

24 October 2019

The Directors
Noosa Biosphere Reserve Foundation Ltd, ATF
Noosa Biosphere Reserve Trust
52 Doonella Street
TEWANTIN, 4565

Dear Directors

NOOSA BIOSPHERE RESERVE TRUST: 2019 AUDIT

The audit of Noosa Biosphere Reserve Trust is complete for the year ended 30 June 2019. Lodgement of the 2019 Annual Information Statements (AIS) and accounts with the ACNC is required by 31 January 2020.

Matters Arising

Grants Committed to be Expended

The usefulness of a disclosure in relation to grant's approved but still to be paid out was discussed again this year. Consideration should be given to including this information in future years.

Changes to Leasing Accounting Standard – Now no Impact in June 2020 Year End

Last year we flagged that a new leasing standard would require attention and potential adjustments in 2020 to recognise the benefit the trust receives in relation to its peppercorn lease. In response to feedback the Australian Accounting Standards Board received, in particular on the difficulty of not-for profits implementing this standard the standard has been amended to remove the requirement to adjust for peppercorn leases. As such this (for the time being) is no longer a worry.

Should you wish to discuss the above, please do not hesitate to contact me.

Our final invoice for the accounts preparation and audit is attached.

Yours sincerely



James Kenward
Director

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Financial Statements

For the Year Ended 30 June 2019

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Contents

For the Year Ended 30 June 2019

Page

Financial Statements

Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Responsible Persons' Declaration	9
Independent Audit Report	10
Detailed Profit and Loss Account	12

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2019

	2019	2018
	\$	\$
Income from grants	497,714	374,979
Interest	71	1,618
Depreciation and amortisation expense	(656)	(882)
Grants provided and other project costs	(357,714)	(214,980)
Other expenses	(53,232)	(189,624)
Profit/(loss) before income tax	86,183	(28,889)
Income tax expense	-	-
Profit/(loss) for the year	86,183	(28,889)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	86,183	(28,889)

The accompanying notes form part of these financial statements.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Statement of Financial Position

As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		473,053	715,383
Trade and other receivables	4	20,000	57,331
Other assets		782	311
TOTAL CURRENT ASSETS		493,835	773,025
NON-CURRENT ASSETS			
Property, plant and equipment		4,666	2,588
TOTAL NON-CURRENT ASSETS		4,666	2,588
TOTAL ASSETS		498,501	775,613
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	17,989	23,570
Other financial liabilities	6	341,862	699,576
TOTAL CURRENT LIABILITIES		359,851	723,146
TOTAL LIABILITIES		359,851	723,146
NET ASSETS		138,650	52,467
EQUITY			
Contributed equity		10	10
Retained earnings		138,640	52,457
TOTAL EQUITY		138,650	52,467

The accompanying notes form part of these financial statements.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Statement of Changes in Equity

For the Year Ended 30 June 2019

2019

	Contributed equity	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2018	10	52,457	52,467
Profit for the year	-	86,183	86,183
Balance at 30 June 2019	10	138,640	138,650

2018

	Contributed equity	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2017	10	81,346	81,356
Loss for the year	-	(28,889)	(28,889)
Balance at 30 June 2018	10	52,457	52,467

The accompanying notes form part of these financial statements.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipt from grants	179,027	428,999
Interest received	71	1,618
Grants paid and payments to suppliers and employees	(456,879)	(432,208)
Net GST received from ATO	38,185	12,965
Net cash provided by/(used in) operating activities	8 <u>(239,596)</u>	<u>11,374</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(2,734)</u>	-
Net cash used by investing activities	<u>(2,734)</u>	-
Net increase/(decrease) in cash and cash equivalents held	(242,330)	11,374
Cash and cash equivalents at beginning of year	<u>715,383</u>	<u>704,009</u>
Cash and cash equivalents at end of financial year	<u><u>473,053</u></u>	<u><u>715,383</u></u>

The accompanying notes form part of these financial statements.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Notes to the Financial Statements

For the Year Ended 30 June 2019

The financial report covers Noosa Biosphere Reserve Trust as an individual entity. Noosa Biosphere Reserve Trust is a not-for-profit Trust, registered and domiciled in Australia.

The principal activity of the Trust for the year ended 30 June 2019 was the support of projects and ideas that enhance biodiversity conservation and promote sustainable living in the Noosa region.

The functional and presentation currency of Noosa Biosphere Reserve Trust is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Responsible persons opinion the Trust is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, 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* and AASB 1054 *Australian Additional Disclosures*.

The financial statements have been prepared on an accruals basis and are based on historical costs.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Trust and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue

Interest is recognised using the effective interest method.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies continued

(b) Income Tax

As the Trust is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Adoption of new and revised accounting standards

The Trust has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flows of the Trust.

(f) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Trust has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Trust where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 1058 Income of NFP Entities	30/06/2020	AASB 1058 supersedes all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.	Grants currently received with an obligation to fund projects are already recognised as a liability, the treatment of such grants will not change.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies continued

(f) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 16 Leases	30/06/2020	AASB 16 will cause an increase in the assets and liabilities recorded for most entities, whilst the net asset impact on day 1 may be nil, this will not be the case going forward as the asset and liability will be amortised using different bases. Operating profit should increase as rental expense is now shown as depreciation and interest expense. On an ongoing basis, there will be revisions to the asset and liability whenever a relevant index affecting payments (such as CPI) changes, the lease term changes or the lease is modified.	The Foundation currently uses office space under a peppercorn lease agreement. In December 2018, amendments were made to AASB 1058 and AASB 16 which removed the requirement for not-for-profit entities to recognise peppercorn leases at fair value as a right to use asset. As such, this new standard will now not impact the Foundation.

3 Critical Accounting Estimates and Judgments

The responsible persons have not made any significant accounting estimates or judgements which are likely to affect the future results of the Trust.

4 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	-	25,000
Deposits	20,000	20,000
GST receivable	-	12,331
Total current trade and other receivables	20,000	57,331

5 Trade and Other Payables

Current		
Trade payables	16,662	23,570
GST payable	1,327	-
	17,989	23,570

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Notes to the Financial Statements

For the Year Ended 30 June 2019

6 Other Financial Liabilities

	2019	2018
	\$	\$
CURRENT		
Unexpended grants	341,862	699,576
Total	341,862	699,576

The above amount represents the balance of grants monies received held at the year end to be spent on environmental projects.

7 Auditors' Remuneration

Remuneration of the auditor of the trust, SAAS Audit Pty Ltd, for:

- auditing or reviewing the financial statements	3,100	3,050
Total	3,100	3,050

8 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

Profit/(loss) for the year	86,183	(28,889)
Non-cash flows in profit:		
- depreciation	656	882
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	37,331	(47,665)
- (increase)/decrease in prepayments	(471)	183
- increase/(decrease) in grants on hand	(357,714)	65,020
- increase/(decrease) in trade and other payables	(5,581)	21,843
Cashflows from operations	(239,596)	11,374

Noosa Biosphere Reserve Trust

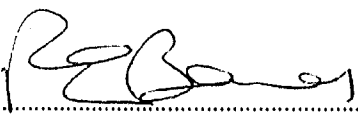
ABN 12 733 644 586

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person 
Richard Barnes

Dated: 23/10/2019

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Independent Audit Report to the members of Noosa Biosphere Reserve Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Noosa Biosphere Reserve Trust, 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 statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of Noosa Biosphere Reserve Trust has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the 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 for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the ACNC 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 Responsible Entities for the Financial Report

The responsible entities of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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, the 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 intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

Independent Audit Report to the members of Noosa Biosphere Reserve Trust

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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

SAAS Audit Pty Ltd



James Kenward
Director

138 Juliette Street
Greenslopes QLD 4120

Dated: 24/10/19

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

For the Year Ended 30 June 2019

Disclaimer

The additional financial data presented on page 13 is in accordance with the books and records of the Trust which have been subjected to the auditing procedures applied in our statutory audit of the trust for the year ended 30 June 2019. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Noosa Biosphere Reserve Trust) in respect of such data, including any errors of omissions therein however caused.

SAAS Audit Pty Ltd



James Kenward
Director

138 Juliette Street
Greenslopes QLD 4120

Dated: 28/10/19

Noosa Biosphere Reserve Trust

ABN 12 733 644 586

For the Year Ended 30 June 2019

Detailed Profit and Loss Account

	2019	2018
	\$	\$
Income		
Grants - Environmental	325,714	187,979
Grants - Operational	172,000	187,000
Interest income	71	1,618
Total income	497,785	376,597
Less: Expenses		
Accounting and bookkeeping fees	6,152	7,154
Advertising	5,622	1,078
Audit fees	3,100	3,050
Bank charges	96	114
Computer expenses	16	51
Consulting and professional fees	29,125	168,266
Depreciation	656	882
Donations	7	162
Event tickets	673	-
Filing fees	195	48
Grants provided and other project costs	357,714	214,980
Insurance	3,371	4,095
Meeting expenses	1,613	1,798
Postage	143	126
Printing and stationery	898	720
Repairs and maintenance	-	105
Subscriptions	753	353
Telephone	943	958
Travel allowance	525	565
Website expenses	-	981
Total Expenses	411,602	405,486
Profit/(loss) before income tax	86,183	(28,889)

Noosa Biosphere Reserve Foundation Ltd ATF Noosa Biosphere Reserve Trust

**Management Accounts
for the period 1 July 2018 to 30 June 2019**

	\$	\$	\$	\$
Grant Funding				
Noosa Council Grants received			\$	-
Other Grants Received			\$	-
Less Program Disbursements				
Grants Provided				
Bringing Back the Fish - University of Queensland	\$ 135,024.00			
Noosa & District Landcare - Keeping it in Kin Kin	\$ 35,000.00			
ZEN - Zero Emissions Noosa	\$ 21,880.00			
Bringing Back the Fish - USC	\$ 85,050.00			
Rural Enterprise Plan - Country Noosa Incorporated	\$ 32,000.00			
Koala Forever - USC	\$ 10,000.00	\$ 318,954.00		
Project Expenses				
Bringing Back the Fish - Oyster Reef Insurance	\$ 9,860.23			
Bringing Back the Fish - Laguna Signage Solutions	\$ 379.76			
Bringing Back the Fish - Officeworks	\$ 345.00			
Bringing Back the Fish - Ecological Service Professionals	\$ 25,425.00			
Bringing Back the Fish - Groundwork Plus	\$ 2,750.00	\$ 38,759.99		
Other		\$	-	
			<u>(357,713.99)</u>	
Surplus (Deficit) from Grant Funding 1 July 2018 to 30 June 2019				-\$ 357,713.99
Add Opening Grant Funding as at 1 July 2018				\$ 699,576.47
Closing Grant Funding on hand 30 June 2019				\$ 341,862.48
Operations				
Contributions 2018-19				
Noosa Shire Council 1st Qtr	\$ 35,000.00			
Noosa Shire Council 2nd Qtr	\$ 35,000.00			
Noosa Shire Council 3rd Qtr	\$ 35,000.00			
Noosa Shire Council 4th Qtr	\$ 35,000.00	\$ 140,000.00		
Other Income				
Interest Received		\$ 71.50	\$ 140,071.50	
Less				
Cash operating expenses				
Consultants				
Sarah Radge - Admin Coordinator	\$ 21,350.00			
Allison Jane Communications - Public Relations	\$ 5,775.00			
Ecostrategy Consulting - App Development	\$ 2,000.00	\$ 29,125.00		
Other Operating Expenses				
Accounting	\$ 5,540.00			
Advertising	\$ 5,622.08			
Auditing	\$ 3,100.00			
Bank Fees and Charges	\$ 95.78			
Bookkeeping	\$ 612.00			
Donations	\$ 7.14			
Events Tickets	\$ 672.73			
Filing Fees	\$ 195.00			
Insurances	\$ 3,857.58			
Meeting Expenses	\$ 1,613.32			
Office Equipment	\$ 135.45			
Postage	\$ 143.50			
Printing and Stationery	\$ 898.52			
Subscriptions	\$ 753.08			
Telephone	\$ 942.77			
Travel & Accommodation	\$ 524.55			
Web Site	\$ 2,600.00	\$ 27,313.50		
			<u>(56,438.50)</u>	
Surplus (Deficit) from Operations 1 July 2018 to 30 June 2019				\$ 83,633.00
Add Opening Operations Surplus (Deficit) as at 1 July 2018				\$ 29,567.59
Closing Operations Surplus (Deficit) 30 June 2019				\$ 113,200.59
Total Reserves (Grant Funding and Operational) Available Carry Forward				\$ 455,063.07