

**BURNETT MARY REGIONAL GROUP FOR
NRM LTD**

ACN: 144 005 229

**Financial Report For The Year Ended
30 June 2018**

Burnett Mary Regional Group for NRM Ltd

ACN: 144 005 229

Financial Report For The Year Ended 30 June 2018

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BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
DIRECTORS' REPORT

2 Operating results and review of operations for the year

Operating results

The profit of the Company after providing for income tax amounted to \$387,115 (2017: \$62,275).

3 Other Items

Meetings of Directors

During the financial year, 6 meetings of directors were held. In previous years the Company held separate Finance, Audit and Risk Committee Meetings, Governance Committee Meetings and NRM Committee Meetings. The business conducted at these additional meetings has been undertaken at the traditional Directors' Meetings this year with no separate committee meetings held or attended to by Directors of the company. Attendances by each director during the year were as follows:

| | Directors' Meetings | |
|---|---------------------------|-----------------|
| | Number eligible to attend | Number attended |
| Philip Hugh Brown | 5 | 4 |
| Vanessa Mary Ruth Elwell Gavins | 5 | 5 |
| Anthony Leone Ricciardi | 5 | 5 |
| Elizabeth Anne Shanks | 6 | 5 |
| Tanzi Elizabeth Smith resigned (24/11/2017) | 2 | 2 |
| Michael William Moller appointed (24/11/2017) | 3 | 3 |

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2017 has been received and can be found on page 3 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director



Dated this

19TH.

day of

Oct

2018

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
DIRECTORS' REPORT

Your directors present their report on Burnett Mary Regional Group for NRM Ltd for the financial year ended 30 June 2018.

1 General Information

Information on Directors

The names of each person who has been a director during the year and to the date of this report are:

Phillip Hugh Brown
Vanessa Mary Ruth Elwell Gavins
Anthony Leone Ricciardi
Elizabeth Anne Shanks
Tanzi Elizabeth Smith resigned (24/11/2017)
Michael William Moller appointed (24/11/2017)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of Burnett Mary Regional Group for NRM Ltd during the financial year was to develop and deliver natural resource management activities for the purpose of protecting, enhancing and /or improving the natural environment or a significant aspect of the natural environment within the Burnett Mary Region.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short-term Objectives

The company's short-term objectives are to address the issues of water quality and biodiversity decline, weed and pest management and sustainable use of our land and marine assets.

Long-term Objectives

The Company's long term objectives are to improve the health and management of our region's natural resources - our land, water, coasts, flora and fauna.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- To achieve professional, valued, cost effective delivery of NRM activities in the Burnett Mary Region;
- To communicate effectively with our community and stakeholders and to build and maintain strategic, strong, enduring, productive partnerships;
- To build effective advocacy and influence NRM policy, investment and planning in the region; and,
- To ensure BMRG is a robust and progressive organisation with effective management and governance.

Members' Guarantee


Burnett Mary Regional Group for NRM Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for members that are corporations and \$10 for all other members, subject to the provisions of the company's constitution.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF BURNETT MARY REGIONAL GROUP FOR NRM

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the

Name of Firm Ulton

Name of Partner 
Bernard Whebell CA
Ulton Chartered Accountants
20 Main Street, Hervey Bay QLD 4655

Dated this 18th Day of October 2018

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 | 2017 |
|--|-------------|----------------|---------------|
| | | \$ | \$ |
| Sales Revenue | 2 | 6,763,514 | 5,687,859 |
| Membership Income | 2 | 2,077 | 1,777 |
| Occupancy Costs | | (81,264) | (64,239) |
| Project Implementation | | (3,417,830) | (2,949,413) |
| Employee benefits expense | | (1,745,324) | (1,508,227) |
| Depreciation and amortisation expense | | (90,246) | (50,362) |
| Other Expenses from ordinary activities | | (1,043,812) | (1,034,920) |
| Current year surplus before income tax | | 387,115 | 62,275 |
| Tax expense | | | |
| Net current year surplus | | 387,115 | 62,275 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 387,115 | 62,275 |

The accompanying notes form part of these financial statements.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 3,694,034 | 3,293,838 |
| Trade and other receivables | 4 | 104,108 | 27,325 |
| Other current assets | 5 | 60,542 | 79,250 |
| TOTAL CURRENT ASSETS | | <u>3,858,684</u> | <u>3,400,413</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 364,668 | 169,775 |
| Investments - Shares in Tactiv | | 45,000 | - |
| TOTAL NON-CURRENT ASSETS | | <u>409,668</u> | <u>169,775</u> |
| TOTAL ASSETS | | <u>4,268,352</u> | <u>3,570,188</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 7 | 595,947 | 720,605 |
| Employee provisions | 8 | 63,302 | 75,996 |
| Current tax liabilities | 9 | 501 | 32,278 |
| Other Liabilities | 10 | 1,815,687 | 1,289,118 |
| TOTAL CURRENT LIABILITIES | | <u>2,465,437</u> | <u>2,117,997</u> |
| NON-CURRENT LIABILITIES | | | |
| Employee provisions | 8 | 47,281 | 83,672 |
| TOTAL NON-CURRENT LIABILITIES | | <u>47,281</u> | <u>83,672</u> |
| TOTAL LIABILITIES | | <u>2,512,718</u> | <u>2,201,669</u> |
| NET ASSETS | | <u>1,755,634</u> | <u>1,368,519</u> |
| EQUITY | | | |
| Retained surplus | | 1,755,634 | 1,368,519 |
| TOTAL EQUITY | | <u>1,755,634</u> | <u>1,368,519</u> |

The accompanying notes form part of these financial statements.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

| | Note | Retained Surplus \$ | Total \$ |
|--|------|---------------------------|-------------|
| Balance at 1 July 2016 | | 1,306,244 | 1,306,244 |
| Comprehensive Income | | | |
| Surplus for the year attributable to members of the entity | | 62,275 | 62,275 |
| Balance at 30 June 2017 | | 1,368,519 | 1,368,519 |
| Balance at 1 July 2017 | | 1,368,519 | 1,368,519 |
| Comprehensive Income | | | |
| Surplus for the year attributable to members of the entity | | 387,115 | 387,115 |
| Balance at 30 June 2018 | | 1,755,634 | 1,755,634 |

The accompanying notes form part of these financial statement

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

| | Note | 2018 \$ | 2017 \$ |
|---|------|-------------|-------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 7,103,672 | 5,759,706 |
| Payments to suppliers and employees | | (6,485,042) | (5,114,280) |
| Interest Received | | 91,952 | 85,006 |
| Memberships Fees | | 2,077 | 1,777 |
| Net cash generated from operating activities | 14 | 712,659 | 732,209 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | 26,362 | 10,909 |
| Payment for property, plant and equipment | | (293,825) | (73,537) |
| Payment for purchase of Shares in Tactiv | | (45,000) | - |
| Net cash used in Investing activities | | (312,463) | (62,628) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net cash used in financing activities | | - | - |
| Net increase in cash held | | 400,196 | 669,581 |
| Cash on hand at beginning of the financial year | | 3,293,838 | 2,624,257 |
| Cash on hand at end of the financial year | 3 | 3,694,034 | 3,293,838 |

The accompanying notes form part of these financial statements.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The financial report covers Burnett Mary Regional Group for NRM Ltd as an individual entity. Burnett Mary Regional Group for NRM Ltd is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Burnett Mary Regional Group for NRM Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

The financial statements were authorised for issue on _____ by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

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

(b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(c) 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 Company 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.

All revenue is stated net of the amount of goods and services tax (GST).

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.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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.

Burnett Mary Regional Group for NRM Ltd receives non-reciprocal contributions of assets from the government and other parties for no or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Interest revenue

Interest is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(d) 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).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(e) Property, Plant and Equipment

Plant and equipment are measured using the cost model.

Property, plant and equipment, excluding freehold land, is depreciated on a diminishing value basis over the assets useful life to the Company, commencing when the asset is ready for use.

Assets purchased over \$5,000 in line with most funding agreements have been capitalised and depreciated over the life of the assets. Assets purchased below \$5,000 have been expensed in statement of profit and loss.

The depreciation rates used for each class of depreciable asset are shown below:

| Class of Fixed Asset | Depreciation Rate |
|-----------------------------|--------------------------|
| Plant and equipment | 25-50% |

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments. The Company does not necessarily consider the balance to be impaired. However assessment is made on a case-by-case basis.

Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

The Company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance account. All other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(h) Cash and cash equivalents

Cash and cash equivalents comprise 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.

(i) Provisions

Provisions are recognised when the Company 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 measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

(j) Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements. However as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

(k) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

| Standard Name | Effective date for entity | Requirements | Impact |
|-----------------|---------------------------|---|---|
| AASB 16: Leases | 01 January 2019 | When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance. | AASB 16 is not expected to have a significant impact on the company's financial statements. |

Note 2 Revenue and Other Income

| | 2018 \$ | 2017 \$ |
|---------------------------|---------------|---------------|
| Revenue | | |
| Finance Income | | |
| — Other Interest Received | 91,952 | 85,006 |
| | <u>91,952</u> | <u>85,006</u> |

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

| | | |
|---|--------------------------------------|-------------------------|
| Other revenue | | |
| — Operating Grant | 5,823,695 | 5,422,688 |
| — Other income | 809,446 | 159,065 |
| — Insurance Recovery | 38,421 | - |
| — Membership Fees | 2,077 | 1,777 |
| | <u>6,673,639</u> | <u>5,584,430</u> |
| Total revenue | <u>6,765,591</u> | <u>5,669,438</u> |
| Note 3 | Cash and Cash Equivalents | |
| | 2018 | 2017 |
| | \$ | \$ |
| CURRENT | | |
| Cash at bank | 3,693,634 | 3,293,438 |
| Cash on hand | 400 | 400 |
| Total cash on hand as stated in the statement of financial position and statement of cash flows | <u>3,694,034</u> | <u>3,293,838</u> |
| Note 4 | Trade and Other Receivables | |
| | 2018 | 2017 |
| | \$ | \$ |
| CURRENT | | |
| Trade receivable | 104,108 | 27,325 |
| Total current Trade receivable and other receivables | <u>104,108</u> | <u>27,325</u> |
| Note 5 | Other Current Assets | |
| | 2018 | 2017 |
| | \$ | \$ |
| Prepayments | 60,542 | 79,250 |
| | <u>60,542</u> | <u>79,250</u> |
| Note 6 | Property, Plant and Equipment | |
| | 2018 | 2017 |
| | \$ | \$ |
| PLANT AND EQUIPMENT | | |
| Plant and equipment: | | |
| At cost | 1,259,304 | 1,019,217 |
| Less accumulated depreciation | (894,636) | (849,442) |
| Property, plant and equipment | <u>364,668</u> | <u>169,775</u> |
| Total property, plant and equipment | <u>364,668</u> | <u>169,775</u> |
| Movements in Carrying Amounts | | |
| Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year: | | |
| | Plant and Equipment | Total |
| | \$ | \$ |
| 2017 | | |
| Balance at the beginning of the year | 155,459 | 155,459 |
| Additions at cost | 73,537 | 73,537 |
| Disposals | (8,859) | (8,859) |
| Depreciation expense | (50,362) | (50,362) |
| Carrying amount at the end of the year | <u>169,775</u> | <u>169,775</u> |
| 2018 | | |
| Balance at the beginning of the year | 169,775 | 169,775 |
| Additions at cost | 293,824 | 293,824 |
| Disposals | (8,885) | (8,885) |
| Depreciation expense | (90,246) | (90,246) |
| Carrying amount at the end of the year | <u>364,668</u> | <u>364,668</u> |

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 7 Trade and Other Payables

| | 2018 | 2017 |
|---------------------|----------------|----------------|
| | \$ | \$ |
| CURRENT | | |
| Accounts payable | 572,028 | 672,715 |
| Accrued Liabilities | 19,903 | 30,390 |
| Sundry Payables | 4,016 | 17,500 |
| | <u>595,947</u> | <u>720,605</u> |

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

Note 8 Employee Provisions

| | 2018 | 2017 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| CURRENT | | |
| Provision for annual leave | 53,302 | 75,996 |
| | <u>53,302</u> | <u>75,996</u> |
| NON-CURRENT | | |
| Provision for long service leave | 47,281 | 83,672 |
| | <u>47,281</u> | <u>83,672</u> |
| | <u>100,583</u> | <u>159,668</u> |

Note 9 Current tax liabilities

| | 2018 | 2017 |
|------------------------|------------|---------------|
| | \$ | \$ |
| Current tax receivable | (103,067) | (39,600) |
| Payroll liabilities | 103,568 | 72,077 |
| | <u>501</u> | <u>32,278</u> |

Note 10 Other Liabilities

| | 2018 | 2017 |
|-------------------------|------------------|------------------|
| | \$ | \$ |
| CURRENT | | |
| Unexpended grant income | 1,815,687 | 1,289,118 |
| | <u>1,815,687</u> | <u>1,289,118</u> |

Note 11 Auditors' Remuneration

| | 2018 | 2017 |
|---|---------------|---------------|
| | \$ | \$ |
| Remuneration of the auditor of the company for: auditing or reviewing the financial statements | 11,750 | 11,470 |
| | <u>11,750</u> | <u>11,470</u> |

Note 12 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017: None).

Note 13 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The following transactions occurred with related parties:

| Directors | Directors Remuneration - Wages | Directors Remuneration - Superannuation | Meals & Travel Reimbursement | Other Services from Related Parties |
|------------------------|--------------------------------------|---|---------------------------------|---|
| Sheila Charlesworth | 150,023 | 14,252 | - | - |
| Anthony Ricclardl | 25,366 | 2,410 | 285 | - |
| Phillip Brown | 2,541 | 217 | - | - |
| Vanessa Ewell-Gavins | 3,765 | 333 | 635 | - |
| Elizabeth Shanks | 5,030 | 478 | 2,288 | - |
| Tanzi Smith | 1,914 | 158 | 631 | - |
| Michael William Moller | 2,398 | 228 | 295 | - |

Note 14 Cash Flow Information

| | 2018 \$ | 2017 \$ |
|---|----------------|----------------|
| Reconciliation of Cash Flows from Operating Activities | | |
| Net current year surplus | 387,115 | 62,275 |
| Non-cash flows: | | |
| Depreciation and amortisation expense | 90,246 | 50,362 |
| Gain on disposal of property, plant and equipment | (17,676) | (2,050) |
| Changes in assets and liabilities: | | |
| (Increase)/decrease in accounts receivable and other debtors | (76,783) | 222,569 |
| Increase/(decrease) in accounts payable and other payables | (166,435) | 281,610 |
| (Increase)/decrease in income advance | 526,569 | 251,605 |
| Increase/(decrease) in provisions | (59,085) | (90,697) |
| (Increase)/decrease in prepayments | 18,708 | (43,465) |
| | <u>712,659</u> | <u>732,209</u> |

Note 15 Events Occurring After the Reporting Date

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

Note 16 Company Details

The registered office of the entity is:

Burnett Mary Regional Group for NRM Ltd
193 Bourbong Street, Bundaberg QLD 4670

The principal place of business is:

Burnett Mary Regional Group for NRM Ltd
193 Bourbong Street, Bundaberg QLD 4670

BURNETT MARY REGIONAL GROUP FOR NRM LTD
A.C.N. 011 005 229
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

| Note 17 | Other liabilities | FA067 Restoring the Balance CFS | FA070 Bunya Ranger 14 | FA073 Reef Rescue 13_16 | FA074 - Pulse Rotations | FA076 Baffle imp Riparian |
|-------------------------------------|--|------------------------------------|--------------------------|----------------------------|----------------------------|---------------------------------|
| Income | | | | | | |
| | Grant Income | (612) | 620,790 | (198) | (112) | 394,696 |
| | Interest Received | - | - | - | - | - |
| | Membership Fees | - | - | - | - | - |
| | Other Income | - | 27,575 | - | - | - |
| | Total Income | (612) | 648,365 | (198) | (112) | 394,696 |
| Expense | | | | | | |
| | General Expenses/Workshop | - | - | - | - | - |
| | Board Costs | - | - | - | - | - |
| | Business Support | - | 59,682 | - | - | 41,805 |
| | Depreciation | - | - | - | - | - |
| | Staff Expenses | - | 375,329 | - | - | 52,793 |
| | Training & Conferences (NRM) | - | 7,221 | - | - | - |
| | Travel & Accommodation | - | 4,470 | - | - | 520 |
| | Motor Vehicle Expenses | - | 1,248 | - | - | - |
| | Direct Project Costs | (612) | 200,436 | (198) | (112) | 289,578 |
| | Workshops | - | - | - | - | - |
| | Total Expense | (612) | 648,365 | (198) | (112) | 394,696 |
| | Net Income | - | - | - | - | - |
| Grant Revenue Reconciliation | | | | | | |
| | Opening Balance of Unearned | (612) | 24,772 | (198) | (112) | 4,289 |
| | Grant revenue received during the year | - | 593,710 | - | - | 390,000 |
| | Grant funds returned during the year | - | - | - | - | - |
| | Funds available | (612) | 618,482 | (198) | (112) | 394,289 |
| | Closing Balance of Unearned Grant Revenue | - | (2,308) | - | - | (407) |
| | Grant Revenue as per Income Statement/Notes | (612) | 620,790 | (198) | (112) | 394,696 |

BURNETT MARY REGIONAL GROUP FOR NRM LTD
A.C.N. 011 005 229
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 17 Other liabilities continues

| | FA077 Burrum Imp Riparian | FA084 - Leadership RR & RP | FFI | FA089 Implem Grazing Burn Mary | FA085 Tinana Creek Riparian Cor |
|---|------------------------------------|----------------------------------|--------------|--------------------------------------|---------------------------------------|
| Income | | | | | |
| Grant Income | 367,324 | 10,692 | 4,748 | 141,687 | (130) |
| Interest Received | - | - | - | - | - |
| Membership Fees | - | - | - | - | - |
| Other Income | - | - | - | - | - |
| Total Income | 367,324 | 10,692 | 4,748 | 141,687 | (130) |
| Expense | | | | | |
| General Expenses | - | - | - | - | - |
| Board Costs | - | - | - | - | - |
| Business Support | 38,470 | - | - | 17,261 | - |
| Depreciation | - | - | - | - | - |
| Staff Expenses | 69,854 | - | - | 69,619 | - |
| Training & Conferences (NRM) | - | - | - | - | - |
| Travel & Accommodation | - | - | - | 2,418 | - |
| Motor Vehicle Expenses | - | - | - | - | - |
| Direct Project Costs | 259,000 | 10,692 | 4,748 | 51,789 | (130) |
| Workshops | - | - | - | 600 | - |
| Total Expense | 367,324 | 10,692 | 4,748 | 141,687 | (130) |
| Net Income | - | - | - | - | - |
| Grant Revenue Reconciliation | | | | | |
| Opening Balance of Unearned Grant Revenue | 10,480 | 10,692 | 4,748 | 83,279 | (130) |
| Grant revenue received during the year | 356,650 | - | - | 180,000 | - |
| Grant funds returned during the year | - | - | - | - | - |
| Funds available | 367,130 | 10,692 | 4,748 | 263,279 | (130) |
| Closing Balance of Unearned Grant Revenue | (184) | - | - | 121,582 | - |
| Grant Revenue as per Income Statement/Notes | 367,324 | 10,692 | 4,748 | 141,687 | (130) |

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

| Note 17 | Other liabilities continues | FA098 NLP | FA099 Fox Control - Turtles | FA101 - Litter & Illegal Dumping | FA102 Reef Trust 111 | FA103 - QG RIS |
|-------------------------------------|--|------------------|--------------------------------------|---|-------------------------|----------------|
| Income | | | | | | |
| | Grant income | 1,726,342 | 193,660 | 33,871 | 1,023,497 | (4,456) |
| | Interest Received | - | - | - | - | - |
| | Membership Fees | - | - | - | - | - |
| | Other income | 16,500 | - | - | - | - |
| | Total Income | 1,742,842 | 193,660 | 33,871 | 1,023,497 | (4,456) |
| Expense | | | | | | |
| | General Expenses | - | - | - | - | (4,425) |
| | Board Costs | - | - | - | - | - |
| | Business Support | 174,329 | 12,267 | 2,000 | 123,747 | - |
| | Depreciation | - | - | - | - | - |
| | Staff Expenses | 515,611 | 92,972 | 14,030 | 117,172 | - |
| | Training & Conferences (NRM) | - | - | - | - | - |
| | Travel & Accommodation | 8,466 | 332 | - | 2,161 | - |
| | Motor Vehicle Expenses | 4,839 | - | - | - | - |
| | Direct Project Costs | 1,038,596 | 88,090 | 17,841 | 779,768 | (31) |
| | Workshops | - | - | - | 651 | - |
| | Total Expense | 1,742,842 | 193,660 | 33,871 | 1,023,497 | (4,456) |
| | Net Income | - | - | - | - | - |
| Grant Revenue Reconciliation | | | | | | |
| | Opening Balance of Unearned Grant Revenue | 97,591 | 33,262 | 23,162 | 839,571 | (4,601) |
| | Grant revenue received during the year | 1,623,320 | 159,732 | 10,000 | 1,152,676 | - |
| | Grant funds returned during the year | - | - | - | - | - |
| | Funds available | 1,720,911 | 192,994 | 33,162 | 1,992,247 | (4,601) |
| | Closing Balance of Unearned Grant Revenue | (5,431) | (666) | (709) | 966,750 | (145) |
| | Grant Revenue as per Income | 1,726,342 | 193,660 | 33,871 | 1,023,497 | (4,456) |
| | Statement/Notes | | | | | |

BURNETT MARY REGIONAL GROUP FOR NRM LTD
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 17 Other liabilities continues

| | FA104 - NQDT Project | FA105 - Shorebirds | FA106 - Working with Traditional Owners | FA107 - Improving Fish Habitat | FA108 - Sea Turtle Alliance Inc- Modify Lighting |
|--|-------------------------|-----------------------|---|--------------------------------------|--|
| Income | | | | | |
| Grant Income | 5,190 | - | - | 76,617 | 27,273 |
| Interest Received | - | - | - | - | - |
| Membership Fees | - | - | - | - | - |
| Other Income | - | - | - | - | - |
| Total Income | 5,190 | - | - | 76,617 | 27,273 |
| Expense | | | | | |
| General Expenses | - | - | - | - | - |
| Board Costs | - | - | - | - | - |
| Business Support | 1,678 | - | - | 16,403 | - |
| Depreciation | - | - | - | - | - |
| Staff Expenses | - | - | - | 12,523 | - |
| Training & Conferences (NRM) | - | - | - | - | - |
| Travel & Accommodation | 3,314 | - | - | 441 | - |
| Motor Vehicle Expenses | - | - | - | - | - |
| Direct Project Costs | - | - | - | 47,250 | 27,273 |
| Workshops | - | - | - | - | - |
| Total Expense | 5,190 | - | - | 76,617 | 27,273 |
| Net Income | - | - | - | - | - |
| Grant Revenue Reconciliation | | | | | |
| Opening Balance of Unearned Grant Revenue | 55,085 | 3,000 | 12,247 | 65,830 | 27,273 |
| Grant revenue received during the year | (9,796) | - | - | 150,000 | - |
| Grant funds returned during the year | - | - | - | - | - |
| Funds available | 45,289 | 3,000 | 12,247 | 215,830 | 27,273 |
| Closing Balance of Unearned Grant Revenue | 40,099 | 3,000 | 12,247 | 139,214 | - |
| Grant Revenue as per Income Statement/Notes | 5,190 | - | - | 76,617 | 27,273 |

Note 17 Other liabilities continues

| | FA109 - Better Beef for the Reef | FA110 - QFF Pilot Agric Ext Work | FA111 - QG QNRM | FA112 - Shorebirds | FA114 - Recovery to Resilience |
|--|---|---|----------------------------|-------------------------------|---|
| Income | | | | | |
| Grant Income | 182,032 | 81,545 | 615,518 | 3,025 | 167,355 |
| Interest Received | - | - | - | - | - |
| Membership Fees | - | - | - | - | - |
| Other Income | 473 | - | - | - | - |
| Total Income | 182,504 | 81,545 | 615,518 | 3,025 | 167,355 |
| Expense | | | | | |
| General Expenses | - | - | - | - | - |
| Board Costs | - | - | - | - | - |
| Business Support | 25,832 | 10,069 | 65,708 | - | 29,743 |
| Depreciation | - | - | - | - | - |
| Staff Expenses | 108,477 | 43,976 | 248,155 | - | 24,607 |
| Training & Conferences (NRM) | 2,115 | - | - | - | - |
| Travel & Accommodation | 388 | 1,498 | 4,126 | - | - |
| Motor Vehicle Expenses | - | - | - | - | - |
| Direct Project Costs | 45,695 | 28,004 | 297,529 | 3,025 | 113,004 |
| Workshops | - | - | - | - | - |
| Total Expense | 182,504 | 81,545 | 615,518 | 3,025 | 167,355 |
| Net Income | - | - | - | - | - |
| Grant Revenue Reconciliation | | | | | |
| Opening Balance of Unearned | (472) | (38) | - | - | - |
| Grant revenue received during the year | 243,950 | 90,900 | 615,000 | 6,050 | 244,200 |
| Grant funds returned during the year | - | - | - | - | - |
| Funds available | 243,478 | 89,962 | 615,000 | 6,050 | 244,200 |
| Closing Balance of Unearned Grant Revenue | 61,446 | 8,417 | (518) | 3,025 | 76,846 |
| Grant Revenue as per Income | 182,032 | 81,545 | 615,518 | 3,025 | 167,355 |
| Statement/Notes | | | | | |

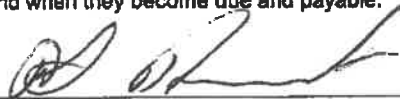
| Note 17 | Other liabilities continues | | | | | | |
|--|------------------------------|-------------------------------------|-------------------------|----------------|------------------|---------------------------------|--|
| | FA115 - Reg Ext Coord GBR | FA116 - Gregory River WQ Monitor | FA117 - Rec to Res 2 | General | TOTAL | As Per Profit & Loss Account | |
| Income | | | | | | | |
| Grant Income | 45,325 | - | 108,015 | - | 5,823,695 | 5,818,456 | |
| Interest Received | - | - | - | 91,952 | 91,952 | 91,952 | |
| Membership Fees | - | - | - | 2,077 | 2,077 | 2,077 | |
| Other Income | - | - | - | 803,320 | 847,867 | 853,106 | |
| Total Income | 45,325 | - | 108,015 | 897,349 | 6,765,691 | 6,765,691 | |
| Expense | | | | | | | |
| General Expenses | - | - | - | 10,248 | 5,823 | 5,823 | |
| Board Costs | - | - | - | 74,038 | 74,038 | 74,038 | |
| Business Support | - | - | 34,327 | 134,158 | 787,856 | 787,856 | |
| Depreciation | - | - | - | 90,248 | 90,248 | 90,248 | |
| Staff Expenses | 42,133 | - | 7,781 | (49,706) | 1,745,325 | 1,745,325 | |
| Training & Conferences (NRM) | - | - | - | 10,833 | 19,989 | 19,989 | |
| Travel & Accommodation | 2,765 | - | 121 | 15,667 | 47,873 | 47,873 | |
| Motor Vehicle Expenses | - | - | - | 167,541 | 173,829 | 173,829 | |
| Direct Project Costs | 427 | - | 65,786 | 42,382 | 3,417,830 | 3,417,830 | |
| Workshops | - | - | - | 15,036 | 16,287 | 16,287 | |
| Total Expense | 45,325 | - | 108,015 | 510,234 | 6,378,476 | 6,378,476 | |
| Net income | - | - | - | 387,115 | 387,115 | 387,115 | |
| Grant Revenue Reconciliation | | | | | | | |
| Opening Balance of Unearned Grant Revenue | - | - | - | - | 1,289,118 | 1,289,118 | |
| Grant revenue received during the year | 196,000 | 5,500 | 343,271 | - | 6,350,263 | 6,350,263 | |
| Grant funds returned during the year | - | - | - | - | - | - | |
| Funds available | 196,000 | 5,500 | 343,271 | - | 7,639,381 | 7,639,381 | |
| Closing Balance of Unearned Grant Revenue | 150,675 | 5,500 | 235,266 | - | 1,815,887 | 1,815,887 | |
| Grant Revenue as per Income Statement/Notes | 45,325 | - | 108,015 | - | 5,823,695 | 5,818,456 | |

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
DIRECTORS' DECLARATION

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

1. The financial statements and notes, as set out on pages 4 to 14, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards; and
 - (b) give a true and fair view of the financial position of the company as at 30 June 2018 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



Dated this

19

day of

10

2018

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BURNETT MARY REGIONAL GROUP FOR NRM LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Burnett Mary Regional Group for NRM Ltd (the company), which comprises the statement of financial position as at 30 June 2018, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Burnett Mary Regional Group for NRM Ltd is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

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 company in accordance with the auditor independence requirements of the Corporations Act 2001 and the auditor independence requirements of the ACNC Act and 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Burnett Mary Regional Group for NRM Ltd, would be in the same terms if given to the directors as at the time of this auditor's

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors 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, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

BURNETT MARY REGIONAL GROUP FOR NRM LTD
ACN: 144 005 229
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BURNETT MARY REGIONAL GROUP FOR NRM LTD

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our 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 company 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 a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's name and signature:

Bernard Whebell CA



Name of firm:

Utkon Chartered Accountants



Address:

20 Main Street, Hervey Bay
QLD 4655

Dated this

28th

day of

November

2018