

ANNUAL REPORT FOR YEAR ENDED 30 JUNE 2018

ROYAL BOTANIC GARDENS VICTORIA





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NOTICE is hereby given that the thirty-second Annual General Meeting of the Friends of the Royal Botanic Gardens, Melbourne Incorporated (the 'Friends') will be held at 6pm Monday, 19 November 2018, in the Mueller Hall, National Herbarium of Victoria, Birdwood Avenue, South Yarra.

BUSINESS

- To confirm the minutes of the thirty-first Annual General Meeting held on 20 November 2017.
- 2. To receive from the Council a report of the activities of the Friends for the year ended 30 June 2018.
- 3. To elect members of the Council. The following, being eligible, have been duly nominated for election as stated:

President Mary Ward
Vice-President Catherine Trinca
Treasurer Mark Anderson
Ordinary Member Nicola Rollerson
Sue Foran

- 4. To receive and consider the financial statements of the Friends for the year ended 30 June 2018, which have been duly audited.
- To elect Trustees of the Friends of the Royal Botanic Gardens, Melbourne Incorporated Trust Fund. The following, being eligible, have been duly nominated for election as stated:

Catherine Trinca
Janet Thomson OAM

6. To receive and consider the report and financial statements of the Friends' Trust Fund for the year ended 30 June 2018, which have been duly audited.

By order of the Council Adnan Mansour, Secretary Dated: 11 October 2018

At the conclusion of the Annual General Meeting the President will present:

- VOLUNTEER SERVICE AWARDS TO MEMBERS WITH 10 OR MORE YEARS OF VOLUNTARY SERVICE
- FRIENDS' SCHOLARSHIP SCHEME FOR ROYAL BOTANIC GARDENS STAFF
- FRIENDS' HELEN MCLELLAN RESEARCH GRANT

Guest speaker following the AGM: Professor Tim Entwisle, Director and Chief Executive of the Royal Botanic Gardens Victoria, will present 'Community Open Space.'

ANNUAL REPORT OF THE FRIENDS FOR THE YEAR ENDED 30 JUNE 2018

The Honourable Linda Dessau AC, Governor of Victoria Patron

Council

Mary Ward * President Lynsey Poore # Vice-President Catherine Trinca * Vice-President Adnan Mansour # Secretary Mark Anderson * Treasurer

Professor Tim Entwisle † Members

Peter Kelly † Richard Kirsner # Margaret (Meg) Miller #

Mali Wilson # Jan Rosenberg * Richard Smith *

Nicola Rollerson (appointed by Council on

14/12/2017 to fill a casual vacancy).

* Retires Annual General Meeting 2018 # Retires Annual General Meeting 2019 † Ex-Officio Member of Council

Trustees of the Friends' Trust Fund

Peter Kelly (Chairman), Peter Griffin AM, William Mackay Philip Jones and Janet Thomson OAM

Friends' Staff

Marketing and Relationship Manager Finance and Business Process Manager Office Support and Technology Manager **Botanical Illustration Teachers**

Jill Scown Karlene Taylor

Georgina Ponce de Leon Dianne Emery, Mali Moir (contractor) and Helen Burrows

(contractor)

Adnan Mansour

Angela Mitchell

Editor, Botanic News Meg Miller

Conveners of Committees at 30 June 2018

Botanic Illustrators' (Exhibitions) Andrew Carr

Events Catherine Trinca & Mali Wilson

Executive/Finance Gardening

Grants Mary Ward Michael Hare **Growing Friends** Helping Hands Rosemary Cotter IT & Equipment Richard Kirsner Membership and Marketing Nicola Rollerson

Operations Photo Group Plant Craft Cottage Publications & Editorial

Phyl Knaggs & Heather Schroeder

Robert Wright Jennifer Ure

Lynsey Poore

John Harrison

Volunteers

FROM THE PRESIDENT

This last year has been one of both change and consolidation. Major changes have occurred within the Friends' office, with the retirement of long-term Manager Virginia Henderson in February and Administrative Assistant Marguerite Hancock leaving us in March. We thank them both for all they have given to the Friends in their time with us. In June we welcomed Jill Scown as our Marketing and Relationships Manager and she, along with Karlene Taylor (Finance and Business Process Manager) and Georgina Ponce de Leon Huerta (Office Support and Technology Manager) will be looking to modernise processes to better look after your interests, and to expand and build our membership base for the future. The office could not operate however without the dedicated group of volunteers who come in every day and we are very grateful for all the time they give.

A wonderful achievement has been the completion of our Oral History Project. This has captured memories of the first years of the Friends from some of our founding members and will be a valuable historical record. Their commitment and enthusiasm for the Friends is clear and we shall strive to emulate this in the years ahead. Another milestone was our first-ever online survey of members. We were encouraged by the positive feedback and are endeavouring to incorporate some of the ideas and suggestions we received. Overwhelmingly, people join the Friends to support the Melbourne Gardens financially and to that end, a new level of membership, Passionate Friend, has been introduced to allow for a donation along with the membership fee.

Our Trust Fund continues to support the RBGV financially through grants for major projects, staff scholarships and research. The past year has seen the restoration of the Fern Gully Rest House (\$75,000) and the Trust Fund has committed \$200,000 over the next two years to support the Sensory Garden project, with \$36,000 disbursed so far.

Events and activities were clearly enjoyed by those who participated. Our Insider Walks remain very popular, along with day trips and guest speakers at talks. Highlights included Attila Kapitany with his extensive knowledge of succulents and Christine Johnston, who spoke about H E Ramsay's Botanical Collection, which is of State significance and is now held here in the Herbarium. Our major events each year highlight two of our most prolific groups. Last October the Botanical Illustrators drew good crowds with their penguins leading people to the reFraming Nature exhibition, generating \$18,000 in income, while the Growing Friends continued to prosper raising almost \$70,000 in income across their two main plant sales.

The Photo Group has gone from strength to strength and is a wonderful way to discover hidden gems in the Gardens while enjoying the camaraderie of like-minded people. Plant Craft Cottage is another area where people can gather and enjoy one of the more secluded spots of the Gardens. The garden is maintained by the Cottage Garden Group while inside all manner of crafty delights await. Workshops in various craft-based activities from basketry to dyeing were held over weekends, and children's workshops were held during school holidays.

Our operations and activities depend on the willingness of members to give their time as volunteers, not least the production of, what was shown by our survey to be the number one benefit of being a Friend, our quarterly *Botanic News*. Volunteering not only gives our members the satisfaction of being actively part of a vibrant not-for-profit group, but also the opportunity to create friendships, learn skills and discover interests. So be it at an event, at a plant sale, an exhibition, or as part of a planning committee, in the office or on Council, we are indebted to you all.

The Council of the Friends

Six Council meetings were held during the year on alternate months commencing August 2017. Regular reports presented to Council included reports from the Director and Chief Executive of the Royal Botanic Gardens Victoria covering key developments in the Melbourne and Cranbourne Gardens, and reports from the Executive and Finance Committee and Operations Committee.

Council members form the committee of management of the Friends, which is charged with controlling and managing the Friends' business and affairs. The powers of Council are defined by the Rules and the Act. These give Council the authority to exercise all the powers and functions of the Friends, except those reserved for general meetings.

Executive and Finance Committee

The Committee, comprising the Council's office bearers, is usually convened in the period leading up to Council meetings. The primary role of the Committee is to examine and consider the financial and business affairs of the Friends and report to Council as appropriate.

Appointment of Auditors

The firm of DFK Kidsons was appointed at the 2017 AGM for the 2017/18 financial year to audit both the Friends of the Royal Botanic Gardens, Melbourne Incorporated and The Friends of the Royal Botanic Gardens, Melbourne Trust Fund. Their audit opinions are included in this Annual Report.

Financial Results

The financial position for the year ending 30 June 2018 was an operating surplus of \$10,368; a good result in a year of both planned and unexpected changes. The revenue was \$442,602 and expenditure was \$432,234.

Although the operating surplus was down from \$51,380 in 2016/17, this can largely be attributed to two factors: smaller revenues from Exhibitions and Memberships. The major biennial art exhibition, *The Art of Botanical Illustration* was not held this year so the decrease in exhibition revenue of \$43,218, was to be expected. The decline in membership revenue of \$12,252 was disappointing, however initiatives were put in place during the year to reverse the reduction in membership, with the appointment in June of a Manager to focus on membership acquisition and retention. The planned office restructure was successfully completed during the year. Unexpectedly botanical art classes had to be relocated from the Whirling Room. It was very pleasing that expenses in most areas were contained and in line with budget.

The total assets of the Friends as at 30 June 2018 was \$483,152, compared with \$502,817 in 2017, a decrease of \$19,665 over the financial year. This decrease can largely be attributed to a decrease in cash held. Together, cash and deposits totalled \$440,204 (compared with \$471,642 in 2017). Liabilities reduced by \$30,033 as a result of payment of leave provisions, due to staff changes.

At the conclusion of the \$2017/18 year, the Friends were in a sustainable financial position.

Grants to the Gardens

Grants totalling \$147,052 were allocated to the Royal Botanic Gardens Victoria (RBGV), Melbourne Gardens in the past financial year from the Trust Fund. The grants have contributed to the Fern Gully Rest House restoration, the Sensory Gardens, staff scholarships, the Helen McLellan Research Grant and general purpose, including maintenance.



The following table shows the grants made in 2017/18 from the Friends' Trust Fund.

Fern Gully Rest House Restoration	\$75,000
Sensory Garden	\$36,000
General Purpose Grant	\$6,000
Scholarship: Niels Klazenga	\$9,512
Helen McLellan Research Grant - awarded to Megan Hirst	\$20,540
Totals	\$147,052

The total value of Grants from the Friends to the Gardens since 1985 exceeds \$2,700,000.

Grants Committee

The Grants Committee works to coordinate the funding of the Friends to the Gardens across all sources. The Committee comprises the President, Vice-Presidents, Secretary and Treasurer, and the four Trustees of the Trust Fund.

The Committee meets throughout the year to evaluate the applications and to determine the source of funding of the grants. Significant grant proposals are discussed with the Director and Chief Executive of the RBGV prior to a decision being made.

The Friends of the Royal Botanic Gardens, Melbourne Trust Fund

The annual report and audited financial statements for the Trust Fund are on pages 19 to 30 of this document. The Chairman of Trustees, an ex-officio member of Council, regularly reports to Council on the Trust Fund performance and other related issues.

Friends' Scholarship Scheme

From 2007/08, the Trust has funded scholarships for RBGV staff members to enable them to further their professional development. To date, \$117,602 has been awarded to successful applicants. RBGV staff allocated scholarships in 2017/18 are:

- Peter Berbee, Arborist, Curator of the Quercus Collection, to attend the Quercus Society Conference 2018 in the United States.
- Katherine Kominiarski, Visitor Experience Officer, to undertake a six-week Wildlife Rescue and Rehabilitation Training course.
- David Robbins, Team Leader Nursery, Melbourne Gardens, to undertake a Record Keeping Diploma.
- Mandy Thomson, Team Leader Nursery, Cranbourne Gardens, to attend the Australian Plant Society's Bi-Annual National Conference.

Friends' Helen McLellan Research Grant

A grant of \$20,540 was awarded to Megan Hirst, Seedbank Officer, to facilitate ongoing research. This is the second year of a two-year allocation of funds to Megan to test the horticultural potential of rare and threatened Australian plants. This brings the total of grants funded under this scheme to \$133,272.

Operations Committee

The Operations Committee provides a forum in which the convenors report and discuss their programs, activities and events. It also provides time for discussions of new ideas and more indepth reports, and to this end, one group is the focus for each of the meetings. Thanks go to all the convenors for their continued dedication to their groups, and for their efforts in recruiting new members and in organising meaningful activities and events throughout the year.

Botanical Illustrators

reFraming Nature

The exhibition for reFraming Nature 2017 was held during October, with the subject of Natural History once again. Exhibits covered topics from birds to bees, herbs to beetles, fungi to ferns. All the botanical artists had the chance to participate, with artists who had not exhibited before being given particular encouragement.

To assist with publicity and to direct the public down to the venue at Domain House, many artists made and decorated large papier-mâché penguins. These were highly successful, and attendance increased by 70% over reFraming Nature 2015.

The Punting Prize for Miniatures, won by Sue Boxshall for her gumnuts, was sponsored by Punting on the Lake. The family of Estelle Longfield initiated an award for botanical artists of five years or less experience and this was won by Keiko Yurisich for her Liquidamber leaf. Dianne Emery won the Scientific Art Prize with her image of a Pobblebonk frog, with Simon Deere as runner-up for his *Watsonia meriana* in graphite. Congratulations to all the winners and to all the artists who contributed artwork to the exhibition.

Thanks go to all the staff and volunteers in the office, the artists and all the volunteers who helped with the exhibition.

Botanical Art Classes and Specialist Workshops

The Friends continued to deliver a quality botanical art program in Domain House after the program was relocated from the Whirling Room with the announcement of the restoration of the Melbourne Telescope. Our well-respected tutors; Dianne Emery, Mali Moir and Helen Burrows teach more than 100 students per week through a well-rounded program including beginner's classes through to advanced students.

The botanical art program also incorporates specialist master classes presented by our three tutors plus other talented artists including Kate Nolan, John Pastoriza-Piñol and Nadine Dudek.

Events

The many enjoyable and stimulating events offered have been a feature of the past year. Member-only Insider Walks continue to gain momentum with many memorable walks within the Melbourne Gardens, including lakeside and bird walks, a tour of the Garden's historic buildings, and a ramble to Birrarung Marr.

Day trips included one to the Mornington Peninsula which combined history and lovely gardens, while another to suburban Kew showcased history and art. Considerable interest was expressed in the trip to Singapore, planned for July 2018, with 15 confirmed bookings.

One of the most fascinating illustrated talks of the year was Christine Johnston's talk about H E Ramsay's botanical collection (now held in the Herbarium) and the artwork inspired by it. We also learned a great deal from the kitchen gardener and cook at Great Dixter, while Attila Kapitany excited us about succulents. We heard about the Shrine Reserve, French Gardens, Australian Gardens, Melbourne Gardens and International Botanic Gardens, and escaped winter blues with two fabulous travel talks.

The annual Christmas cocktail party was once again held at Gardens House and was a very enjoyable and convivial evening in a beautiful and peaceful setting. A Christmas wreath



workshop inspired people to be crafty, and the first of the regular basketry workshops started with a booked-out session on lazy stitch baskets.

Growing Friends

The 2017 Spring Sale was once again held in conjunction with the Botanic & Rare Plant Fair, organised jointly by RBGV, the Diggers Club and Friends of the Royal Botanic Gardens Melbourne. Over the weekend the Growing Friends sale raised close to \$35,000. The autumn 2018 sale was also very successful, with over \$32,000 in sales. Regular monthly member-only sales were also well attended through the year. There are 37 members in the group.

Helping Hands

The team of volunteer gardeners continued to maintain E Gate and Eastern Lodges and Gate Lodge with support from RBGV coordinators. Each of the helping hands groups are committed to their roles, providing beautiful surroundings for all visitors to enjoy.

Membership

Member numbers have declined slightly over the past year, but new initiatives should help reverse the decline.

In October 2017, a Member Survey was emailed to current Members to help gauge how people felt about their membership. Some very positive feedback was received from the 440 members who responded, as well as many helpful ideas and suggestions, which are currently being assessed and implemented. The survey identified that the single most important prompt for becoming a Melbourne Friend was the desire to support the Gardens financially.

This finding has been incorporated into the new Membership brochure, in which donations as well as memberships are being sought. A new type of membership – Passionate Friend – has been created where, in addition to the Individual membership fee, the member donates \$55, which goes to the Friends' Trust Fund. The new Membership brochure was released in February and is now available at all the Gardens' entry gates as well as the Information Centre.

Photo Group

The Photo Group meets monthly and now has 22 active members with 2,100 photographs of the Gardens on the Flickr website. Results of the photo walks can be viewed at www.flickr.com/groups/photo group fRBGVm/

Plant Craft Cottage

The Cottage continues to open from Tuesday to Friday and on the third Sunday of the month. Volunteers welcome visitors to craft demonstrations, and garden clubs, walking groups, and craft groups have included a visit to Plant Craft Cottage in their program of events. As the historic former H Gate lodge, and a regular participant in the Open House Melbourne weekend event, the Cottage attracts many visitors who have an interest in early Melbourne architecture.

The diverse program of craft workshops has been extended to include events held over weekends throughout the year. Additional children's workshops held during school holidays have been well attended and most successful.

The unique reference library of plant and plant craft related material at the Cottage is available for the use of members, researchers and interested members of the public.

Additionally, the Garden Group continue to care and maintain the cottage garden surrounding the Plant Craft Cottage. During March and April, the group were fortunate to have help from a young Italian, Roberto Vaia, who was visiting Australia. He enthusiastically undertook some of the more difficult tasks in the garden, such as cutting down and removing the numerous elm suckers/seedlings growing on the bank above the Cottage.

The group also greatly enjoyed having Felicity Gray from the United Kingdom as part of the team for three months whilst she too was visiting Australia. She was so enthused by her experience that she now hopes to pursue a course in Garden Design when she returns home to England. In October we were saddened to learn of the death of Liz Bate. Liz was a long-term and staunch volunteer in the Plant Craft Cottage garden and we acknowledge, and are grateful for, her considerable contribution over many years.

Publications and Editorial Advisory Committee

The recent survey of members clearly indicated the significance to members of *Botanic News*. By including both information about activities as well as photos and expert articles on a wide range of topics related to gardens and botany, even those members who are unable to take part in any activities can feel involved and included.

We are grateful to all who contributed to Botanic News during the year, especially Chris Cole, Executive Director of the Melbourne Gardens, who took over the Director's page from Professor Tim Entwisle, Dr Sue Murphy from the Burnley Campus of Melbourne University, and Ian Endicott, whose insect articles add a new dimension to knowledge of the Gardens. The production of Botanic News and the other print products involves numerous people including illustrators, photographers, authors, proof-readers and, most importantly, the Editor, Meg Miller. We thank them all. Now that the magazine is packed for postage by the printer, we should also especially thank those who for many years performed that task by hand.

Visual Identity

The roll out last year of the new visual identity, which strengthens our connection with the Melbourne Gardens, was successfully completed with minimum impact on resources.

Volunteers

Data is in the process of being uploaded onto the new Volunteer Management System, which aims to improve accuracy of volunteer details. This flexible and versatile system will both generate reports and communicate with volunteers. Office staff are currently being trained to understand its full capabilities.

Approximately 15 new volunteers joined FRGBM in the last financial year and joined the team of volunteers who give their time willingly to the Gardens. Large numbers of volunteers were recruited for FRGBM major events as follows:

- October 2017 reFraming Nature Art Exhibition 24 volunteers worked 200 hours over 16 days at the cash sales desk.
- October 2017 Growing Friends Spring Plant Sale at the Botanic and Rare Plant Sale
 42 volunteers worked 220 hours over 2 days at cash sales and trollies, membership tent, volunteer lunches, and totalling till money.
- Autumn 2018 Growing Friends Plant Sale 29 volunteers worked 160 hours over 2 days at cash sales and trollies, membership tent, volunteer lunches, and totalling till money.

We congratulate the following volunteers who received their Volunteer Service Awards in 2018:

10 Years	15 Years	20 Years	30 Years	35 Years
Keiko Yurisich Rosemary Cotter Susan Hoare Janet Moritz Helen Fahey Graeme Caple Elizabeth (Liz) O'Keefe Christine Trumble Susan Heath Claire Hill Lynsey Poore	Pauline Aw Hannah DiBella Peter Kelly Robyn Leszczynski John Pastoriza-Piñol	Margaret Allen Cathy Trinca	Heather Schroeder Frances Nicholls Lucille Strachan	Helena Anderson

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE INCORPORATED

Opinion

We have audited the financial report of the Friends of the Royal Botanic Gardens, Melbourne Inc., which comprises the statement of financial position as at 30 June 2018, the statement of 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 declaration by Council members.

In our opinion, the accompanying financial report of Friends of the Royal Botanic Gardens, Melbourne Inc. is in accordance with the *Associations Incorporation Reform Act (Vic) 2012*, including:

- (a) giving a true and fair view of the financial position of the Association as at 30 June 2018, and of its financial performance and its cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards Reduced Disclosure Requirements.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with 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.

Other Information

The Council members are responsible for the other information. The other information comprises the information included in the Association'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.

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

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

Responsibilities of Management and Council Members

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Council members are responsible for overseeing the Association's financial reporting process.



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE INCORPORATED (CONT'D)

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.

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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 Association 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.

We communicate with Council members 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.

DFK Kidsons Partnership Chartered Accountants

M L Port Partner 11 October 2018 Melbourne



DECLARATION BY COUNCIL

In the opinion of the Council:

- 1. the attached financial statements and notes thereto comply with the Australian Accounting Standards Reduced Disclosure Requirements;
- 2. the financial statements and notes thereto give a true and fair view of the financial position of the Friends of the Royal Botanic Gardens, Melbourne Inc. as at 30 June 2018 and its performance for the year ended on that date; and
- 3. at the date of this statement, there are reasonable grounds to believe the Friends of the Royal Botanic Gardens, Melbourne Inc. will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Council, and is signed for and on behalf of the Council by:

Adnan Mansour Secretary

Dated: 11 October 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
Income		\$	\$
Membership subscriptions		89,826	102,078
Botanical art classes and workshops		191,347	173,250
Growing friends		69,962	73,986
Sale of merchandise		17,928	18,186
Functions and excursions		26,140	27,358
Exhibition revenue		17,995	61,213
Plant craft cottage		11,808	12,670
Interest income		9,410	12,225
Botanic news production		3,438	4,063
Other revenue		4,748	2,603
		442,602	487,632
Expenditure			
Employment expenses		145,813	143,184
Botanical art classes & workshops		120,266	123,051
Growing friends		16,779	16,601
Growing friends - depreciation	6(a)	986	254
Cost of merchandise		9,776	7,992
Membership expenses		10,816	10,089
Functions and excursions expense		15,660	17,951
Botanic news production		23,664	22,261
Exhibition expenses		11,517	25,491
Printing, stationery and postage		3,773	6,615
Communications		3,952	4,040
Computer software and consulting		10,456	9,575
Audit & accounting fees		6,500	6,300
Bank charges		109	529
Depreciation	6(a)	5,614	4,654
Repairs and maintenance	()	5,541	3,720
Insurance		618	1,331
Plant craft cottage activities		10,335	7,958
Plant craft cottage activities - depreciation	6(a)	2,193	2,194
History of Friends' project	5 (5.7)	-,	12,500
Consultants		12,474	-,
Other expenses		15,392	9,962
		432,234	436,252
Profit/(Loss) before income tax		10,368	51,380
Income tax expense	1(a)	-	-
Total comprehensive income/(loss)	- (ω)	10,368	51,380
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BALANCE SHEET AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS		•	*
Cash assets	4	25,204	126,642
Term deposits		415,000	345,000
Receivables	5	7,709	4,585
Prepayments		17,053	8,495
TOTAL CURRENT ASSETS		464,966	484,722
			,
NON-CURRENT ASSETS			
Property, plant and equipment	6	18,186	18,095
TOTAL NON-CURRENT ASSETS		18,186	18,095
TOTAL ASSETS		483,152	502,817
CURRENT LIABILITIES			
Payables	7	104,156	112,716
Provisions	8	22,658	44,131
TOTAL OURDENT LIABILITIES		100.044	450.047
TOTAL CURRENT LIABILITIES		126,814	156,847
TOTAL LIABILITIES		126,814	156,847
TOTAL LIABILITIES		120,014	150,047
NET ASSETS		356,338	345,970
NET ASSETS		330,330	343,910
MEMBERS' FUNDS			
Accumulated funds		356,338	345,970
Accumulated funds		330,338	343,970
MEMBERS' FUNDS		356,338	345,970
MEMBERO I ORDO		330,330	070,010

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		473,075	521,491
Payments to suppliers and employees		(505,039)	(474,331)
Interest received	_	9,410	12,225
Net cash (used in) / provided by operating activities	9(a) _	(22,554)	59,385
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed asset purchases		(8,884)	(10,962)
Transfer to term deposits	_	(70,000)	(20,000)
Net Cash used in investing activities	_	(78,884)	(30,962)
Net (decrease) / increase in cash held		(101,438)	28,423
Cash at the beginning of the financial year	_	126,642	98,219
Cash at the end of the financial year	4	25,204	126,642
	_		

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated Funds	Members' Funds
	\$	\$
Balance as at 1 July 2016	294,590	294,590
Comprehensive income/(loss) for the year	51,380	51,380
Balance as at 30 June 2017	345,970	345,970
Comprehensive income/(loss) for the year	10,368	10,368
Balance as at 30 June 2018	356,338	356,338



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act (Vic) 2012.

The Friends of the Royal Botanic Gardens Melbourne Inc (the Friends) is a Not for Profit Association and has prepared the financial statements in accordance with the requirements regarding Not for Profit entities as contained in Australian Accounting standards. The Association has adopted Accounting Standard AASB 1053 "Application of Tiers of Australian Accounting Standards". Under this Accounting Standard, the Association is classified as a Tier 2 entity and required to apply the recognition and measurement requirements of all Accounting Standards but substantially reduced disclosure requirements. The disclosure requirements of Accounting Standard AASB 7 on financial instruments are not disclosed in the financial report.

The Council has determined that the accounting policies adopted are appropriate to meet the needs of the members. These financial statements do not conform with International Financial Reporting Standards.

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

The following material accounting policies, which are consistent with the previous period, unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Income tax

The Friends is a non-profit association exempt from income tax under Section 50-10 of the Income Tax Assessment Act 1997.

(b) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets is depreciated over the useful life of the asset to the Friends commencing from the time the asset is held ready for use.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Employee entitlements

Provision is made for the Friends' liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave that will be settled after one year have been measured at the nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Friends to an employee superannuation fund and are charged as an expense when incurred. The Friends have no legal obligation to provide benefits to employees on retirement.

(d) Revenue

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

Revenue from the rendering of services is recognised upon the delivery of the service to customers and members.

Membership revenue is recognised on an accruals basis.

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

Other revenue is brought to account as income on an accrual basis.

(e) Unearned revenue

Membership revenue received before balance date in relation to subsequent financial years is brought to account as a liability.

(f) Cash

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

(g) Comparative figures

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

(h) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2018

\$

2017

\$

NOTE 2: PROFIT BEFORE INCOME TAX	•	•
Profit before income tax has been determined after:		
iMIS costs incurred: - Computer software and consulting	6,047	5,105
	6,047	5,105
Remuneration of auditor		
- audit of the financial report	6,500	6,300
	6,500	6,300

NOTE 3: KEY MANANGEMENT PERSONNEL

The amount received or due and receivable by Council Members is \$nil (2017: \$nil).

Aggregate compensation paid or payable to key management personnel (other than Council Members):

Short-term employment benefits	128,500	125,685
Post-employment benefits	14,342	11,940
	142,842	137,625

The names of all the Council Members who have held office during all or part of the year are:

Adnan Mansour	Peter Kelly (ex officio)
Nicola Rollerson	Dr Richard Kirsner
Catherine Trinca	Richard Smith
Jan Rosenberg	Mali Wilson
Lynsey Poore	Margaret (Meg) Miller
Mark Anderson	Prof Tim Entwisle (ex officio)
Mary Ward	

NOTE 4: CASH ASSETS

Cash on hand	330	330
Cash at bank	24,874	126,312
	25,204	126,642

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
NOTE 5: RECEIVABLES		
Accrued income Sundry debtors	4,436 3,273 7,709	3,707 878 4,585
NOTE 6: PROPERTY, PLANT AND EQUIPMEN	т	
Plant and equipment at cost Less: Accumulated depreciation	50,174 (31,988) 18,186	47,148 (29,053) 18,095
(a) Movements in carrying amounts Movements in the carrying amounts of plant and and the end of the financial year are detailed below		inning
Balance at beginning of year Additions Depreciation expense Carrying amount at the end of the year	18,095 8,884 (8,793) 18,186	14,234 10,963 (7,102) 18,095
NOTE 7: PAYABLES		
CURRENT Subscriptions received in advance Functions & events paid in advance Botanical art classes paid in advance Botanical workshops paid in advance Sundry creditors and accruals PCC Workshops paid in advance	19,544 3,790 30,044 11,812 37,966 1,000	28,608 3,550 32,355 6,856 41,167 180 112,716



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
NOTE 8: PROVISIONS		
CURRENT Provision for employee annual leave	17,321	17,135
Provision for long service leave	5,337	26,996
Total provision for employee entitlements	22,658	44,131
NOTE 9: CASH FLOW INFORMATION		
(a) Reconciliation of result after income tax to net case	ch from operating activit	ios:
(a) Neconomation of result after income tax to her cas	on nom operating activit	163.
Profit/(loss) after income tax for the year	10,368	51,380
Adjustments for:		
Depreciation	8,793	7,102
Doprociation	0,700	7,102
Change in operating assets and liabilities:		
Decrease/(increase) in prepayments and		
receivables	(11,682)	(1,723)
Increase/(decrease) in sundry creditors and		
accruals	8,269	11,470
Increase/(decrease) in other payables	(16,829)	(13,897)
Increase/(decrease) in provisions	(21,473)	5,053
Not each from apprating activities	(22.554)	50 295
Net cash from operating activities	(22,554)	59,385

- (b) The Friends have no credit stand-by or financing facilities in place.
- (c) There were no non-cash financing or investing activities during the current or prior financial year.

NOTE 10: ASSOCIATION DETAILS

The Friends is incorporated under the Associations Incorporation Reform Act (Vic) 2012 and is domiciled in Australia. The registered office and principal place of business is:

FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE INC. Gate Lodge, 100 Birdwood Avenue MELBOURNE VIC 3004

Schedule 1

Regulation 15

Form 1

Associations Incorporation Reform Act 2012 Sections 94(2)(b), 97(2)(b) and 100(2)(b)

Annual statements give true and fair view of financial performance and position of incorporated association

We, Adnan Mansour and Mark Anderson, being members of the Finance and Executive Committee of the Council of the Friends of the Royal Botanic Gardens, Melbourne Inc., certify that:

The statements attached to this certificate give a true and fair view of the financial performance and position of the Friends of the Royal Botanic Gardens, Melbourne Inc. during and at the end of the financial year of the Association ending on 30 June 2018.

Signed:

Dated: 11 October 2018

Signed:

Dated: 11 October 2018



THE FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE TRUST FUND ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

Introduction

The Friends of the Royal Botanic Gardens Melbourne Trust Fund (the Fund) is an endorsed tax concession charity and deductible gift recipient body under taxation legislation. It was established in 1986 to conserve, protect and foster the development of the Royal Botanic Gardens Melbourne and the National Herbarium of Victoria which are known collectively as the Royal Botanic Gardens Victoria (RBGV).

Originally, the Fund sought to encourage tax-deductible donations. In 2008, however, following receipt of the late Helen McLellan bequest of some \$2.5 million, the Trustees, after consultation with the major stakeholders, decided to maintain a permanent corpus from that bequest, which prudently invested, would become a continuing source of distributable funds to support RBGV.

Grants to RBGV from the Fund since 2009 have totalled \$1,127,000, and they are expected to be in the order of \$155,000 in 2018-2019. Over recent years, the Fund has been a major source of grants to RBGV and is expected to continue in this role.

The Fund's financial objectives are to maintain the value of the corpus in real terms while generating a level of income consistent with the legally mandated minimum annual distributions to RBGV.

Government Regulation

The Fund is subject to the legislated guidelines for public ancillary funds that came into force on 1 January 2012. Government oversight of the Fund's activities is undertaken through the Australian Taxation Office and the Australian Charities and Not for Profit Commission to whom annual returns are submitted. The Fund complies with all regulatory requirements, which, among other things, requires it to distribute 4% of the value of its Opening Net Assets to RBGV each year.

Stakeholder co-ordination framework

As one of the stakeholders in the financial support of RBGV, the Fund is part of a framework designed to ensure effective co-ordination between stakeholders. That framework is comprised of the Friends' Council, the Trustees of the Fund and the RBGV; all are legally independent, but their joint endeavours are closely and continuingly co-ordinated to achieve optimal benefit for the Gardens.

The Director/CEO of the RBGV and the Chairman of Trustees are both ex-officio members of the Friends' Council and attend meetings of Council. In addition, the Grants Committee, which is comprised of the President, Vice President, Secretary and Treasurer of the Friends and of the four Trustees of the Fund, meet, as required, to align grant making policies, which also benefit from scheduled face to face meetings with the Director of the RBGV.

Investment Strategy

A steady, sustainable annual income flow to fund grants to the RBGV is a primary requirement. Accordingly, the Fund's investment policy aims for as high a level of distributable sums as is prudently achievable consistent with maintaining, in the longer term, the real value and capacity of the corpus.

Strategically, the Fund is targeting a return from income and capital, but before annual drawings and costs, of 4% above the Consumer Price Index (CPI) over a market cycle, an objective which the Fund has to date achieved. The guidelines adopted by the Fund for asset allocation include cash, fixed interest, Australian and International equities and more recently a small allocation to Alternative Investments.

Prudent diversification across asset classes and securities is intended to mitigate negative outcomes; and investments are selected with a view to avoiding a negative return after costs more than once in any five-year period. However, both local and global market conditions vary from year to year, and deviations from the strategic targets may occur from time to time.

Wealth Management Advice and related activities

Since 2009, the Trustees have been assisted by UBS, and more recently, by Crestone Wealth Management, and particularly by Mr Tim James, who has been the same Client Advisor over the entire period, including the transition from UBS to Crestone. The Trustees wish to record their appreciation of the support and thoughtful management of the portfolio by Mr James and his team.

Financial statements

Audited detailed financial statements are at pages 23 - 30 of this report.

Total Revenue in 2017-2018 was \$243,365 compared to \$316,875 in the previous year. This was largely due to a bequest of \$57,500 from the late Professor Robin Sharwood in the 2016-2017 year which was not matched in the current year, and a reduction in Realised Profit on investments of \$21,283. Except for a reduction of some \$4,000 in Interest received, the other components of revenue were largely unchanged from the previous year.

Expenditure in 2017-2018 totalled \$51,685 – about \$5,000 less than the year before and was due mainly to a corresponding reduction in management fees. The reduction reflects the more attractive fee arrangements negotiated with Crestone at the time the Trustees reappointed Crestone following the May 2017 review by the Trustees of the provision of investment advisory services.

Grants paid to RBGV for the 2016/17 years totalled \$147,052 compared to \$58,149 in the previous year. The marked increase in grants in the current year from the level in the previous year was due to earlier lack of progress in the Fern Gully Rest House Restoration.

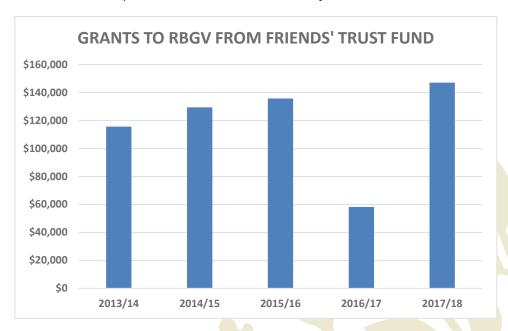
The Comprehensive Profit of the Fund for the 2017/18 fell by approximately \$200,000 due to a combination of higher grants to the RBGV and a reduction in the value of unrealised gains in investments.

At 30 June 2018, the value of the Fund's net assets was \$3,879,507 compared to \$3,675,220 at the same time in the previous financial year, an increase of 5.6%.



Grants to RBGV

The chart below shows the grants made to RBGV in each of the five years from 2013/14 to 2017/18. Grants to RBGV paid from the Fund over the five years totalled \$585,880.



Performance of the Fund

Some indicators of the Fund's performance for the five financial years, 2013/14 to 2017/18 are shown in the following table.

	FY	FY	FY	FY	FY
	2013/14	2014/15	2015/16	2016/17	2017/18
Net Income	3.03%	3.16%	3.44%	3.53%	3.38%
Imputation Credits	0.88%	0.91%	0.95%	0.97%	0.81%
Gross Income	3.91%	4.07%	4.39%	4.50%	4.19%
Capital Growth	11.53%	4.72%	-5.04%	7.02%	6.18%
Total Return	15.44%	8.80%	-0.65%	11.52%	8.47%
S&P/ASX200 Accumulation	17.43%	5.68%	0.56%	14.09%	13.01%
Index					
Portfolio value end FY	\$3.21m	\$3.37m	\$3.32m	\$3.67m	\$3.85m
Corpus in constant (inflation adjusted) terms, in \$ million (*)	\$3.04m	\$ 3.09m	\$3.13m	\$3.24m	\$3.37m

(*) The "real value" of the corpus is expressed at (constant) June 2008 prices. It was estimated using the CPI. The growth in the real value series reflects the slow growth in the CPI in recent years.

The S&P/ASX200 is used as a broad indicator only given that the Fund's assets include significant components in fixed interest securities and international equities.

As both a store of value and a source of income, the Fund has continued to perform well given the growth in the value of the portfolio, the maintenance of the "real value of the corpus" and the trend in grants to RBGV. Markets permitting, it should be able to continue to be a reliable source of significant financial support by the Friends to the RBGV well into the future.

Trustees

The current trustees and their respective terms of office are as follows:

- Mr Peter Kelly, Chairman from November 2017 to November 2019.
- Mr Peter Griffin from November 2017 to November 2019.
- Mrs Janet Thomson from November 2014 to November 2018; (Mrs Thomson intends to accept re-nomination for election in November 2018 for a further term).
- Mr William Jones from November 2017 to November 2021.

The Trustees have introduced a succession planning process which includes the following elements:

- an appointment* of a further trustee and the reappointment of a retiring trustee at the forthcoming 2018 Annual General Meeting of the Friends.
- an appointment* of an additional trustee at the AGM in November 2019.
- the appointment* of a further additional trustee at the AGM in November 2020.

* appointments are dependent on a candidate being duly nominated, the candidate accepting the nomination and the motion for appointment being duly passed by members of the Friends attending and voting at the meeting.



THE FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE TRUST FUND ABN: 78 402 826 907

SPECIAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

INDEPENDENT AUDIT REPORT TO THE TRUSTEES OF THE FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE TRUST FUND

Opinion

We have audited the special purpose financial report of The Friends of the Royal Botanic Gardens, Melbourne Trust Fund, which comprises the statement of financial position as at 30 June 2018, the statement of 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 declaration by Trustees.

In our opinion, the accompanying financial report of The Friends of the Royal Botanic Gardens, Melbourne Trust Fund, is in accordance with the accounting policies described in Note 1 to the financial statements, including:

- (c) gives a true and fair view of the financial position of the Trust Fund as at 30 June 2018, and of its financial performance and its cash flows for the year then ended; and
- (d) complying with Australian Accounting Standards to the extent as described in Note 1 to the financial statements.

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 Fund 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 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.

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the requirements of the Trustees. 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 Trustees

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Fund'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 management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Trustees are responsible for overseeing the Fund's financial reporting process.

INDEPENDENT AUDIT REPORT TO THE TRUSTEES OF THE FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE TRUST FUND (CONT'D)

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.

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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Fund'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 Fund 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.

We communicate with those charged with governance 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.

DFK Kidsons Partnership Chartered Accountants

M L Port Partner 4 October 2018 Melbourne



DECLARATION BY TRUSTEES

The Trustees have determined that The Friends of the Royal Botanic Gardens, Melbourne Trust Fund is not a reporting Fund as those to whom the Trustees are required to report pursuant to the Trust Deed can obtain information they require without examining general purpose financial reports. The Trustees have also determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Trustees:

- 1. The financial report set out on the following pages, presents a true and fair view of the financial position of The Friends of the Royal Botanic Gardens, Melbourne Trust Fund as at 30 June 2018 and its performance for the year ended on that date and;
- 2. At the date of this declaration, there are reasonable grounds to believe The Friends of the Royal Botanic Gardens, Melbourne Trust Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees.

Peter Kelly Chairman

Dated: 4 October 2018

Peter Griffin Trustee

Dated: 4 October 2018

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

Note	2018 \$	2017 \$
Revenue	•	•
Dividends and Distributions	141,555	139,888
Franking Credits	29,110	27,143
Donations/Bequests	23,385	74,856
Realised Profit/(Loss) on Investments	38,967	60,250
Interest	10,348	14,738
	243,365	316,875
Expenditure		
Audit Fees	4,500	4,350
Accounting Fees	1,990	1,920
Depreciation	365	345
Management Fees	42,973	48,077
Other Administration Costs	516	1,713
Foreign Exchange Loss	806	353
Secretarial Services	535	228
Total Expenses	51,685	56,986
Profit before income tax and distributions to RBGV	191,680	259,889
Income tax expense	<u>-</u>	
Profit after income tax	191,680	259,889
Unrealised increase/(decrease) in investments	159,659	200,040
Less grants to the Royal Botanic Gardens Melbourne	(147,052)	(58,149)
COMPREHENSIVE (LOSS)/PROFIT FOR THE		
YEAR	204,287	401,780



BALANCE SHEET AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS Cash and cash equivalents Receivables Other Financial Assets	2 3 4	167,566 29,100 3,759,088	193,939 27,133
TOTAL CURRENT ASSETS	-	3,955,754	3,718,129
NON-CURRENT ASSETS Furniture & Fixtures	5		365
TOTAL NON-CURRENT ASSETS			365
TOTAL ASSETS		3,955,754	3,718,494
CURRENT LIABILITIES Creditors and accruals		76,247	43,274
TOTAL LIABILITIES		76,247	43,274
NET ASSETS	31	3,879,507	3,675,220
TRUST FUNDS Accumulated Reserves	6	3,879,507	3,675,220
TRUST FUNDS	75	3,879,507	3,675,220

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES	·	•
Donations/Bequests	23,385	84,212
Net cash provided by operating activities	23,385	84,212
CASH FLOWS FROM INVESTING ACTIVITIES		
Transfer from Investment Portfolio	(63,487)	97,602
Dividends and Distributions Received	141,555	139,888
Interest Received	10,348	14,738
Franking Credits	27,143	27,143
Management Fees	(42,973)	(48,077)
Share Purchases	(938,952)	(1,568,990)
Consideration on Sale of Shares	938,228	1,275,175
Secretarial Services	(369)	(245)
Office Supplies	(575)	(1,138)
Accounts and Audit Fees	(6,270)	(6,105)
Grants to the Royal Botanic Gardens Melbourne	(114,406)	(96,966)
Net Cash provided by investing activities	(49,758)	(166,975)
Net increase/(decrease) in cash held	(26,373)	(82,763)
Cash at the beginning of the financial year	193,939	276,702
Cash at the end of the financial year 2	167,566	193,939

THE FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE TRUST FUND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Trustees. The Trustees have determined that The Friends of the Royal Botanic Gardens Melbourne Trust Fund is not a reporting Fund.

The financial report has been prepared in accordance with the following Australian Standards:

AASB 101: Presentation of Financial Statements

AASB 107: Statement of Cash Flows

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 110: Events after the Balance Sheet Date

AASB 112: Income Taxes

AASB 116: Property, Plant and Equipment

AASB 118: Revenue AASB 1031: Materiality

No other applicable Australian Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

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

The following material accounting policies, which are consistent with the previous period, unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Income Tax

The Friends of the Royal Botanic Gardens Melbourne Trust Fund is a non-profit organisation and exempt from income tax under Section 50-10 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation. The depreciable amount of all fixed assets is depreciated over the useful life of the asset to the Trust Fund commencing from the time the asset is held ready for use.

(c) Revenue

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

Other revenue is brought to account as income on an accrual basis.

(d) Cash

For the purposes of the Cash Flow Statement, cash includes cash on hand, at bank and on deposit.

(e) Comparative figures

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

THE FRIENDS OF THE ROYAL BOTANIC GARDENS, MELBOURNE TRUST FUND NOTES TO THE FINANCIAL STATEMENTS

2	2018 201 \$ \$	7
NOTE 2: CASH ASSETS		
003011434 Cash	14,223 30	,893
003007416 Cash	75,841 53	,966
CBA cash	77,480 11	,831
USD cash	22 97	,249
1	67,566 193	,939
	<u> </u>	,
NOTE 3: RECEIVABLES		
	29,100 27	,133
		,
NOTE 4: FINANCIAL ASSETS		
Crestone 003011434 Portfolio		
	52,094 1,575	,422
		,398
	23,375 1,626	
	,	,
Crestone 003007416 Portfolio		
- at Cost 1,8	99,846 1,647	,003
Change in Market Value 3	35,867 223	,234
2,2	35,713 1,870	,237
3,7	59,088 3,497	,057
NOTE 5: FURNITURES & FITTINGS		
Furniture and Fittings at Cost	3,450 3	,450
Less Accumulated Depreciation	(3,450) $(3,450)$	085)
		365
NOTE 6: ACCUMULATED FUNDS		
	75,220 3,273	440
		,780
	04.20/ 401	. / 00

