose financial statements that have been prepared for the purposes of complying with the Northern Territory Associations Act and associated regulations. The Committee members have determined that the accounting policies adopted are appropriate to meet the needs of the members of Keep Australia Beautiful Council (NT) Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Council and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Donations

Donations are recognised at the time the pledge is made.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Income tax

The Council is exempt from income tax under item 2.1 of section 50-10 of Income Tax Assessment Act 1997.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any provision for impairment.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis over their expected useful lives as follows:

Plant and equipment	3-5 years
Motor vehicles	3 years

The useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Council. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised and measured as the amount unpaid at pay rates in respect of employees at the reporting date after they have completed five years of service.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

From October 2014 the Council occupied the office premises located at Level 2, 71 Smith Street, Darwin. This office space was provided free of charge.

No expense and revenue are recognised on the statement of profit and loss and other comprehensive income and no commitments have been disclosed in relation to this lease. The market value of the rental of the premises for the period was \$12,678.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Council for the annual reporting period ended 30 June 2017. The Council has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Long service leave provision

As discussed in note 1, the liability for long service leave is recognised and measured as the amount unpaid at pay rates in respect of employees at the reporting date after they have completed five years of service. In determining the value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position.

No impairment of receivables has been recognised as at 30 June 2017 and 2016.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

	2017 \$	2016 \$
Note 3. Revenue from ordinary activities		
Corporate sponsors	15,000	3,000
Memberships	2,454	505
	<u>17,454</u>	<u>3,505</u>
Note 4. Revenue from grants		
Department of Natural Resources, Environment and Arts	257,693	207,273
Keep Australia Beautiful National	15,000	15,218
	<u>272,693</u>	<u>222,491</u>
Note 5. Other revenue		
Other income	7,143	1,719
Donations	28,808	-
	<u>35,951</u>	<u>1,719</u>
Note 6. Expenses from ordinary activities		
Consultants	20,000	14,130
Telephone	3,683	6,890
Travel	17,348	34,473
Bookkeeping fees	8,320	4,400
Insurance	4,536	1,944
Advertising	4,169	200
Materials and supplies	18,880	24,387
Motor vehicle expenses	7,037	11,806
Events	29,353	1,329
Audit fees	4,150	3,750
Computer and internet expenses	18,184	9,205
Printing and postage	4,492	5,506
Electricity	-	(232)
Other expenses	9,607	14,221
	<u>149,759</u>	<u>132,009</u>

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

**Notes to the financial statements
30 June 2017**

	2017 \$	2016 \$
Note 7. Cash assets		
Cash on hand	-	-
Cash at bank and on deposit	365,395	328,219
	<u>365,395</u>	<u>328,219</u>
Note 8. Trade and other receivables		
Trade receivables	440	-
Prepayments	-	4,534
Other Receivables	2,242	-
	<u>2,682</u>	<u>4,534</u>
Note 9. Property, plant and equipment		
Plant and equipment - at cost	45,361	45,361
Less: Accumulated depreciation	(45,361)	(45,361)
	<u>-</u>	<u>-</u>
Motor vehicles - at cost	143,412	115,513
Less: Accumulated depreciation	(97,003)	(77,285)
	<u>46,409</u>	<u>38,228</u>
Property, plant and equipment	<u>46,409</u>	<u>38,228</u>
Note 10. Trade and other payables		
Trade payables	7,652	501
GST payable	12,140	12,142
Payroll liabilities	9,448	12,453
Superannuation payable	1,962	2,326
Other creditors	5,103	7,682
	<u>36,305</u>	<u>35,104</u>

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements 30 June 2017

	2017 \$	2016 \$
Note 11. Provisions		
Current		
Annual leave	34,164	31,643
Provisions	34,164	31,643
Non-current		
Long service leave	24,638	18,553
Provisions	24,638	18,553
Note 12. Retained surpluses		
Retained surplus at the beginning of the financial year	285,681	341,489
Surplus (deficit) for the year	33,698	(55,808)
Retained surplus at the end of the financial year	319,379	285,681

Note 13. Contingent Liabilities

The Council had no contingent liabilities as at 30 June 2017 and 30 June 2016.

Note 14. Commitments

The Council had no commitments for expenditure as at 30 June 2017 and 30 June 2016.

Note 15. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Council's operations, the results of those operations, or the Council's state of affairs in future financial years.

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

Notes to the financial statements

30 June 2017

	2017	2016
	\$	\$
Note 16. Reconciliation of cash flow from operating activities		
Surplus (deficit) for the year	33,698	(55,808)
Depreciation and loss on written off assets	19,717	13,148
Gifted Assets	(27,899)	-
Profit on Sales of Assets	(5,000)	-
(Increase) / decrease in trade and other receivables	1,852	39,032
Increase / (decrease) in creditors	1,201	(21,679)
Increase / (decrease) in employee benefits	8,606	3,285
Cash flow provided (used) from operations	<u>32,175</u>	<u>(22,022)</u>

KEEP AUSTRALIA BEAUTIFUL COUNCIL (NT) INCORPORATED

**Statement by the Committee Members
For the year ended 30 June 2017**

In our opinion:

- (a) the accompanying financial report as set out on pages 2-15, being a special purpose financial statement, is drawn up so as to present fairly in all material respects the state of affairs of the Council as at 30 June 2017 and the results of the Council for the year ended on that date;
- (b) the accounts of the Council have been properly prepared and are in accordance with the books of account of the Council; and
- (c) there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due.

We confirm as follows:

- (a) The name of each committee member of the Council during the relevant financial year was that date;

Chairperson	Gary Swanson
Deputy Chair	Jeff Colver
Treasurer	Jeff Colver
Members	Banambi Wunungmurra
	Trish Creedon (deceased)
	Heimo Schober
	Judy Maddalozzo
	Charlie King
- (b) The principal activity of the Council during the relevant financial year was developing and implementing programs to encourage Northern Territory people and their communities to protect, conserve their environment and improve their wellbeing and associated living conditions.

There have been no significant changes in the activities of the Council during the financial year ended 30 June 2017

- (b) The net surplus of the Council for the financial year was \$33,698 (2016: deficit -\$55,808).

On behalf of the committee

Gary Swanson
Chairperson

December 2017
Darwin

Jeff Colver
Treasurer

December 2017
Darwin