

Keep Australia Beautiful Council (NT) Incorporated

ABN 38 691 783 234

Special Purpose Financial Report - 30 June 2019

Keep Australia Beautiful Council (NT) Incorporated

Contents

30 June 2019

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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'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.

Keep Australia Beautiful Council (NT) Incorporated is a not-for-profit incorporated association, incorporated and domiciled in Australia. It's registered office and principal place of business are:

Registered office

Level 2
NAB House
71 Smith Street
Darwin NT 0800

Principal place of business

Level 2
NAB House
71 Smith Street
Darwin NT 0800

The financial statements were authorised for issue by the Committee members on November 2019. The Committee members have the power to amend and reissue the financial report.

Keep Australia Beautiful Council (NT) Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue			
Revenue from ordinary activities	3	19,109	15,085
Revenue from grants	4	150,000	225,700
Interest received		253	252
Other revenue	5	2,364	707
Total revenue		<u>171,726</u>	<u>241,744</u>
Expenses			
Expenses from ordinary activities	6	111,288	133,525
Employee expenses		97,036	107,751
Depreciation and loss on written off assets		19,717	19,717
Total expenses		<u>222,041</u>	<u>260,993</u>
(Deficit) before income tax expense	13	(56,315)	(19,249)
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive (loss) for the year		<u>(56,315)</u>	<u>(19,249)</u>

The above statement of profit or 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 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	7	332,385	358,482
Trade and other receivables	8	880	16,500
Total current assets		<u>333,265</u>	<u>374,982</u>
Non-current assets			
Property, plant and equipment	9	6,975	26,692
Total non-current assets		<u>6,975</u>	<u>26,692</u>
Total assets		<u>340,240</u>	<u>401,674</u>
Liabilities			
Current liabilities			
Trade and other payables	10	31,881	35,487
Provisions	11	64,544	38,956
Total current liabilities		<u>96,425</u>	<u>74,443</u>
Non-current liabilities			
Provisions	11	-	27,101
Total non-current liabilities		<u>-</u>	<u>27,101</u>
Total liabilities		<u>96,425</u>	<u>101,544</u>
Net assets		<u>243,815</u>	<u>300,130</u>
Equity			
Retained surpluses	12	243,815	300,130
Total equity		<u>243,815</u>	<u>300,130</u>

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 2019

	Retained surpluses \$	Total equity \$
Balance at 1 July 2017	319,379	319,379
Surplus after income tax expense for the year	(19,249)	(19,249)
Other comprehensive income for the year	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(19,249)	(19,249)
Balance at 30 June 2018	<u>300,130</u>	<u>300,130</u>
	Retained surpluses \$	Total equity \$
Balance at 1 July 2018	300,130	300,130
Deficit after income tax expense for the year	(56,315)	(56,315)
Other comprehensive income for the year	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(56,315)	(56,315)
Balance at 30 June 2019	<u>243,815</u>	<u>243,815</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 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		37,093	1,974
Payments to suppliers and employees (inclusive of GST)		<u>(213,443)</u>	<u>(234,839)</u>
		(176,350)	(232,865)
Interest received		253	252
Grants received		<u>150,000</u>	<u>225,700</u>
Net cash from operating activities	17	<u>(26,097)</u>	<u>(6,913)</u>
Cash flows from investing activities			
Receipts from sale of property, plant and equipment		-	-
Payments for property, plant and equipment		<u>-</u>	<u>-</u>
Net cash used in investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		(26,097)	(6,913)
Cash and cash equivalents at the beginning of the financial year		<u>358,482</u>	<u>365,395</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>332,385</u></u>	<u><u>358,482</u></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 2019

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.

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 the Income Tax Assessment Act 1997.

Keep Australia Beautiful Council (NT) Incorporated
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

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

Other receivables are recognised at amortised cost, less any provision for impairment.

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.

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.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Keep Australia Beautiful Council (NT) Incorporated
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

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 2019. The Council has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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.

Employee benefits 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 2019 and 2018.

Keep Australia Beautiful Council (NT) Incorporated
Notes to the financial statements
30 June 2019

Note 3. Revenue from ordinary activities

	2019	2018
	\$	\$
Corporate sponsors	15,909	15,000
Memberships	3,200	85
	<u>19,109</u>	<u>15,085</u>

Note 4. Revenue from grants

	2019	2018
	\$	\$
Department of Natural Resources, Environment and Arts	150,000	200,000
Keep Australia Beautiful National	-	25,700
	<u>150,000</u>	<u>225,700</u>

Note 5. Other revenue

	2019	2018
	\$	\$
Other income	-	560
Donations	2,364	147
	<u>2,364</u>	<u>707</u>

Note 6. Expenses from ordinary activities

	2019	2018
	\$	\$
Consultants	-	25,700
Telephone	2,840	3,555
Travel	21,865	22,093
Bookkeeping and accounting fees	10,137	8,941
Insurance	5,244	4,090
Advertising	11,011	12,543
Materials and supplies	264	2,911
Motor vehicle expenses	10,397	6,569
Events	27,996	24,117
Audit fees	3,500	3,976
Computer and internet expenses	2,390	2,669
Printing and postage	2,289	4,189
Other expenses	13,355	12,172
	<u>111,288</u>	<u>133,525</u>

Keep Australia Beautiful Council (NT) Incorporated
Notes to the financial statements
30 June 2019

Note 7. Cash and cash equivalents

	2019	2018
	\$	\$
Cash on hand	-	-
Cash at bank and on deposit	332,385	358,482
	<u>332,385</u>	<u>358,482</u>

Note 8. Trade and other receivables

	2019	2018
	\$	\$
Trade receivables	880	16,500
Other receivables	-	-
	<u>880</u>	<u>16,500</u>

Note 9. Property, plant and equipment

	2019	2018
	\$	\$
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	143,412
Less: Accumulated depreciation	(136,437)	(116,720)
	<u>6,975</u>	<u>26,692</u>
	<u>6,975</u>	<u>26,692</u>

Note 10. Trade and other payables

	2019	2018
	\$	\$
Trade payables	4,370	1,694
GST payable	13,325	19,889
Payroll liabilities	5,328	5,328
Superannuation payable	1,973	1,973
Other creditors	6,885	6,603
	<u>31,881</u>	<u>35,487</u>

**Pinnacle Incorporated Association Special Purpose
Notes to the financial statements
30 June 2016**

Note 11. Current liabilities - other (continued)

Note 11. Provisions

	2019	2018
	\$	\$
Current		
Annual Leave	34,979	38,956
Long Service Leave	29,565	-
	<u>64,544</u>	<u>38,956</u>
Non-current		
Long service leave	-	27,101
	<u>-</u>	<u>27,101</u>

Note 12. Equity - retained surpluses

	2019	2018
	\$	\$
Retained surpluses at the beginning of the financial year	300,130	319,379
Surplus (deficit) for the year	<u>(56,315)</u>	<u>(19,249)</u>
Retained surpluses at the end of the financial year	<u>243,815</u>	<u>300,130</u>

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit (NT), the auditor of the Council:

	2019	2018
	\$	\$
<i>Audit services – BDO Audit (NT)</i>		
Audit of the financial statements	<u>3,500</u>	<u>3,950</u>

Note 14. Contingent liabilities

The Council had no contingent liabilities as at 30 June 2019 and 30 June 2018.

Note 15. Commitments

The Council had no commitments for expenditure as at 30 June 2019 and 30 June 2018.

Note 16. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 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 2019

Note 17. Reconciliation of surplus after income tax to net cash from operating activities

	2019	2018
	\$	\$
(Deficit) for the year	(56,315)	(19,249)
Adjustments for:		
Depreciation and amortisation	19,717	19,717
Gifted assets	-	-
Profit on sales of assets	-	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	15,620	(13,818)
(Decrease)/increase in trade and other payables	(3,606)	(818)
Increase/(decrease) in employee benefits	(1,513)	7,255
Decrease in other operating liabilities	-	-
Net cash from operating activities	<u>(26,097)</u>	<u>(6,913)</u>

**Keep Australia Beautiful Council (NT) Incorporated
Statement by the Committee Members
30 June 2019**

In our opinion:

- (a) the accompanying financial report as set out on pages 2-13, 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 2019 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
Deputy Chair
Treasurer
Members


Jeff Colver
Banambi Wunungmurra
Jeff Colver
Gary Swanson
Charlie King
Donna Graham (resigned 21 June 2019)
Heimo Schober

- (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 2019.


- (c) The net deficit of the Council for the financial year was \$56,315 (2018: deficit \$19,249).

On behalf of the Committee



Jeff Colver
Chairperson

21 November 2019
Darwin



Gary Swanson
Committee Member

November 2019
Darwin

21/11/2019

INDEPENDENT AUDITOR'S REPORT

To the members of the Keep Australia Beautiful Council (NT) Incorporated

Opinion

We have audited the financial report of the Keep Australia Beautiful Council (NT) Incorporated (the "Association"), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the Statement by the Management Committee.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in note 1.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Association in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of Northern Territory Associations Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management Committee for the Financial Report

The Management Committee is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of Northern Territory Associations Act and for such internal control as Management Committee determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.



In preparing the financial report, the Management Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Management Committee is responsible for overseeing the Association's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'BDO'.

BDO Audit (NT)

A handwritten signature in black ink, appearing to be 'C Taziwa'.

C Taziwa
Audit Partner

Darwin: 22 November 2019