

Treasurer's Report

Annual Meeting

29/8/2016

The full audited annual reports are tabled at this meeting and are also available to members from the Friends' office – these are reports for the Friends of Geelong Botanic Gardens and also for the Gift Fund which is administered by the Friends.

Financial Management

- Davidsons Accountants continues to provide professional advice and lodge IAS and PAYG returns when necessary.
- Financial records are maintained by administration staff – many thanks to our staff.

Payroll

- Regional Payroll are the new payroll managers for the Friends (replacing Regional Payroll Solutions)

Gift Fund

- The Gift Fund is a separate business entity to the Friends and is reported separately.
- Many members have again taken the opportunity to make a 'tax deductible donation' to the Gift Fund – thank you for these contributions. Membership renewal time in June-July 2015 included \$5,035 of donations to the Gift Fund. In June-July 2016, \$6,780 has been donated to the Gift Fund.
- The Gift Fund has a balance of \$139,587.71 at June 30, 2016 cf \$134,136.23 at June 30, 2015.
- The Geelong Botanic Gardens has now been granted Deductible Gift Recipient status so we are able to distribute monies from the Gift Fund to it.
- \$6,480 was provided for the Restoration of the Bronze Cranes Project in June 2016.

Contributions to Geelong Botanic Gardens and Eastern Park

- This includes the Education Program, some Garden Beds, Projects and the Volunteer Guides - these contributions in 2015/2016 totaled \$50,639 and includes
 - \$10,000 to support the Education Program
 - \$36,548 for the restoration of the Ladies Kiosk
 - \$820 to enable four staff members to attend the 2016 Association Conference
 - \$2,094 for maintenance of the Perennial Border and Rose Garden
 - \$1,177 to support the Volunteer Guides
- Several years ago, we made a commitment to fund the restoration for the three shelters in the Gardens – Cabmen's Shelter, the Radenberry Shelter and the Customs House – this has not been necessary as other funds were available.
- In November 2015, we made a commitment to contribute \$10,000 to support Stage 1 of the development of 'Sustainable Visitor Facilities' at the Geelong Botanic Gardens. This stage includes the design of a building with toilets and shelter and the necessary engineering plans for disposal of sewage.
- Another very significant annual contribution by the Friends is volunteer hours. This is not quantified or valued in exact dollar terms and can be considered in two ways:
 - Volunteers, such as the Gardeners (Perennial Border and Heritage Rose Bed), Librarians, Guides and assistants in Education are directly involved in projects and programs within the Gardens, and
 - Volunteers such as the Committee, Growers and Event volunteers provide incredible support to ensure that the Friends can exist as a very viable organisation to support its members and also to support the City, the Gardens and the community.

Annual Reports

- **Profit and Loss:**
 - The income of 'Subscriptions' is mainly received in June and July so spreads across two financial years. This is recorded on the date received and is consistently processed in this manner and approved by our accountants.
- **Balance Sheet:**
 - The Asset Register and Depreciation Schedule for June 30, 2014 lists the assets of Friends GBG Inc. The movement in the inventory of 'Growers' Nursery Plants' is shown as Other Expense in the Profit and Loss – this will continue in future years

- The increase in Furniture and Equipment is the purchase of an urn, display boards for the Meeting Room and the promotional 'slick'.
- 'Provision for Annual Leave' and 'Provision for Long Service Leave' liabilities are recognized and allocated against the appropriate expense accounts of 'Annual Leave Provided' and 'Long Service Leave Provided'.
- The Term Deposits are evidence of a long history of careful financial management since the Friends began. These funds ensure a secure future for the Friends and indicate the ability of the Friends to continue support, regardless of the annual return of any particular year. .

Budget

- 2015/16 was the fourth year when Committee drafted a budget based on recent Profit and Loss statements, including all actual income and expenses and the 'non-cash' expense of depreciation.
- We budgeted for a loss of \$57,750 and returned a loss of \$38,049. Our major revenue sources were all higher than budget, except the Events, Tours and Workshops as Winter Luncheon was held in August 2016, not June. The Friends' contribution to the Gardens and Eastern Park was less than budgeted as a contribution was also made from the Gift Fund.
- We have had continuing involvement and benefit from local *Open Gardens Victoria* events and we look forward to continuing this partnership.
- We will continue to strive to generate income and to contain our costs and investigate new strategies for managing both income and expenses, while also considering member benefits.
 - Committee proposes that Subscriptions will be increased for 2017/18; this is the first increase since July 2012. The proposed rates are:
 - Individual \$35, Concession \$25 and Family \$50 with no change to Life Member categories.
 - Our Marketing target was obtained and effective..
 - Prices for the Plant Nursery, Botanic Art and Events, Tours and Workshops are reviewed annually and at planning stages - all have member discounts.
- Staff and volunteer expenses continue to be monitored closely, resources will be used carefully and training opportunities will again be provided – members and staff have been invited to renew their First Aid certification.
- The Management and Professional Development line includes the support given to many of our members who attended the 2016 Association Conference.
- Interest rates are low and this will continue to have an effect on revenue.
- We will be actively looking for sponsorship opportunities and also appropriate grant money.
- On behalf of the Committee, I do present a budget for the 2016/17 year of operation for the Friends of Geelong Botanic Gardens.
- It is important to note the line 'Total Contribution to GBG and Eastern Park'

Conference of the Australian Association of Friends of Botanic Gardens

- We did host this conference in April/May 2016 and conservatively estimate more than 2,500 volunteer hours ensured its success. We received a *Geelong Connected Communities Community Project* grant of \$2,000 to assist members and Gardens staff to attend the conference.
- All revenue and expenses are reported in Association financial reports and the final profit of the event was \$1,003.769; by agreement, \$500 came to us and is reported as Conference Proceeds.
- It was intended that the conference would not be a financial burden for the Friends. We have endeavoured to ensure that we have been reimbursed for expenses incurred.

General Comments

- Sincere thanks to the Committee of the Friends for continual support through another busy and sometimes difficult period. Also, very sincere thanks to our two staff members.
- I am confident that procedures are in place that will ensure current and future financial management will be compliant and will be as straightforward as possible for future Committees.

Judy Fyfe Treasurer

August 20 2016

FRIENDS OF GEELONG BOTANIC GARDENS INC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	2016	2015
		\$	\$
Revenues from ordinary activities	2	134,629	132,367
Depreciation	8	(4,272)	(5,420)
Other Expenses From Ordinary Activities	3	(119,406)	(83,104)
Staff & Volunteer Benefits Expense	4	(49,000)	(39,476)
Net Profit/(loss) from Ordinary Activities		<u>(38,049)</u>	<u>4,367</u>
Other Comprehensive Income	11	-	-
Total Comprehensive Income for the year		<u>(38,049)</u>	<u>4,367</u>

The accompanying notes form part of these financial statements.

FRIENDS OF GEELONG BOTANIC GARDENS INC

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	Notes	2016 \$	2015 \$
CURRENT ASSETS			
Cash	5	289,046	315,565
Receivables	6	60	7,251
Inventory	7	33,313	32,763
TOTAL CURRENT ASSETS		322,419	355,579
NON-CURRENT ASSETS			
Property, Plant & Equipment	8	46,321	49,478
TOTAL NON-CURRENT ASSETS		46,321	49,478
TOTAL ASSETS		368,740	405,057
CURRENT LIABILITIES			
Payables	9	1,316	974
Annual Leave Provision		1,559	932
TOTAL CURRENT LIABILITIES		2,875	1,906
NON CURRENT LIABILITIES			
Long Service Leave Provision		2,419	1,656
TOTAL NON CURRENT LIABILITIES		2,419	1,656
TOTAL LIABILITIES		5,294	3,562
NET ASSETS		363,446	401,495
EQUITY			
Asset Revaluation Reserve	11	63,422	63,422
Retained Earnings	10	300,024	338,073
TOTAL EQUITY		363,446	401,495

The accompanying notes form part of these financial statements.

FRIENDS OF GEELONG BOTANIC GARDENS INC

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2016 \$	2015 \$
Cash Flows From Operating Activities			
Receipts from operating activities		141,820	129,361
Payments to suppliers and employees		(167,224)	(127,724)
Net cash provided by/(used in) operating activities	12 (a)	<u>(25,404)</u>	<u>1,637</u>
Cash Flows From Investing Activities			
Proceeds from redemption of investments		15,000	35,000
Payments for purchase of fixed assets		(1,115)	(7,660)
Net cash provided by/(used in) investing activities		<u>13,885</u>	<u>27,340</u>
Net Increase/(decrease) in cash held		(11,519)	28,977
Cash at the beginning of the financial year		40,565	11,588
Cash at the end of the financial year	12 (b)	<u>29,046</u>	<u>40,565</u>

The accompanying notes form part of these financial statements.

FRIENDS OF GEELONG BOTANIC GARDENS INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reforms Act (Vic) 2012 and the requirements of section 60.40 of the Australian Charities and Not-For-Profits Commission Regulation 2013 (ACNC Regulation). The committee has determined that the association is not a reporting entity.

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policy is consistent with the previous period unless otherwise stated and has been adopted in the preparation of this financial report.

(a) Fixed Assets

The depreciation amount of fixed assets is written off over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The following table indicates the depreciation rates upon which depreciation charges are based:

Class of Fixed Asset	Depreciation Method	Depreciation Rates
Furniture & Equipment	Straight Line	10 - 33%
Intellectual Property	Straight Line	10 - 25%
Artwork	Not Depreciated	N/A
Library	Not Depreciated	N/A

Artwork and Library collections are deemed to have significant ongoing value that is not going to be consumed or exhausted through use or over time, although treated as asset on the balance sheet, they are not regarded as depreciable by the committee therefore not depreciated.

(b) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks, and on deposit.

(c) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

FRIENDS OF GEELONG BOTANIC GARDENS INC
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

(d) Inventory

Inventories are measured at net realisable value.

(e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The amount of GST recoverable from, or payable to, the ATO is included as a current asset or a current liability in the Balance Sheet.

FRIENDS OF GEELONG BOTANIC GARDENS INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 2: REVENUE	2016	2015
	\$	\$
Operating activities		
Events, Tours & Workshops	8,910	20,022
Botanic Art	58,552	48,639
Growers Nursery	39,543	37,808
Guides	2,039	1,569
Grants	3,000	-
Donations & Gifts	-	824
Subscriptions	7,885	9,835
Merchandise Sales	2,242	384
Services & Fees	4,172	267
Interest	7,236	10,013
Conference Proceeds	500	-
Movement in Plant Inventory	550	3,006
	<u>134,629</u>	<u>132,367</u>

NOTE 3: EXPENSES

Other Expenses from ordinary activities

Events, Tours & Workshops	3,451	10,200
Botanic Art	35,947	29,970
Grants	1,000	-
Growers Nursery Cost of Sales	4,511	4,096
Merchandise Cost of Sales	3,124	702
General & Administration	6,137	6,635
Marketing	6,248	8,085
Operating	8,349	8,485
Contribution to FGBG Gift Fund	-	1,002
Contribution to GBG & EPark	50,639	13,929
	<u>119,406</u>	<u>83,104</u>

FRIENDS OF GEELONG BOTANIC GARDENS INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
NOTE 4: STAFF & VOLUNTEER BENEFITS EXPENSE	\$	\$
Administration Wages	39,225	34,078
Accreditation & Training	4,348	382
Superannuation	3,693	3,194
Workcover	343	191
Leave Provisions	1,391	1,631
	<u>49,000</u>	<u>39,476</u>
 NOTE 5: CASH		
General Account	28,846	40,365
Cash	<u>200</u>	<u>200</u>
Cash per Statement of Cashflows	29,046	40,565
 Term Deposits	260,000	275,000
 Total Cash	<u>289,046</u>	<u>315,565</u>
 NOTE 6: RECEIVABLES		
Debtors	60	156
2016 AFBG Conference	-	7,095
	<u>60</u>	<u>7,251</u>
 NOTE 7: INVENTORY		
Plants in Nursery	33,313	32,763
	<u>33,313</u>	<u>32,763</u>

FRIENDS OF GEELONG BOTANIC GARDENS INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
NOTE 8: PROPERTY, PLANT & EQUIPMENT		
Furniture & Equipment	71,039	69,924
Less accumulated depreciation	<u>(59,326)</u>	<u>(55,559)</u>
	11,713	14,365
Intellectual Property	4,667	4,667
Less accumulated depreciation	<u>(3,848)</u>	<u>(3,343)</u>
	819	1,324
Artworks - at cost	17,122	17,122
Library - at valuation 2012	16,667	16,667
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>46,321</u>	<u>49,478</u>

Movement In Fixed Assets

	Intellectual Property	Furniture & Equipment	Other	Total
- Opening balance written down value	1,324	14,365	33,789	49,478
- Additions	-	1,115	-	1,115
- Revaluation	-	-	-	-
- Disposals	-	-	-	-
- Depreciation	(505)	(3,767)	-	(4,272)
Closing balance written down value	<u>819</u>	<u>11,713</u>	<u>33,789</u>	<u>46,321</u>

	2016	2015
	\$	\$
NOTE 9: PAYABLES		
PAYG Withholding Payable	1,316	974
	<u>1,316</u>	<u>974</u>

FRIENDS OF GEELONG BOTANIC GARDENS INC

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
NOTE 10: RETAINED EARNINGS		
Balance at beginning of the year	338,073	333,706
Net result for the year	<u>(38,049)</u>	<u>4,367</u>
Retained Earnings carried forward	<u>300,024</u>	<u>338,073</u>

Note 11: ASSET REVALUATION RESERVE

Balance at beginning of the year	63,422	63,422
Movement in Asset Revaluation Reserve	<u>-</u>	<u>-</u>
Asset Revaluation Reserve carried forward	<u>63,422</u>	<u>63,422</u>

Recognition of Artworks, Library Books and Plants

These items were brought into the financial statements for the first time in 2011. Valuation of these items was based on research performed by the people responsible for the particular items.

NOTE 12: CASHFLOW INFORMATION

a) Reconciliation of cashflows from operating activities to operating result

Operating Surplus/(Deficit)	<u>(38,049)</u>	<u>4,367</u>
Depreciation	4,272	5,420
Increase/(decrease) in payables	342	253
Increase/(decrease) in provisions	1,390	339
(Increase)/decrease in receivables	7,191	(279)
(Increase)/decrease in inventories	(550)	2,100
Net cash provided by (used in) operating activities	<u>(25,404)</u>	<u>12,200</u>

b) Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

Cash at Bank	<u>29,046</u>	<u>40,565</u>
	<u>29,046</u>	<u>40,565</u>

FRIENDS OF GEELONG BOTANIC GARDENS

STATEMENT BY COMMITTEE OF MANAGEMENT

In the opinion of the Committee of Management of Friends of Geelong Botanic Gardens:

1. a) The accompanying Statement of Financial Performance of Friends of Geelong Botanic Gardens is drawn up so as to give a true and fair view of the results of the association for the year ended 30 June 2016.

- b) The accompanying Statement of Financial Position of Friends of Geelong Botanic Gardens is drawn up so as to give a true and fair view of the state of affairs of the association as at 30 June 2016.

This statement is made in accordance with a resolution of the Committee of Management of the association and is signed for and on behalf of the Committee by:

Dated this day of 2016.

FRIENDS OF THE BOTANIC GARDENS GIFT FUND ACCOUNT

STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
Revenues from ordinary activities		
Donations	8,359	11,398
Interest	3,573	3,979
Contributions from Friends of Geelong Botanic Gardens	-	1,002
Total revenue from ordinary activities	<u><u>11,932</u></u>	<u><u>16,379</u></u>
Expenses from ordinary activities		
Contributions to Geelong Botanic Gardens	6,480	-
Total expenses from ordinary activities	<u><u>6,480</u></u>	<u><u>-</u></u>
Profit/(Loss) for the year	<u><u>5,452</u></u>	<u><u>16,379</u></u>
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	<u><u>5,452</u></u>	<u><u>16,379</u></u>

The accompanying notes form part of these financial statements.

FRIENDS OF THE BOTANIC GARDENS GIFT FUND ACCOUNT

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016**

	2016 \$	2015 \$
CURRENT ASSETS		
Gift Fund Term Deposit	132,719	133,661
Gift Fund Operating Account	6,869	475
TOTAL CURRENT ASSETS	<u>139,588</u>	<u>134,136</u>
TOTAL ASSETS	<u><u>139,588</u></u>	<u><u>134,136</u></u>
EQUITY		
Retained Earnings	134,136	117,757
Current Year Earnings	5,452	16,379
TOTAL EQUITY	<u><u>139,588</u></u>	<u><u>134,136</u></u>

The accompanying notes form part of these financial statements.

FRIENDS OF THE BOTANIC GARDENS GIFT FUND ACCOUNT

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the members. The committee has determined that the association is not a reporting entity. No regard has been paid to the application of Accounting Standards in the preparation and presentation of the report unless specifically stated.

FRIENDS OF THE BOTANIC GARDENS GIFT FUND ACCOUNT

STATEMENT BY COMMITTEE OF MANAGEMENT

In the opinion of the Committee of Management of Friends of the Botanic Gardens Gift Fund Account:

1. a) The accompanying Statement of Financial Performance of Friends of the Botanic Gardens Gift Fund Account is drawn up so as to give a true and fair view of the results of the fund for the year ended 30 June 2016.

- b) The accompanying Statement of Financial Position of Friends of the Botanic Gardens Gift Fund Account is drawn up so as to give a true and fair view of the state of affairs of the fund as at 30 June 2016.

This statement is made in accordance with a resolution of the Committee of Management of the fund and is signed for and on behalf of the Committee by:

Dated this day of 2016.