



NATIONAL PARKS ASSOCIATION OF NSW
protecting nature through community action

2020

Financial Report

Established in 1957 and incorporated in 1988, the National Parks Association of NSW (NPA) is a community-based organisation dedicated to the protection and conservation of nature. Incorporation is held under the *Associations Incorporation Act 2009* [NSW] (registration Y00789-26). NPA is listed on the Australian Business Register (ABN 67 694 961 955) and is registered for GST purposes.

NPA is a registered charity under the *Australian Charities and Not-for-profits Commission Act 2012* [Cth], and is endorsed by the Australian Taxation Office to access income tax exemption, GST concessions and the fringe benefit tax rebate. It is listed as a deductible gift recipient under the *Income Tax Assessment Act 1997* [Cth], and holds a fundraising authority under the *Charitable Fundraising Act 1991* [NSW].

Registration status is publicly listed on the Australian Business Register, the ACNC Register, and the Service NSW Public Register at:

<http://www.abr.business.gov.au>

<http://www.acnc.gov.au/>

<https://www.onegov.nsw.gov.au/publicregister/#/publicregister/categories>

For more information about NPA's structure, and to access a copy of its Constitution, please visit:

<https://npansw.org/what-we-do/our-structure/>

For enquiries about this document, please contact Gary Dunnett, Executive Officer on 02 9299 0000.

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National Parks Association of NSW ABN 67 694 961 955

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Financial report

for the year ended 30 June 2020

The Executive members of the National Parks Association of NSW Inc. (the Association) hereby present its financial report for the financial year 1 July 2019 to 30 June 2020.

Executive members & meetings

Executive members who held office during the 2020 financial year and up to the date of this report are set out below, together with the positions they held and the number of meetings they attended. If a member held office for only part of the period, this is indicated in the Notes.

Name	Position	Meetings	
		A	E
Anne Dickson	President ²	5	5
Grahame Douglas	Senior Vice President ^{1,3}	13	13
Sam Garrett-Jones	Vice President ⁶	3	3
Peter Wilson	Vice President ⁵	10	10
Ian Donovan	Secretary ¹	13	13
Ted Woodley	Treasurer ¹	12	13
Debbie Andrew	Executive member ⁴	1	1
Sam Garrett-Jones	Executive member ⁵	10	10
Megan Kessler	Executive member ⁵	8	8
Ross McDonnell	Executive member ⁵	10	10
Samantha Newton	Executive member ⁶	1	2
David Papps	Executive member ⁶	3	3
Anne Reeves	Executive member ⁶	2	2
Peter Wilson	Executive member ⁶	2	2

Notes

- A. Meetings attended
E. Meetings eligible to attend (excludes meetings for which the member was granted leave of absence)

1. Position held for entire period 1 Jul 2019 to date of report
2. Position held 1 Jul 2019 to 18 Mar 2020
3. Acting President, 18 Mar 2020 to date of report
4. Position held 9 Nov 2019 to 2 Dec 2019
5. Position held 9 Nov 2019 to date of report
6. Position held 1 Jul 2019 to 9 Nov 2019

Operating result

The net surplus of the Association for the 2020 financial year amounted to \$86,388.

We were very appreciative of funds provided by the NSW Environmental Trust (\$88,595).

We would like to thank our members and supporters who gave their time and financial support to enable the important work of the Association to continue.

Principal activities

The Association is a non-government, not-for-profit conservation organisation and registered charity dedicated to protecting nature through community action. We work to provide outstanding opportunities for people to experience and learn about nature through our unrivalled community program of bushwalks, field surveys, events and bush regeneration projects. We advocate for nature by providing informed and evidence-based input to legislative, policy, planning and public land management processes, and through our ongoing campaign for a world-class reserve system.

Goals and directions for the Association's activities are set out in the *NPA Strategy 2018-2022*, available at <https://npansw.org/what-we-do/our-structure/>

Significant changes in state of affairs

No significant change in the nature of the Association's activities occurred during the year.

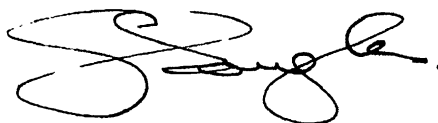
Events subsequent to balance date

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the results of those operations, or the state of affairs of the Association in future financial years.

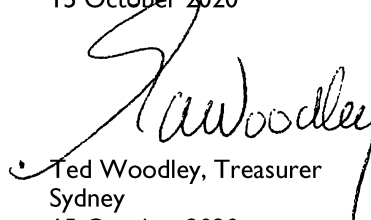
Application of accounting policies

The Executive has determined that the Association is a reporting entity, and that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the Financial Statements.

Signed in accordance with a resolution of the Executive.



Grahame Douglas, Acting President
Sydney
15 October 2020



Ted Woodley, Treasurer
Sydney
15 October 2020

Executive member's declaration for the year ended 30 June 2020

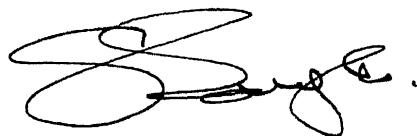
The Executive members declare that, in their opinion:

- (a) the financial statements and notes presented herewith:
 - (i) give a true and fair view of the Association's income, expenditure, state of affairs and fundraising appeals as at 30 June 2020, and
 - (ii) comply with the *Australian Accounting Standards –Reduced Disclosure Requirements*, and
 - (ii) satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and
- (b) there are reasonable grounds to believe that the Association will be able to pay all of its debts, as and when they become due and payable, and
- (c) the provisions of the *Charitable Fundraising Act 1991* [NSW], the regulations under the Act and the conditions attached to the Association's Fundraising Authority have been complied with, and
- (d) the internal controls exercised by the Association are appropriate and effective in accounting for all income received and applied by the Association from any of its fundraising appeals.

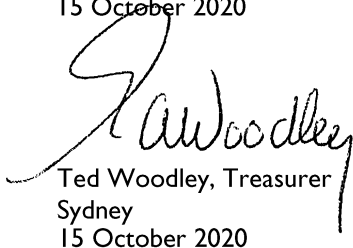
Made in accordance with:

- section 60.15, *Australian Charities and Not-for-profits Commission Regulation 2013* [Cth], and
- condition 6(3), Fundraising Authority CFN 12368, issued under section 13A, *Charitable Fundraising Act 1991* [NSW] (expires 26 August 2025).

Signed in accordance with a resolution of the Executive.



Grahame Douglas, Acting President
Sydney
15 October 2020



Ted Woodley, Treasurer
Sydney
15 October 2020

Statement of profit and loss and comprehensive income for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue from ordinary activities	2	1,186,176	1,170,124
Less: Expenses	3		
Employee benefits - Core		494,842	434,032
Employee benefits - Projects		81,125	137,129
Employee benefits - Total		<u>575,967</u>	<u>571,161</u>
Conservation activities – General		43,857	39,735
Conservation activities – Projects		229,655	269,262
Conservation activities – Branch support		29,592	40,666
Activity insurance		12,973	13,348
Merchandise and fundraising		43,270	24,163
Amortisation	l(h)	3,226	20,546
Depreciation	l(f), l(g)	86,912	87,703
Direct membership servicing and support		52,138	49,106
Journal - Nature NSW		17,198	17,176
Unrealised loss on fair value of listed investment	7	5,000	-
		<u>1,099,788</u>	<u>1,132,866</u>
Surplus (deficit) from ordinary activities before income tax		86,388	37,258
Income tax expense relating to ordinary activities	l(a)	-	-
Surplus (deficit) from ordinary activities after income tax		<u>86,388</u>	<u>37,258</u>
Total comprehensive income for the year		<u>86,388</u>	<u>37,258</u>

Statement of financial position

as at 30 June 2020

	Notes	2020 \$	2019 \$
CURRENT ASSETS			
Cash assets	4	1,501,676	1,419,590
Receivables	5	19,563	19,307
Inventory	6	-	7,818
Financial assets	7	9,180	
TOTAL CURRENT ASSETS		1,530,419	1,446,715
NON-CURRENT ASSETS			
Financial assets	7	19,844	34,024
Plant and equipment	8	39,551	38,424
Right-of-use assets	9	45,996	121,967
Intangible assets	10	9,218	12,444
TOTAL NON-CURRENT ASSETS		114,609	206,859
TOTAL ASSETS		1,645,028	1,653,574
CURRENT LIABILITIES			
Payables	11	277,580	441,136
Employee provisions	12	46,920	54,919
TOTAL CURRENT LIABILITIES		324,500	496,055
NON-CURRENT LIABILITIES			
Payables	11	-	45,995
TOTAL NON-CURRENT LIABILITIES		-	45,995
TOTAL LIABILITIES		324,500	542,050
NET ASSETS		1,320,528	1,111,524
ACCUMULATED FUNDS			
Balance at end of year		1,320,528	1,111,524
TOTAL ACCUMULATED FUNDS		1,320,528	1,111,524

Statement of changes in equity for the year ended 30 June 2020

	\$
Balance as at 1 July 2018	1,074,266
Surplus for year ended 30 June 2019	37,258
Balance at 30 June 2019	1,111,524
Change in accounting standards (refer Note 1 (p))	122,616
Revised Balance at 1 July 2019	1,234,140
Surplus for year ended 30 June 2020	86,388
Balance at 30 June 2020	1,320,528

Statement of cash flows

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from memberships, bequests, donations, grants, sponsorship and other activities		1,203,992	1,254,000
Covid subsidies	I(c), I(d)	89,610	-
Interest received		14,580	25,977
Dividends Received		571	1,410
Payments to employees and suppliers		(1,138,628)	(1,073,547)
Net cash provided by operating activities	15	170,125	207,840
CASH FLOW FROM INVESTMENT ACTIVITIES			
Plant and equipment purchased		(5,093)	(975)
Computers and peripherals purchased		(6,975)	(5,760)
Computer software purchased		-	(3,518)
Proceeds from term deposits maturing greater than 3 months		273,621	-
Funds invested in term deposits maturing greater than 3 months		-	(169,401)
Net cash (used) provided in investing activities		261,553	(179,654)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(75,971)	(78,124)
Net cash used in financing activities		(75,971)	(78,124)
NET INCREASE (DECREASE) IN CASH HELD			
Cash at the beginning of the financial year		745,969	795,907
CASH AT END OF FINANCIAL YEAR	4	1,101,676	745,969
Reconciliation of cash at bank and on hand			
Cash at bank and on hand		1,101,676	745,969
Term deposits maturing later than 3 months		400,000	673,621
	4	1,501,676	1,419,590

Notes to the financial statements for the year ended 30 June 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements are general purpose financial statements prepared in accordance with:

- (a) relevant Australian Accounting Standards published by the Australian Accounting Standards Board (AASB),
- (b) the Reduced Disclosure Requirements (RDR) set out in *AASB 1053 Application of Tiers of Australian Accounting Standards*,
- (c) Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* [Cth],
- (d) all requirements of the *Associations Incorporation Act 2009* [NSW].

The Association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The financial statements include all parts of the Association and its constituent branches.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

The accounting policies set out below have been consistently applied to all years presented.

(a) Income tax

No provision for income tax has been raised as the Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Inventories on hand

Inventories held for sale are measured at the lower of cost and net realisable value.

(c) Covid subsidies

The Association was eligible for both the Australian Government's Job Keeper wage subsidy and Cash Flow Boost scheme totalling \$45,000 and \$44,610 respectively.

(d) Revenue

Donations and bequests are recognised as revenue when received.

Grant revenue is recognised as income when specific performance obligations under an enforceable contract are satisfied. Prior to the performance obligations being satisfied, the grants are recognised in the Statement of Financial Position as a liability. If there are no specific performance obligations under an enforceable contract, grant revenue is recognised when received.

Membership fee revenue is recognised upon receipt.

Dividend revenue is recognised when the right to receive a dividend has been established.

Interest received is accounted for on an accrual basis.

Revenue subject to GST is stated net of GST.

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

Revenue from Covid subsidies is recognised when received

(e) Goods and Services Tax ("GST")

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 Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are only inclusive of GST if the transactions relating hereto are subject to GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or current liability 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers

(f) Plant and equipment

Plant and equipment are measured on a cost basis, less, where applicable, any accumulated depreciation and impairment losses.

Depreciation is calculated using the straight-line method to allocate the cost of property, plant and equipment, net of their residual value, over their estimated useful lives. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvement.

The depreciation rates and methods used for each class of financial asset are as follows:

<i>Class of fixed asset</i>	<i>Depreciation rate</i>
Computer & peripherals	33 %
Equipment & fixtures	15 %

An asset's residual value and useful life are reviewed and adjusted, if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Notes to the financial statements for the year ended 30 June 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost and depreciated on a straight-line basis over the unexpired term of the lease. Right-of-use assets are subject to impairment and adjusted for any remeasurement of lease liabilities.

The Association has elected not to recognise a right-of-use asset and corresponding lease liability for short term leases with terms of 12 months or less. Lease payments on these assets are expensed to the profit and loss as incurred.

(h) Intangible assets

Computer software is capitalised and amortised over its useful life using the straight-line method. Software is amortised at the rate of 20%.

(i) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease. The carrying amount of the lease is remeasured if there is a change in future lease payments, the residual guarantee or the lease term. The remeasurement is an adjustment to the corresponding right-of-use asset or to profit and loss.

(j) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been set at the amount expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been set at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Association to employee superannuation funds and are charged as an expense when incurred.

(k) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are set at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(m) Investments

Listed investments are recognised at fair value. Unlisted investments are recognised at cost, which includes transaction costs.

(n) Comparative figures

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

(o) Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period that remain unpaid.

(p) Change in accounting standards

The Association has applied AASB 1058: Income for Not-for Profit Entities and AASB 15: Revenue from Contracts with Customers. AASB 1058 applies where the consideration to acquire an asset is significantly less than fair value, principally to enable a not-for-profit entity to further its objectives ie it is a donation transaction and revenue is recognised when received. However, if this transaction involves an enforceable contract with sufficiently specific performance obligations, then AASB 15 applies instead. In this case, revenue is recognised when the obligations are performed.

The cumulative effect of initially applying these standards have been taken as an adjustment to the opening balance of equity at 1 July, 2019. The amount of \$122,616 reflects income that was shown in the 2019 balance sheet as unexpended grants but would have been taken as revenue if the new standards were applied.

(q) Critical accounting estimates and judgment

Estimates and judgments incorporated into the financial statement are evaluated 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 Association.

Key estimates – impairment

Impairment of assets is assessed on each reporting date by evaluating conditions specific to the Association that may lead to impairment. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgments – doubtful debts provision

Except as disclosed in the financial statements, each debtor has been assessed as to whether or not the full amount is recoverable.

Notes to the financial statements for the year ended 30 June 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Operating segment

The Association operates predominantly in one business and geographical segment with the general goal of protecting nature through community action. This is pursued by providing the community with outstanding opportunities to experience and learn about nature, while vigorously advocating for the protection of nature within NSW and beyond.

(s) New standards & interpretations not yet adopted

There are no known impending new standards that will result in any material changes in relation to the financial statements.

Notes to the financial statements for the year ended 30 June 2020

NOTE 2: REVENUE

	Notes	2020 \$	2019 \$
Operating activities			
Donations		561,493	393,603
Bequests		128,957	195,359
Government grants - projects		163,484	343,960
Other grants and project contributions		4,455	34,845
Member fees and subscriptions		152,553	151,998
Merchandise and event sales		70,143	21,314
Expenses reimbursed		245	1,136
Covid subsidies	I(c), I(d)	89,610	-
		1,170,940	1,142,215
Non-operating activities			
Interest received		14,665	25,977
Dividends-franked		571	1,932
Total revenue		1,186,176	1,170,124

NOTE 3: EXPENSES

Surplus includes the following specific expenses

(a) Expenses

Amortisation - software	10	3,226	20,547
Depreciation - computer and peripherals, office equipment	8	10,941	9,579
Depreciation – right of use buildings and equipment	9	75,971	78,123
Provision for stock obsolescence	6	7,346	-
Employee provisions		(7,999)	624

(b) Remuneration of Auditor for:

Audit fees		6,000	6,000
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Notes to the financial statements for the year ended 30 June 2020

NOTE 4: CASH ASSETS

	Notes	2020 \$	2019 \$
Cash on hand		145	145
Cash at bank		418,029	386,539
Cash at bank - Branches		90,427	69,766
Term Deposits maturing within 3 months		593,075	289,519
Cash and cash equivalents as per cash flow statement		1,101,676	745,969
Term Deposits maturing later than 3 months		400,000	673,621
		1,501,676	1,419,590

NOTE 5: RECEIVABLES

Current

Bank deposit to secure bank guarantee relating to office lease (refer note 18)		18,870	18,785
Sundry Debtors		693	522
		19,563	19,307

NOTE 6: INVENTORY

Stock on hand at cost (Survey Techniques for Citizen Scientists)		7,346	7,818
Provision for stock obsolescence		(7,346)	-
		-	7,818

NOTE 7: FINANCIAL ASSETS

Current

Shares in listed investments	7(a)	9,180	-
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Non-Current

Shares in listed investments	7(a)	-	14,180
Natural Areas Pty Ltd – at cost	7(b)	19,844	19,844
		19,844	34,024

Note 7(a): At market value

Note 7(b): The sole activity of Natural Areas Pty Ltd (ACN 000 864 077) is the ownership and management of a parcel of land in Cromer NSW, which is subject to a voluntary conservation agreement with the Minister for the Environment.

Notes to the financial statements for the year ended 30 June 2020

NOTE 8: PLANT AND EQUIPMENT

	Notes	2020 \$	2019 \$
Computers and peripherals		21,361	14,386
Less: accumulated depreciation		(12,687)	(9,024)
		8,674	5,362
Equipment and fixtures		48,219	43,126
Less: accumulated depreciation		(17,342)	(10,064)
		30,877	33,062
Total plant and equipment		39,551	38,424

Movements in carrying amounts

	Computers & peripherals	Equipment & fixtures	Total
Balance at 1/7/2018	3,428	37,840	41,268
Additions	5,760	975	6,735
Depreciation	(3,826)	(5,753)	(9,579)
Carrying amount at 30/6/2019	5,362	33,062	38,424
Additions	6,975	5,093	12,068
Depreciation	(3,663)	(7,278)	(10,941)
Carrying amount 30/6/2020	8,674	30,877	39,551

NOTE 9: RIGHT-OF-USE ASSETS

	Notes	2020 \$	2019 \$
Right-of-use buildings		180,200	180,200
Less: accumulated depreciation		(138,332)	(67,977)
		41,868	112,223
Right-of-use equipment		19,890	19,890
Less: accumulated depreciation		(15,762)	(10,146)
		4,128	9,744
Total right-of-use assets		45,996	121,967

Notes to the financial statements for the year ended 30 June 2020

NOTE 9: RIGHT-OF-USE ASSETS (continued)

Movements in carrying amounts

	Right-of-use Buildings	Right-of-use Equipment	Total
Balance at 1/7/2018	180,200	19,890	200,090
Additions	-	-	-
Depreciation	(67,977)	(10,146)	(78,123)
Carrying amount at 30/6/2019	112,223	9,744	121,967
Additions	-	-	-
Depreciation	(70,355)	(5,616)	(75,971)
Carrying amount 30/6/2020	41,868	4,128	45,996

NOTE 10: INTANGIBLE ASSETS

Software

	Notes	2020 \$	2019 \$
Software at cost		103,519	103,519
Less accumulated amortisation		(94,301)	(91,075)
		9,218	12,444
Movements in Carrying Amounts			
Balance at beginning of year		12,444	29,473
Additions			3,518
Amortisation		(3,226)	(20,547)
Carrying amount at end of year		9,218	12,444

NOTE 11: PAYABLES

Current

Sundry creditors		38,566	931
Australian Taxation Office		8,818	14,282
Lease liability	1(i)	45,995	75,971
Unexpended grants		184,201	349,952
		277,580	441,136
Non-Current			
Lease liability	1(i)	-	45,995

Notes to the financial statements for the year ended 30 June 2020

NOTE 12: EMPLOYEE PROVISIONS

	Notes	2020 \$	2019 \$
Current			
Provision for annual and long service leave		46,920	54,919
Analysis of employee provisions:			
Balance at beginning of year		54,919	54,295
Increase (decrease) in provision		(7,999)	624
Balance at end of year		46,920	54,919

NOTE 13: EVENTS SUBSEQUENT TO REPORTING DATE

The Association is not aware of any item, transaction or event of a material and unusual nature not otherwise dealt with in the report or financial statements that has significantly affected, or may affect the operations of the Association, the results of those operations or the state of affairs of the Association in subsequent years.

NOTE 14: RELATED PARTY TRANSACTIONS

(a) Payments to Executive members

Remuneration or benefits received by Executive members for acting as an Executive member (other than reimbursements of reasonable out-of-pocket-expenses)	-	-
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(b) Payments to key management personnel

Short-Term employee benefits	88,545	84,412
Post-Employment Benefits	18,924	14,408
Key management personnel compensation	107,469	98,820

(c) Other related party transactions

There were no transactions between National Parks Association of NSW and other related parties for the year ended 30 June 2020 (2019: \$5,351).

Notes to the financial statements

for the year ended 30 June 2020

NOTE 15: CASH FLOW RECONCILIATION

	Notes	2020 \$	2019 \$
Reconciliation of cash flows from operating activities with net current year surplus			
Surplus (deficit) for the year		86,388	37,258
<i>Non-cash flows in current year surplus:</i>			
Amortisation		3,226	20,547
Depreciation		86,912	87,702
Stock provision		7,346	-
Fair value adjustment to listed shares		5,000	-
Bequest of shares received at market value		-	(14,180)
<i>Changes in assets and liabilities:</i>			
(Increase) Decrease in accounts receivable		(256)	(882)
(Increase) Decrease in inventories on hand		472	5,753
Increase (Decrease) in accounts payable		32,171	7,596
Increase (Decrease) in unexpended grants		(165,751)	63,422
Impact change in accounting standards on unexpended grants		122,616	-
Increase (Decrease) in employee provisions		(7,999)	624
Net cash provided by operations		170,125	207,840

Notes to the financial statements for the year ended 30 June 2020

NOTE 16: FINANCIAL RISK MANAGEMENT

The Association's financial instruments and the policies associated with the risks of carrying these are summarised below.

A. MARKET RISK

(i) Interest rate risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities is as follows:

	Note	Floating interest rate \$	Non interest bearing \$	Total \$
2020				
Financial assets				
Cash & cash equivalents	4	1,101,676		1,101,676
Term deposits maturing later than 3 months	4	400,000		400,000
Other receivables	5	18,870	693	19,563
Shares in listed investments	7	9,180		9,180
		<u>1,529,726</u>	<u>693</u>	<u>1,530,419</u>
Financial liabilities				
Payables	11	-	277,580	277,580
		<u>-</u>	<u>277,580</u>	<u>277,580</u>
2019				
Financial assets				
Cash & cash equivalents	4	745,969		745,969
Term deposits maturing later than 3 months	4	673,621		673,621
Other receivables	5	18,785	522	19,307
Shares in listed investments	7	14,180		14,180
		<u>1,452,555</u>	<u>522</u>	<u>1,453,077</u>
Financial liabilities				
Payables	11		487,131	487,131
			<u>487,131</u>	<u>487,131</u>

(ii) Price risk

The Association is holding shares in listed companies with a market value of \$9,180 (last year \$14,180). Therefore there is minimal price risk.

B. CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss by the Association.

The Association does not have any material credit risk exposures as its major sources of revenue are membership fees, bequests, donations and grants for specific projects.

Credit risk related to balances with banks and other financial institutions is managed by the Executive.

Notes to the financial statements for the year ended 30 June 2020

NOTE 16: FINANCIAL RISK MANAGEMENT (continued)

C. LIQUIDITY RISK

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Association manages this risk through the following mechanisms:

- planning and monitoring cash flow requirements
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus funds with major financial institutions
- planning and managing the maturity dates of the financial assets and liabilities.

NOTE 17: CHARITABLE FUNDRAISING APPEALS

The following statement relating to fundraising appeals during the period 1 July 2019 to 30 June 2020 is prepared in accordance with Fundraising Authority CFN 12368 (expiry date 26 August 2025) issued under the *Charitable Fundraising Act 1991* [NSW].

1. Manner in which net surplus from fundraising activities was applied - Condition 6(2)(c):

Fundraising activities were applied in accordance with the objectives of the Association as contained within its Constitution. Funds were applied to many areas over the year including marine conservation; citizen science; Forests for All; Great Koala National Park; Protect our Parks; Regional Forest Agreements; connectivity conservation and national park expansion proposals. In addition, conservation education workshops and forums were held throughout NSW.

2. Appeals involving traders - Condition 6(2)(d): **NIL**

3. Income & Expenditure of Fundraising Appeals - Condition 6(1)(a):

The following fundraising appeals were conducted during the financial year:

	2020
(a) President's Appeals (3 appeals)	\$
Income	149,754
Less expenditure	
Postage	(5,998)
Layout/ printing	(14,248)
Surplus:	129,508
(b) Raffle	
Income	51,385
Less expenditure	(9,741)
Surplus:	41,644

NOTE 18: CONTINGENT LIABILITY

	2020	2019
	\$	\$
Commonwealth Bank Guarantee relating to office lease (secured on bank deposit: refer to Note 5)	18,425	18,425

Notes to the financial statements for the year ended 30 June 2020

NOTE 19: MEMBERS' GUARANTEE

The Association is incorporated under the *Associations Incorporation Act 2009* (NSW). Under section 90 of the Association's Constitution, the liability of a member to contribute to the payments of the debts and liabilities of the Association or the cost, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the member in respect of membership of the Association. At 30 June 2020, the number of members was 4,163 (2019: 4,043).

Auditor's declaration of independence for the year ended 30 June 2019

MURRAY A RICHARDSON

CHARTERED ACCOUNTANT

87 Rosa Street Oatley NSW 2223 Australia
Telephone: (02) 9580 1867 Fax: (02) 9585 0406
International Telephone: 61 2 9580 1867 Fax: 61 2 9585 0406
Mobile: 0419 987 232

Liability limited by a scheme approved
under Professional Standards Legislation

AUDITOR'S INDEPENDENCE DECLARATION

**UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012**

TO NATIONAL PARKS ASSOCIATION OF NSW INC. (ABN 67 694 961 955)

I declare to the best of my knowledge and belief that during the year ended 30th June 2020,
there have been no contraventions of any applicable code of professional conduct in relation
to the audit.

Date *14/10/2020*

..... *Murray Richardson*

Murray A Richardson

Auditor's report to members for the year ended 30 June 2020

MURRAY A RICHARDSON

CHARTERED ACCOUNTANT

87 Rosa Street Oatley NSW 2223 Australia
Telephone: (02) 9580 1867 Fax: (02) 9585 0406
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

NATIONAL PARKS ASSOCIATION OF NSW INC

ABN 67 694 961 955

Opinion

I have audited the financial report of National Parks Association of NSW INC, which comprises the statement of financial position as at the 30th June 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the responsible entities declaration.

In my opinion, the financial report of the National Parks Association of NSW INC has been prepared in accordance with Division 60 of the *Australian Charities and Not for Profits Commission Act 2012* including:

- (a) giving a true and fair view of the registered entity's financial position as at 30th June 2020 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not for Profits Commission Regulation 2013*.

In accordance with the *Associations Incorporation Act 2009* [NSW] I report that the Association's records:

- (a) have been properly kept, and
- (b) give a true and fair view of the association's affairs as at 30th June 2020 and results for the year ended thereon.

In accordance with the *Charitable Fundraising Act 1991* [NSW] I report:

- (a) the accounts show a true and fair view of the financial results of fundraising appeals for the year ended 30th June 2020, and
- (b) the accounts and associated records have been properly kept during that year in accordance with the Act and Regulations.
- (c) that the money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Act and Regulations.
- (d) in my opinion the National Parks Association of NSW Inc. is able to pay its debts as when due and payable.

Auditor's report to members

for the year ended 30 June 2020

Basis for opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that is relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information other than the Financial Report and Auditor's Report thereon

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30th June 2020, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit.

Auditor's report to members for the year ended 30 June 2020

I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in the manner that achieves fair presentation.

I communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Murray A. Richardson

87 Rosa Street

Oatley NSW 2223

Dated 15 / 10 / 2020