

**ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2008**

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ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Donations & Other revenue		1,988,046.50	492,542.62
Project Costs		(439,970.72)	(191,533.40)
Audit and Accountancy expenses		(6,385.00)	(6,350.00)
Employee benefits expenses		(36,900.00)	(27,164.00)
Other expenses		(11,084.06)	(24,041.39)
Profit for the year		<u>1,493,706.72</u>	<u>243,453.83</u>
Retained surplus at the beginning of the financial year		<u>1,885,230.68</u>	<u>1,649,226.42</u>
Balance at 30 June 2008		<u><u>3,378,937.40</u></u>	<u><u>1,892,680.25</u></u>

The accompanying notes form part of these financial statements.

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
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BALANCE SHEET
AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	2	2,651,349.69	952,376.45
Distribution and refund receivables	3	10,204.00	81,262.24
Investment in Managed Funds	4	721,693.13	862,041.56
TOTAL CURRENT ASSETS		<u>3,383,246.82</u>	<u>1,895,680.25</u>
TOTAL ASSETS		<u>3,383,246.82</u>	<u>1,895,680.25</u>
CURRENT LIABILITIES			
Trade and other payables	5	679.42	-
Other current liabilities	6	3,630.00	3,000.00
TOTAL CURRENT LIABILITIES		<u>4,309.42</u>	<u>3,000.00</u>
TOTAL LIABILITIES		<u>4,309.42</u>	<u>3,000.00</u>
NET ASSETS		<u>3,378,937.40</u>	<u>1,892,680.25</u>
EQUITY			
Retained surplus	7	3,378,937.40	1,892,680.25
TOTAL EQUITY	7	<u>3,378,937.40</u>	<u>1,892,680.25</u>

The accompanying notes form part of these financial statements.

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from donations	2,036,502.10	205,005.41
Distributions received	91,350.10	16,573.38
Interest received	80,344.75	43,915.65
Other receipts	7,450.00	80,490.99
General administration expenses & direct expenses	(9,888.87)	(250,450.79)
Foundation donation to trust	(223,300.00)	-
Development donation to trust	(211,336.00)	-
Investment Expense	(10,079.43)	-
Salary and Wages	(36,900.00)	-
Net cash provided by operating activities	1,724,142.65	95,534.64
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	74,830.65	213,713.60
Payments for investments	(100,000.00)	(176,000.00)
Net cash provided by (used in) investing activities	(25,169.35)	37,713.60
Net increase in cash held	1,698,973.30	133,248.24
Cash at beginning of financial year	952,376.39	819,128.15
Cash at end of financial year	2,651,349.69	952,376.39

The accompanying notes form part of these financial statements.

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of Significant Accounting Policies

This financial report covers Royal Botanic Gardens Sydney Foundation as an individual entity. Royal Botanic Gardens Sydney Foundation is a trust, established and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the trust becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Financial Assets

Investments are brought to account at market value. Dividends and interests are brought to account when declared.

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Cash and Cash Equivalents

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

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

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

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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Comparative Figures

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

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
2 Cash and Cash Equivalents		
Current		
CBA Bank Bill 1	502,838.46	-
CBA Bank Bill 2	9,440.96	-
CBA- Cash Investment	1,983,928.74	773,648.02
CBA- Business Account	-	53,168.97
CBA - Cash Investment Slade Account	155,141.53	125,559.46
	<u>2,651,349.69</u>	<u>952,376.45</u>
3 Distribution and Refund Receivables		
Current		
Franking credits receivable	-	7,449.57
Input Tax Credits	-	555.00
GST Payable	-	-
Distribution Receivable	10,204.00	72,286.67
Tax Deducted	-	971.00
	<u>10,204.00</u>	<u>81,262.24</u>
4 Investments in Managed Funds		
Market Value		
Investments Managed by Perpetual - RBGF	641,367.44	741,930.98
Investments Managed by Perpetual - Slade	80,325.69	120,110.58
	<u>721,693.13</u>	<u>862,041.56</u>
5 Trade and Other Payables		
Current		
Input Tax Credits	(284.41)	-
GST Payable	963.83	-
	<u>679.42</u>	<u>-</u>
6 Other Liabilities		
Current		
Accrued Audit Fees	3,630.00	3,000.00

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
7 Retained Surplus		
Retained surplus at the beginning of the financial year	1,885,230.68	1,649,226.42
Net surplus for the year	1,493,706.72	243,453.83
Retained surplus at the end of the financial year	<u>3,378,937.40</u>	<u>1,892,680.25</u>

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
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INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
INCOME		
Major Projects		
Children's Garden	16,000.00	-
Native Australian Rockery	1,000.00	-
Macquarie Precinct	15,000.00	-
Statuary Restoration	30,000.00	-
Youth Community Greening	175,000.00	-
Research Position	-	10,000.00
Rainforest Seeds Research	120,000.00	-
Cadigal Birong Tree	11,000.00	-
The Jungle	1,350,000.00	-
	1,718,000.00	10,000.00
Fellowship Programs	73,500.00	51,819.31
Project - Trees	65,500.00	29,550.00
Project - Benches	28,500.00	66,500.00
Project - General Donations	9,454.00	14,685.80
Wollemi Pine Conservation Projects	23,134.40	29,614.30
Foundation Donations	9,745.00	-
Development Donations	92,668.70	-
Project Administration	16,000.00	-
	2,036,502.10	202,169.41
Investment Income		
Franking Credit refunded	7,450.00	87,940.56
Interest Received	80,344.75	43,915.65
Investment Trust Distributions	29,267.43	88,860.05
Movement in Net Market Values	(16,185.81)	86,699.18
Profit (Loss) on Disposal of Investments	(149,331.97)	(17,042.23)
	(48,455.60)	290,373.21
Total Income	1,988,046.50	492,542.62

The accompanying notes form part of these financial statements.

ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
EXPENDITURE		
Major Projects		
Children's Garden	26,000.00	-
Statuary Restoration	-	7,000.00
Youth Community Greening	40,000.00	-
Research Positions	2,300.00	7,700.00
Rose Garden Maintenance	-	55,000.00
Trust Website	-	11,000.00
The Jungle	125,000.00	-
Rainforest Seed Research	30,000.00	-
	223,300.00	80,700.00
Fellowship Programs	5,334.72	23,333.40
Project - Trees	18,541.00	-
Project - Benches	18,635.00	15,000.00
Project - General	174,160.00	62,500.00
Wollemi Conservation	-	10,000.00
Audit and Accounting	6,385.00	6,350.00
Bank Charges & Merchant Fees	329.88	1,451.26
Investment Management Fees	10,079.43	8,248.13
Merchant Fees	674.75	-
Printing & Publishing	-	14,342.00
Wages & Salaries - coordinator	36,900.00	27,164.00
Total Expenditure	494,339.78	249,088.79
Profit before income tax	1,493,706.72	243,453.83

The accompanying notes form part of these financial statements.

**ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220**

COUNCILLORS' DECLARATION

The Councillors declare that:

- 1 The financial statements and notes, as set out on pages 1 to 7 present fairly the Foundation's financial position as at 30 June 2008 and its performance for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;
- 2 In the Councillors' opinion there are reasonable grounds to believe that the Foundation 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 Councillors.

Councillor _____

Councillor _____

Dated this **day of**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220**

Scope

The Financial Report and Councillors' Responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' of the (the trustees) declaration for Royal Botanic Gardens Sydney Foundation (the trust), for the year ended 30 June 2008.

The Councillors of the Foundation are responsible for the preparation and true and fair presentation of the financial report in accordance with the Trust Deed. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion to the councillors. My audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Trust Deed, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the Foundation's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the councillors.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, my audit was not designed to provide assurance on internal controls.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ROYAL BOTANIC GARDENS SYDNEY FOUNDATION
A.B.N. 65 037 438 220**

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia, the financial position of Royal Botanic Gardens Sydney Foundation as at 30 June 2008, and the results of its operations and its cash flows for the year then ended.

Name of Firm: KELLY + PARTNERS

Name of Director: _____
Rex Hoeben

Address: Level 4 73 Walker Street NORTH SYDNEY

Dated this **day of**