

Friends of the Botanic Gardens Inc
ABN 64 015 412 231
(An Association not for gain)

Financial report
For the year ended
30 June 2011

THOMAS DAVIS & CO.

(ESTABLISHED 1894)

CHARTERED ACCOUNTANTS

Liability limited by a scheme approved
under Professional Standards Legislation

PLEASE ADDRESS ALL LETTERS TO
BOX 492 G.P.O.
SYDNEY, N.S.W. 2001

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LEVEL 20
68 PITT STREET
SYDNEY NSW 2000

19th October, 2011

The Members of the Committee
Friends of the Botanic Gardens Inc;
Cottage 6
Mrs Macquarie Road
SYDNEY, N.S.W, 2000

Dear Sirs,

We have completed our examination of the books of account and other records of the Association for the year ended 30 June 2011 and have pleasure in furnishing herewith the following Statements:-

- (1) Statement of Comprehensive Income for the year ended 30 June 2011.
- (2) Statement of Financial Position as at 30 June 2011.
- (3) Statement of Changes in Members' Funds for the year ended 30 June 2011.
- (4) Statement of Cash Flows for the year ended 30 June 2011.
- (5) Notes to and Forming part of the Financial Statements for the year ended 30 June 2011.
- (6) Statement by Members of the Committee, and Auditor's Report in respect to the Accounts for the year ended 30 June 2011.
- (7) Disclaimer in respect of additional Financial Data.
- (8) Detailed Income Statement for the year ended 30 June 2011.

Yours faithfully,

Thomas Davis & Co.

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Statement of Comprehensive Income
for the year ended 30 June 2011**

	Notes	2011 \$	2010 \$
Revenue	2	787,955	665,907
Employee benefits expense		(413,133)	(335,532)
Depreciation expense	3	(3,719)	(3,435)
Other expenses		<u>(260,298)</u>	<u>(222,504)</u>
Profit before income tax	3	110,805	104,436
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Profit for the year		<u>110,805</u>	<u>104,436</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income attributable to members of the association		<u><u>110,805</u></u>	<u><u>104,436</u></u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Friends of the Botanic Gardens Inc
ABN 64 015 412 231

Statement of Financial Position
as at 30 June 2011

	Notes	2011 \$	2010 \$
Current assets			
Cash and cash equivalents	4	571,837	624,073
Trade and other receivables	5	12,121	17,752
Inventories	6	5,751	7,626
Other	7	6,414	6,880
Total current assets		<u>596,123</u>	<u>656,331</u>
Non-current assets			
Property, plant and equipment	8	23,464	7,582
Total non-current assets		<u>23,464</u>	<u>7,582</u>
Total assets		<u>619,587</u>	<u>663,913</u>
Current liabilities			
Trade and other payables	9	285,783	340,010
Total current liabilities		<u>285,783</u>	<u>340,010</u>
Non-current liabilities			
Provisions	10	33,841	38,484
Total non-current liabilities		<u>33,841</u>	<u>38,484</u>
Total liabilities		<u>319,624</u>	<u>378,494</u>
Net assets		<u>299,963</u>	<u>285,419</u>
Members' funds			
Retained profits	11	299,963	285,419
Total members' funds		<u>299,963</u>	<u>285,419</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Statement of Changes in Members' Funds
for the year ended 30 June 2011**

	Retained Profits \$	Total \$
Balance 1 July 2009	314,036	314,036
Profit for the year	104,436	104,436
Donations to the Royal Botanic Gardens and Domain Trust	<u>(133,053)</u>	<u>(133,053)</u>
Balance 30 June 2010	285,419	285,419
Profit for the year	110,805	110,805
Donations to the Royal Botanic Gardens and Domain Trust	<u>(96,261)</u>	<u>(96,261)</u>
Balance 30 June 2011	<u><u>299,963</u></u>	<u><u>299,963</u></u>

The above statement of changes in members' funds should be read in conjunction with the accompanying notes.

Friends of the Botanic Gardens Inc
ABN 64 015 412 231

Statement of Cash Flows
for the year ended 30 June 2011

	Notes	2011 \$	2010 \$
Cash flows from operating activities			
Receipts from subscriptions (inclusive of goods and services tax)		244,849	252,531
Receipts from functions (inclusive of goods and services tax)		191,528	186,940
Receipts from merchandise and visitors guide sales (inclusive of goods and services tax)		20,150	23,517
Receipts from donations		2,000	3,351
Payments to suppliers and employees (inclusive of goods and services tax)		<u>(702,677)</u>	<u>(573,396)</u>
		(244,150)	(107,057)
Interest received		28,467	20,139
Other revenue		315,130	203,195
Donations paid to Royal Botanic Gardens and Domain Trust		<u>(96,261)</u>	<u>(133,053)</u>
Net cash inflow / (outflow) from operating activities	19	<u>3,186</u>	<u>(16,776)</u>
Cash flows from investing activities			
Payments for plant and equipment		<u>(19,601)</u>	<u>(1,778)</u>
Net cash (outflow) from investing activities		<u>(19,601)</u>	<u>(1,778)</u>
Cash flows from financing activities			
Increase (decrease) in donations held for FRBG Trust Fund		<u>(35,821)</u>	<u>47,789</u>
Net cash inflow / (outflow) from financing activities		<u>(35,821)</u>	<u>47,789</u>
Net increase in cash held		(52,236)	29,235
Cash at the beginning of the financial year		<u>624,073</u>	<u>594,838</u>
Cash at the end of the financial year	4	<u><u>571,837</u></u>	<u><u>624,073</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Notes to the Financial Statements
for the year ended 30 June 2011**

Note 1. Summary of significant accounting policies

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the requirements of the *Associations Incorporation Act 2009* (NSW).

Basis of Preparation

Friends of the Botanic Gardens Inc has elected to adopt the pronouncements AASB 1053: Application of Tiers of Australian Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below.

The financial statements have been on an accruals basis, in accordance with the historical cost convention, except for certain assets, where applicable, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

This financial report covers Friends of the Botanic Gardens Inc as an individual entity.

The financial report of the Association was authorised for issue by the committee on 19th October 2011.

Friends of the Botanic Gardens Inc is an association incorporated in New South Wales under the *Associations Incorporation Act 2009*. It is domiciled in Australia. Its principal place of business is:

Friends of the Botanic Gardens Inc
Cottage 6
Mrs Macquaries Road
Sydney NSW 2000.

(a) Income tax

No provision is made for income tax as the association is exempt from income tax pursuant to section 50-40, item 8.2 of the Income Tax Assessment Act 1997.

Friends of the Botanic Gardens Inc
ABN 64 015 412 231

Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

Note 1. Summary of significant accounting policies (continued)

(b) Revenue recognition

Amounts disclosed as revenue are net of taxes paid. Revenue is recognised for the major business activities as follows:

(i) Donations, subscriptions and fundraising

In common with many charitable organisations, it is not practicable for the association to establish accounting controls over all sources of donations, subscriptions and fundraising revenue prior to it being recorded in the accounting records.

(ii) Sale of goods

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

(iii) Interest

Interest is recognised when received.

(c) Trade and other receivables

All debtors are recognised at the amounts receivable.

Collectibility of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

(d) Inventories

Stock on hand

Stock is stated at the lower of cost and net realisable value.

(e) Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

(f) Depreciation of property, plant and equipment

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment over its expected useful life to the association. The expected useful lives are as follows:

Plant and equipment	3 - 7 years
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Friends of the Botanic Gardens Inc
ABN 64 015 412 231

Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

Note 1. Summary of significant accounting policies (continued)

(g) Impairment of assets

At each reporting date, the association reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash flows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

(h) Trade and other creditors

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year and which are unpaid. The amounts are unsecured.

(i) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages, salaries and annual leave, including non-monetary benefits, expected to be settled within 12 months of the reporting date are recognised in trade and other creditors in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liabilities for long service leave expected to be settled more than 12 months from the reporting date are recognised in the provisions for employee benefits and are measured in accordance with (i) above.

(iii) Superannuation

The amount charged to the statement of comprehensive income in respect of superannuation represents the contributions made by the association to the superannuation fund.

Friends of the Botanic Gardens Inc
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Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

Note 1. Summary of significant accounting policies (continued)

(j) Cash and cash equivalents

For purposes of the statement of cash flows, cash includes other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

(k) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at cost.

(l) Provisions

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

(m) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing activities and financing activities which is recoverable from, or payable to, the ATO. The GST component of financing and investing activities which is recoverable from, or payable to, the ATO is classified as a part of operating cash flows. Accordingly, investing and financing activities cash flows are presented in the statement of cash flows net of the GST that is recoverable from, or payable to, the ATO.

**Friends of the Botanic Gardens Inc
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**Notes to the Financial Statements
for the year ended 30 June 2011 (continued)**

	2011	2010
	\$	\$
Note 2. Revenue		
Revenue from operating activities		
Subscriptions	249,454	230,688
Functions receipts	184,359	180,629
Merchandise	18,318	21,379
Donations	2,000	3,351
Commission from art exhibitions	147,475	93,447
Sale of plants	73,534	65,865
Raffles	12,256	9,250
Tours	41,420	27,030
Catering	5,347	8,671
Other revenue	25,325	5,458
	<u>759,488</u>	<u>645,768</u>
Revenue from outside the operating activities		
Interest	28,467	20,139
	<u>28,467</u>	<u>20,139</u>
Revenue from ordinary activities	<u>787,955</u>	<u>665,907</u>

Note 3. Profit from ordinary activities

Expenses

Profit from ordinary activities before income tax expense includes the following specific expenses:

Cost of sales of inventories	7,329	13,689
Depreciation		
Plant and equipment	3,719	3,435
Total depreciation	<u>3,719</u>	<u>3,435</u>

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Notes to the Financial Statements
for the year ended 30 June 2011 (continued)**

	2011	2010
	\$	\$
Note 4. Current assets - Cash and cash equivalents		
Cash at bank and on hand	264,917	119,827
Term deposits	306,920	504,246
	<u>571,837</u>	<u>624,073</u>

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows.

Term deposits

The term deposits are bearing fixed interest rates between 5.80% and 6.20% (2010 - 5.00% and 5.60%).

Note 5. Current assets - Trade and other receivables

Other debtors	<u>12,121</u>	<u>17,752</u>
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Current trade receivables are non-interest bearing loans and generally receivable within 30 days. A provision for impairment is recognised where there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2011 (2010: Nil).

Note 6. Current assets - Inventories

Stock on hand - at lower of cost and net realisable value	<u>5,751</u>	<u>7,626</u>
Aggregate carrying amount of inventories	<u>5,751</u>	<u>7,626</u>

Note 7. Current assets - Other

Trust Account	100	100
Deposits	2,520	-
Prepayments	3,794	6,780
	<u>6,414</u>	<u>6,880</u>

Friends of the Botanic Gardens Inc
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Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

	2011	2010
	\$	\$
Note 8. Non-current assets - Property, plant and equipment		
Plant and equipment		
At cost	84,692	65,092
Less: Accumulated depreciation	61,228	57,510
	23,464	7,582

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Plant and equipment	Plant and equipment
	\$	\$
Carrying amount as at 1 July 2010	7,582	9,239
Additions	19,601	1,778
Depreciation expense (note 3)	(3,719)	(3,435)
Carrying amount as at 30 June 2011	23,464	7,582

Note 9. Current liabilities - Trade and other payables

Income received in advance	21,871	41,566
Trade and other creditors	22,380	21,091
Donations held for FRBG Trust Fund	241,532	277,353
	285,783	340,010

Friends of the Botanic Gardens Inc
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Notes to the Financial Statements
for the year ended 30 June 2010 (continued)

	2011	2010
	\$	\$
Note 10. Non-current liabilities - Provisions		
Employee benefits	<u>33,841</u>	<u>38,484</u>

Note 11. Retained profits

Retained profits at the beginning of the financial year	285,419	314,036
Net profit	110,805	104,436
Less: Donations to the Royal Botanic Gardens and Domain Trust	<u>(96,261)</u>	<u>(133,053)</u>
Retained profits at the end of the financial year	<u>299,963</u>	<u>285,419</u>

Note 12. Events after the Reporting Period

Since 30th June, 2011 no material events that may have an impact on these financial statements have occurred.

Friends of the Botanic Gardens Inc
ABN 64 015 412 231

Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

Note 13. Financial risk management

The association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

2011		Fixed interest maturing in:					
	Notes	Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$	Non- interest bearing \$	Total \$
Financial assets							
Cash and term deposits	4	264,788	306,920	-	-	129	571,837
Trade and other receivables	5	-	-	-	-	12,121	12,121
		<u>264,788</u>	<u>306,920</u>	<u>-</u>	<u>-</u>	<u>12,250</u>	<u>583,958</u>
Weighted average interest rate		4%	6%	-	-		
Financial liabilities							
Trade and other payables	9	-	-	-	-	263,912	263,912
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,912</u>	<u>263,912</u>
Weighted average interest rate		-	-	-	-		
Net financial assets / (liabilities)		<u>264,788</u>	<u>306,920</u>	<u>-</u>	<u>-</u>	<u>(251,662)</u>	<u>320,046</u>

Friends of the Botanic Gardens Inc
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Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

Note 13. Financial risk management

Financial instrument composition and maturity analysis (continued)
2010

	Notes	Fixed interest maturing in:					Total \$
		Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$	Non- interest bearing \$	
Financial assets							
Cash and term deposits	4	119,554	504,246	-	-	273	624,073
Trade and other receivables	5	-	-	-	-	17,752	17,752
		<u>119,554</u>	<u>504,246</u>	<u>-</u>	<u>-</u>	<u>18,025</u>	<u>641,825</u>
Weighted average interest rate		4%	5%	-	-		
Financial liabilities							
Trade and other payables	9	-	-	-	-	298,444	298,444
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>298,444</u>	<u>298,444</u>
Weighted average interest rate		-	-	-	-		
Net financial assets / (liabilities)		<u>119,554</u>	<u>504,246</u>	<u>-</u>	<u>-</u>	<u>(280,419)</u>	<u>343,381</u>

Trade and sundry payables are expected to be paid as follows:

	2011 \$	2010 \$
Less than 6 months	263,912	298,444
6 months to 1 year	-	-
	<u>263,912</u>	<u>298,444</u>

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Notes to the Financial Statements
for the year ended 30 June 2011 (continued)**

Note 13. Financial risk management

Net fair value of financial assets and liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying amounts.

The carrying amounts and net fair values of financial assets and liabilities at the reporting date are disclosed in the balance sheet and in the notes to the financial statements.

2011	2010
\$	\$

Note 14. Remuneration of auditors

During the year the following service was paid to the auditor of the association:

Fees paid for audit of financial report	<u>2,560</u>	<u>2,450</u>
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Note 15. Contingent liabilities and contingent assets

The association had no contingent liabilities nor contingent assets as at the end of the financial year.

Note 16. Commitments for expenditure

Capital commitments

Commitments for the acquisition of plant and equipment contracted for at the reporting date but not recognised as

Within one year	-	-
Later than one year but not later than 5 years	-	-
Later than 5 years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Friends of the Botanic Gardens Inc
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Notes to the Financial Statements
for the year ended 30 June 2011 (continued)

Note 17. Change in accounting policies

The Association changed its accounting policy during the year in respect to revenue recognition of subscriptions. All subscriptions in prior periods were recorded when received with the portion of subscription covering a future period shown in advance as liabilities on the statement of financial position. Subscriptions are now shown as received and the committee believes this is a more relevant way of disclosure for accounting purposes and for users of these financial statements.

Note 18. Commitments for expenditure

	2011	2010
	\$	\$
Commitments not recognised as liabilities as at the reporting date, are:		
Margaret Flockton Awards	91	91
2016 Bicentenary plant diversity program	30,000	25,000
2016 Plantbank	77,294	79,294
Signage for the Domain & RBG	1,675	1,675
Signage at the connections garden at Mt Annan	20,000	20,000
Trees in the Garden's website	20,240	20,240
Australian Botanic Gardens Pine Tree Donation	2,500	-
Proceeds of Kauri project for restoration of Palm Grove	31,905	-
2012 Direct costs	50,400	-
2012 Contributions to Nurseries	6,000	-
Scholarship Fund	10,123	-
2010/11 Scholarships	26,450	-
Mt Annan - BBQ units	949	949
Mt Annan - Significant tree mapping	964	964
Mt Annan - Signage hardware	77	77
Mt Annan - Wayfinding signage	9,000	9,000
	<u>287,668</u>	<u>157,290</u>

Note 19. Reconciliation of profit after income tax to net cash inflow from operating activities

Net profit after related income tax	110,805	104,436
Donations to the Royal Botanic Gardens and Domain Trust	(96,261)	(133,053)
Depreciation	3,719	3,435
Change in operating assets and liabilities		
(Increase) / decrease in other debtors	5,631	(9,229)
(Increase) / decrease in inventories	1,875	(4,188)
(Increase) / decrease in prepayments and deposits	466	(4,256)
Increase / (decrease) in income received in advance	(19,695)	5,197
Increase / (decrease) in trade and other creditors	1,289	12,903
Increase / (decrease) in provisions for employee benefits	(4,643)	7,979
Net cash inflow / (outflow) from operating activities	<u>3,186</u>	<u>(16,776)</u>

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Notes to the Financial Statements
for the year ended 30 June 2011 (continued)**

Note 20. Related party transactions

(a) Committee Members

The names of persons who were committee members of the association at any time during the financial year are as follows:

W Atmore	E Dent
P Ayres	L Hook (appointed November 2010)
R Beardmore	E McNaughton
D Clark (appointed November 2010)	J Ormonde
E Cornish (resigned November 2010)	A Rasmussen
H Crompton	H Springford
R de Ferranti	S Young

ex-officio members

T Entwisle (resigned March 2011)	M Savio
T Jackson	B Summerell (appointed April 2011)
D Mills (appointed August 2010)	A Sutherland (resigned September 2010)

(b) Key management and personnel compensation

Key management personnel compensation for the years ended 30 June 2011 and 2010 is set out below. The key management personnel are all the committee members of the Association.

	Short-term benefits \$	Post- employ- ment \$	Other long- term benefits \$	Termin- ation benefits \$	Share-based payments \$	Total \$
2011	118,324	27,435	-	-	-	145,759
2010	47,009	46,354	1,796	-	-	95,159

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

Statement by Members of the Committee

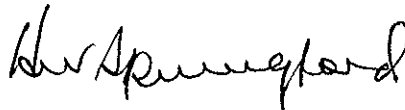
In the opinion of the Committee the financial report as set out on pages 1 to 17:

1. Presents a true and fair view of the financial position of Friends of the Botanic Gardens Inc as at 30 June 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Friends of the Botanic Gardens Inc will be able to pay its debts as and when they fall due.

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



R de Ferranti
President



H Springford
Honorary Treasurer

Sydney
19th October, 2011

**Independent Auditor's Report to the Members of
Friends of the Botanic Gardens Inc**

We have audited the accompanying financial report of Friends of the Botanic Gardens Inc (the Association), which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

The Committee's Responsibility for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Associations Incorporations Act 2009 (NSW)*, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Qualification

As is common for organisations of this type, it is not practicable for the Association to maintain an effective system of internal control over donations, subscriptions and other fundraising activities until their initial entry in the accounting records. Accordingly, our audit in relation to fundraising was limited to amounts recorded. In our opinion, monies recorded as receipts from donations, subscriptions and other fundraising activities have been properly accounted for by the Association.

Qualified Auditor's Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed, the financial report gives a true and fair view of the financial position of Friends of the Botanic Gardens Inc. as of 30 June 2011, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Associations Incorporation Act 2009 (NSW)*.



THOMAS DAVIS & CO.



J G Ryan Partner

Chartered Accountants

Sydney
19th October, 2011

Liability limited under a scheme approved under Professional Standards Legislation.

Disclaimer

To The Members of Friends of the Botanic Gardens Inc

The additional financial data presented in the following pages is in accordance with the books and records of Friends of the Botanic Gardens Inc (the Association) which have been subjected to the auditing procedures applied in our statutory audit of the Association for the year ended 30 June 2011.

It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Association) in respect of such data, including errors or omissions therein however caused.



THOMAS DAVIS & CO.



J G Ryan Partner

Chartered Accountants

Sydney
19th October, 2011

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Detailed Income Statement
for the year ended 30 June 2011**

	2011	2010
	\$	\$
Revenue		
Subscriptions	249,454	230,688
Functions receipts		
Gross receipts	184,359	180,629
Less: Function costs	<u>(89,535)</u>	<u>(48,645)</u>
	<u>94,824</u>	<u>131,984</u>
Merchandise		
Sales revenue	18,318	21,379
Less: Merchandise costs	<u>(7,329)</u>	<u>(13,689)</u>
	<u>10,989</u>	<u>7,690</u>
Donations	2,000	3,351
Commission from art exhibitions	147,475	93,447
Sale of plants	73,534	65,865
Raffles	12,256	9,250
Interest	28,467	20,139
Tours	41,420	27,030
Net surplus / (loss) from catering	(547)	3,877
Other revenue	<u>25,325</u>	<u>5,458</u>
	<u>685,197</u>	<u>598,779</u>

This is the additional financial data referred to in the Thomas Davis & Co. disclaimer dated 19th October 2011.

**Friends of the Botanic Gardens Inc
ABN 64 015 412 231**

**Detailed Income Statement
for the year ended 30 June 2011 (continued)**

	2011	2010
	\$	\$
Expenditure		
Advertising and public relations	239	264
Annual leave and long service leave expenses	(4,643)	7,979
Audit fees	2,560	2,450
Bank charges	742	707
Credit card charges	13,796	11,315
Computer expenses	8,857	5,909
Depreciation	3,719	3,435
Fundraising expenses	6,448	12,419
General expenses	6,516	2,946
Growing Friends	10,456	10,628
Insurance	6,905	6,876
Newsletter and membership costs	95,070	83,513
Printing, postage and stationery	4,565	14,646
Salaries and superannuation	417,776	327,553
Travel expenses	298	242
Volunteer expenses	1,088	3,461
	<u>574,392</u>	<u>494,343</u>
Profit before income tax expense	<u>110,805</u>	<u>104,436</u>

This is the additional financial data referred to in the Thomas Davis & Co. disclaimer dated 19th October 2011.