



**THE NATIONAL TRUST OF AUSTRALIA
(NEW SOUTH WALES)**

**GENERAL PURPOSE ANNUAL REPORT
FOR THE YEAR ENDED 30th JUNE 2010**



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)

DIRECTORS' REPORT

30th June 2010

The Directors present their report together with the financial statements of The National Trust of Australia (New South Wales) (the "Trust") for the year ended 30th June 2010 and the auditors' report thereon.

Directors

The Directors noted below held office during the financial year and to the date of this report. The Board met on 10 occasions during the year and the number of meetings attended by each of the Directors during the financial year were as follows:

		Meetings Held while in Office	Meetings attended
Ian Carroll OAM,	President	10	10
John Clark		0	0
Don Godden,	Deputy President	10	10
Julian Bickersteth,	Treasurer	10	10
Ron Bottrill	(Acting Director for Janine Kitson)	1	1
Robyn Christie		10	9
Prof. Ross Griffith		10	8
Will Holmes à Court,	Former Treasurer	5	4
Will Holmes à Court,	Executive Director	5	5
Janine Kitson		10	8
Helen Lochhead		10	10
Peter Lowry OAM		10	10
John Neish,	Former Executive Director	5	5
Maureen Pike		10	9
Maisy Stapleton		4	2
Alan Terrell		2	2
Martijin Wilder		6	4
Ken Wilson		6	6
Neil Wykes		0	0

Ron Bottrill was appointed acting director (for Janine Kitson) for the July 2009 Board meeting.

Alan Terrell resigned from the Board in August 2009.

Julian Bickersteth, Robyn Christie, Helen Lochhead and Peter Lowry OAM were re-elected and Ken Wilson and Martijin Wilder were newly elected by the members in November 2009.

Maisy Stapleton did not seek re-election and resigned from the Board in November 2009. John Neish retired from the Trust and as the Executive Director in December 2009.

Ian Carroll OAM was re-elected as President, Don Godden was elected as Deputy President and Julian Bickersteth was elected as Treasurer in December 2009.

Will Holmes à Court resigned as a Director and was appointed as Acting Executive Director in December 2009 effective January 2010 and was appointed Executive Director in March 2010.

Neil Wykes was appointed as a director on 28th July 2010.

John Clark was appointed as a director on 25th August 2010.

Corporate Governance

The election of Directors held in 2009 produced six candidates for the six available positions on the Board. Therefore, there was no need to hold an election of Board Directors for 2009. As a result four sitting members sought re-election and were returned, two new Directors were elected.

The Audit Committee and Finance Committee as well as many technical, fundraising, conservation and other volunteer committees continued to support the management of the Trust during the year. Those committees at 30 June 2010 are recognised within the published Annual Review and a list is available on the Trust's public website.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)

DIRECTORS' REPORT (continued)

30th June 2010

The Audit Committee

The Audit Committee met on 3 occasions during the year. All were members for the whole year unless otherwise stated. The number of meetings attended is shown below:

	Meetings attended
Rick Butler (Chair)	3
Julian Bickersteth	1
Michael Braham	3
Ian Carroll OAM	2
Will Holmes à Court	3

Julian Bickersteth was appointed a member in December 2009. All other were members of the Audit Committee for the full year.

The Finance Committee

Members of the Finance Committee are shown below. All were members for the whole year unless otherwise stated. The number of meetings attended is shown below:

	Meetings Held while a Member	Meetings attended
Julian Bickersteth, (Chair)	11	9
Ann Braybon	11	11
Ian Carroll OAM	11	9
Will Holmes à Court, (Former Chair)	11	11
Gary Hoare	11	7
John Neish	5	4
Ken Wilson	2	0

John Neish resigned and retired from the Finance Committee in December 2009. Ken Wilson was appointed a member in May 2010.

Principal Activities

The National Trust of Australia (New South Wales) is a community based statutory body and a charity which works to protect Australia's heritage through advocacy, conservation and education within New South Wales. As an independent charitable organisation the Trust is supported by memberships, donations, sponsorships, bequests and our volunteers. The principal activities have not changed during the year.

Result

During the year ended 30th June 2010 the Trust received **\$507,964** more cash than it spent on its operating expenses and activities (2009: \$651,451).

The Trust reported a surplus for accounting purposes of **\$2,264,859** (2009: deficit of \$420,525). This included an increase in the value of Trust investments of **\$181,307**, a gain on sale of property of **\$3,194,123** and a single bequest of **\$1,398,000**; the operations of the Trust reported a deficit of **\$3,058,107** for accounting purposes.

Re-organisation Costs

Included in the Statement of Comprehensive Income under "Employee Costs and Expenses" is **\$420,690** related to re-organisation costs.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
DIRECTORS' REPORT (continued)
30th June 2010

State of Affairs

In the opinion of the Directors, there was no significant change in the state of affairs of the Trust that occurred during the financial year under review.

Events Subsequent to Balance Sheet Date

In the opinion of the Directors, there were no significant events subsequent to 30th June 2010 to report.

Likely Developments

The Trust expects to continue to carry out its principal activities.

Environmental Regulation

The Trust is subject to the following environmental regulations in relation to Bushland Management Services.

- Protection of the Environment Operations Act 1997
- Noxious Weeds Act 1993
- Threatened Species Conservation Act 1995
- National Parks and Wildlife Act 1974
- Pesticides Act 1999

The Trust has complied with the requirements of each of these Acts.

Indemnification and Insurance of Directors

The Trust maintains Directors' and Officers' liability coverage through its access to the indemnity provided by the Treasury Managed Fund under its contract of coverage. Cover extends to compensation or damages payable by the Trust arising in connection with any of its activities worldwide, and/or costs, charges and expenses incurred in settlement or defence of any claim or litigation, whether successful or not, except where compensation and/or costs arise from any illegally based operation.

Auditor's Independence Declaration

A copy of the Independence Declaration given to the Directors by the lead auditor for the audit undertaken by HLB Mann Judd is included on page four.

Signed on behalf of the Board by resolution of the Directors

Ian Carroll OAM
(President)

William Holmes à Court
(Executive Director)

29th September 2010

**THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
AUDITOR'S INDEPENDENCE DECLARATION**

To the Directors of the National Trust of Australia (New South Wales):

As lead auditor for the audit of National Trust of Australia (New South Wales) for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



D K Swindells
Partner

Sydney

29 September 2010

HLB Mann Judd (NSW Partnership) ABN 34 482 821 289

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**THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
INDEPENDENT AUDIT REPORT**

To the members of The National Trust of Australia (New South Wales):

We have audited the accompanying financial report of The National Trust of Australia (New South Wales) ("the Trust") which comprises the balance sheet as at 30 June 2010, and the income statement, statement of changes in accumulated funds and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration, as set out on pages 7 to 23.

Directors' Responsibility for the Financial Report

The directors of the Trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 as required by The National Trust of Australia (New South Wales) Act 1990 No 92 and the Trust's Rules. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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. These Auditing 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 judgement, 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 company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

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**THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
INDEPENDENT AUDIT REPORT (continued)**

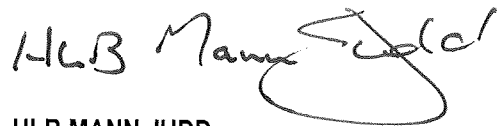
Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of the Trust on 29 September 2010, would be in the same terms if provided to the directors as at the time of this auditor's report.

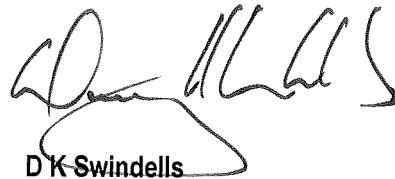
Auditor's Opinion

In our opinion:

- (a) the financial report of The National Trust of Australia (New South Wales) is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



**HLB MANN JUDD
Chartered Accountants**



**D K Swindells
Partner**

**Sydney
29 September 2010**



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
DIRECTORS' DECLARATION

In the Directors' opinion:

- (i) the financial statements and notes set out on pages eight to twenty six are in accordance with the Corporations Act 2001, including:
- (ii) complying with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Regulations 2001; and
- (iii) giving a true and fair view of the Trust's financial position as at 30th June 2010 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date; and
- (iv) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- (v) as stated in note 1(a) the Financial report complies with Australian accounting standards (AIFS). Some AIFS and other Australian accounting standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements, including Standard AASB 1004 Contributions.

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

Ian Carroll OAM
(President)

William Holmes à Court
(Executive Director)

29th September 2010



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)

Statement of Comprehensive Income

For the year ended 30 June 2010

	NOTE	2010 \$	2009 \$
Revenue			
Bequests		1,948,301	684,109
Bushland Management Income		1,710,130	1,548,080
Conservation Services		145,645	95,347
Donations		437,736	375,789
Enterprises		619,243	775,917
Fundraising and Event Income		887,181	829,580
Gain on Disposal of Fixed Assets		5,000	4,937
Gain on Disposal of Property		3,194,123	-
Gain on Revaluation of Investment		181,308	(210,718)
Grant Revenue	2,20	1,984,994	1,422,899
Investment Income		495,552	392,865
Membership Income		763,773	803,316
Merchandising		656,927	720,479
Museum Visitation Income		466,537	547,059
Sponsorships		404,454	435,744
Total Revenue		13,900,903	8,425,405
Expenses			
ACNT Levy		37,088	39,175
Advertising and Promotion		83,257	91,376
Audit and Accounting Fees		60,385	66,358
Bushland Management		1,149,191	986,783
Cost of Merchandising		331,725	328,276
Depreciation		98,317	62,620
Employee Costs and Expenses	20	5,309,625	3,635,322
Event Expenses		371,810	517,455
Insurances		171,745	166,979
Legal and Consultancy Fees	20	702,211	152,258
Other Office Expenses		653,189	529,400
Postage and Printing		404,436	335,705
Repairs & Maintenance	20	2,116,664	1,788,200
Utilities and Rates		146,400	146,023
Total Expenses		(11,636,044)	(8,845,930)
Surplus / (Deficit) for the Year		2,264,859	(420,525)
Other Comprehensive income			
Unrealised gains on revaluations of collections		-	67,800
Total Other Comprehensive Income for the Year		-	67,800
TOTAL COMPREHENSIVE INCOME		2,264,859	(352,725)



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)

Balance Sheet
As at 30 June 2010

	Note	2010 \$	2009 \$
Current Assets			
Cash & Cash Equivalents	11(i)	2,570,170	1,690,727
Receivables	4	573,075	514,113
Prepayment		8,842	79,328
Inventories	5	226,105	210,150
Total Current Assets		3,378,192	2,494,317
Non-Current Assets			
Other Financial Assets	6	10,158,454	5,958,017
Property, Collections and Equipment	7	51,561,422	52,360,673
Total Non Current Assets		61,719,876	58,318,690
TOTAL ASSETS		65,098,068	60,813,007
Current Liabilities			
Account Payables		1,229,118	1,265,307
Deferred Income & Unexpended Grants	8	3,623,555	1,673,092
Employee Entitlements - Current	9	448,871	387,115
Total Current Liabilities		5,301,544	3,325,514
Non-Current Liabilities			
Deferred Income - Non Current		99,276	97,854
Employee Entitlements - Non Current	9	101,057	58,308
Total Non Current Liabilities		200,333	156,161
TOTAL LIABILITIES		5,501,877	3,481,676
NET ASSETS		59,596,191	57,331,332
Accumulated Funds			
Retained Surplus		23,298,855	20,033,996
Reserves		36,297,336	37,297,336
TOTAL ACCUMULATED FUNDS		59,596,191	57,331,332

The Balance sheet is to be read in conjunction with the notes to and forming part of the Financial Statements.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Statement of Changes in Accumulated Funds
For the year ended 30 June 2010

	Reserves	Retained Surplus	Total
	\$	\$	\$
Total Accumulated Funds at 30 June 2008	37,229,456	20,454,521	57,683,977
Revaluation of Collections as at 30 June 2009	72,880	-	72,880
Disposal of Collections	(5,000)	-	(5,000)
Deficit for the year ended 30 June 2009	-	(420,525)	(420,525)
Total Accumulated Funds at 30 June 2009	37,297,336	20,033,996	57,331,332
Transfer of revaluation surplus on disposal of Elizabeth Bay House	(1,000,000)	1,000,000	-
Surplus for the year ended 30 June 2010	-	2,264,859	2,264,859
Total Accumulated Funds at 30 June 2010	36,297,336	23,298,855	59,596,191

The Statement of Changes in Accumulated Funds should be read in conjunction with the notes to and forming part of the Financial Statements.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)

Statement of Cash Flows For the year ended 30 June 2010

	2010	2009
Note	\$	\$
Cash Flow from Operating Activities		
Cash receipts in the course of operations	11,939,911	8,215,975
Cash payments in the course of operations	(11,431,947)	(7,564,524)
Net cash inflow from operating activities	507,964	651,451
11(ii)		
Cash Flow from Investment Activities		
Interest received	142,536	3,699
Dividend received	150,058	6,194
Distribution income received	202,958	382,204
Proceeds from sale of land	4,194,123	-
Proceeds from sale of investments	-	2,556,127
Purchase of investments	(4,019,130)	(2,212,196)
Payments for property, collections & equipment	(299,066)	(70,097)
Net cash inflow from investment activities	371,479	665,931
Net increase in cash held:		
	879,443	1,317,382
Cash at the beginning of the financial year	1,690,727	373,345
Cash at the end of the financial year	2,570,170	1,690,727
11(i)		

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the Financial Statements.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been applied in the preparation of this financial report. These rules have been applied consistently to all the years presented.

(a) Basis of Preparation

The National Trust of Australia (New South Wales) is a statutory body and a statutory corporation constituted by The National Trust of Australia (New South Wales) Act 1990.

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standard Board, the Corporations Act 2001 and the National Trust Act and Rules. It has been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of assets.

STATEMENT OF COMPLIANCE:

The Financial report complies with Australian accounting standards (AIFS). Some AIFS and other Australian accounting standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements, including Standard AASB 1004 Contributions.

(b) Revenue Recognition

SALES REVENUE:

Sales revenue comprises revenue earned (net of returns, discount and allowances) from the provision of products or services to customers. Sales revenue is recognised when the goods are provided, or when the fee in respect of services provided is receivable.

INTEREST INCOME/RENT:

Interest income and rent are recognised as they accrue.

DONATIONS/BEQUESTS:

Donations/Bequests are recognised when received, and controlled by the Trust.

MEMBERSHIP SUBSCRIPTIONS:

Subscriptions are recognised when received except where the Subscriptions are received in advance.

Three year subscriptions are treated as annual subscriptions paid in advance; the first annual subscription is recognised when received with the remainder in advance being deferred to be recognised on the subsequent anniversary of the membership due date until the deferred amount is fully utilised.

OTHER REVENUE:

Revenue recognition policies for grants and investments are described in Accounting Policy notes (c) and (f) respectively.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2010
(continued)

(c) Grants

Both specific and general purpose grants are recognised as revenue when due and receivable.

If all funds received in respect of any grant are not spent in the financial year of receipt, the unspent portion is carried forward as a liability until the grant is fully expended.

(d) Taxation

The Trust has been granted exemption from:

- Income tax
- Payroll tax
- Land tax, and
- Stamp duty.

(e) Receivables

Trade Debtors and other receivables are carried at amounts due. The collectability of debts is assessed at balance date and a specific provision is made for any doubtful debts.

(f) Financial Assets at Fair Value through Profit and Loss

Financial Assets at Fair Value through Profit and Loss are initially recorded at cost, and subsequently carried at market value, with changes in value recorded in profit or loss.

Distributions are recognised as revenue as at the date the distribution is declared, and share dividends are recognised when received.

(g) Property, Collections & Equipment

LAND AND BUILDINGS:

Freehold land and buildings are recorded at cost, or at valuation when received by way of bequest.

In certain instances the Trust obtains an economic benefit from the use of land and buildings that are not owned by it but are held by it on behalf of the owner. Where a right to use such land and buildings vests in the Trust it holds the land and buildings as Custodian.

Improvements to land and buildings held as Custodian are recorded at cost (including assets received prior to 1st July 2000 which are now deemed to be at cost in accordance with Australian Accounting Standard AASB 1041, which was applied at that time).

If Land and/or Buildings are sold, the effective date of sale for accounting purposes is the date on which the transaction is settled.

COLLECTIONS:

Museum collections are carried at fair value. Independent valuations are undertaken on a rolling basis and considered by the Directors when determining fair value.

PLANT, EQUIPMENT and FURNITURE:

Plant, equipment and furniture are recorded at cost.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2010
(continued)

(h) Depreciation

BUILDINGS AND COLLECTIONS:

Due to the historic nature of the Trust's buildings and collections, no depreciation expense is charged in respect of these assets.

PLANT, EQUIPMENT AND FURNITURE:

Items of plant, equipment and furniture are depreciated on a straight line basis over their estimated useful lives. Assets are depreciated from the date of acquisition. The range of useful lives used is three to twenty years represented by the following depreciation rates:

Computers and related technology based equipment	33.3%
Plant and other general equipment – heavy use	33.3%
Plant and other general equipment – moderate use	20.0%
Plant and other general equipment – light use	6.6%
Motor Vehicles	20.0%
Furniture & Fittings	5.0% - 10.0%

(i) Operating Leases

Payments made under operating leases are expensed on a straight line basis over the term of the lease.

(j) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within the payment terms.

(k) Inventories

Inventories are carried at the lower of cost and net realisable value

(l) Employee Entitlements

WAGES, SALARIES, ANNUAL LEAVE:

Liabilities for employee entitlements to wages, salaries and annual leave represent present obligations resulting from employees' services provided up to the reporting date, calculated at amounts based on expected future wage and salary rates including related on-costs.

LONG SERVICE LEAVE:

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised and measured in accordance with "Annual Leave" above, including on-costs.

The liability for long service leave expected to be settled more than 12 months from the reporting date including on-costs is recognised and is measured based on remuneration rates current as at balance sheet date for all employees with five or more years of service. The Directors believe that this method provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2010
(continued)

(m) New Accounting Standards & Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30th June 2010 reporting period. The Directors' assessment of the impact of these new standards and interpretations is that they will result in no material impact on the financial statements of the Trust.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
 (continued)

	Note	2010	2009
		\$	\$
NOTE 2: GRANT INCOME			
Federal Government Grants:			
Dept. of the Environment, Water, Heritage and the Arts		1,747,865	1,153,083
Natural Heritage Trust		-	14,775
Dept of Families, Housing, Community Services and Indigenous Affairs		8,343	-
		1,756,208	1,167,858
State Government Grants:			
NSW Heritage Branch - Dept. of Planning		223,537	214,000
Art NSW - Museums & Galleries NSW			1,432
		223,537	215,432
Other Grants:		5,249	39,609
Total grant income		1,984,994	1,422,899
NOTE 3: AUDITOR'S REMUNERATION			
Audit Services			
- Auditors of the Trust, including grant Acquittals		60,385	59,697
		60,385	59,697
NOTE 4: RECEIVABLES			
Current:			
Trade Debtors		350,779	383,725
Other Debtors - Investment Income		40,359	45,567
Other Debtors - Membership Income		41,603	23,856
Other Debtors		140,334	60,965
		573,075	514,113
NOTE 5: INVENTORIES			
Inventories - at cost		226,105	210,150
		226,105	210,150



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
 (continued)

	Note	2010	2009
		\$	\$
NOTE 6: OTHER FINANCIAL ASSETS			
Other Financial Assets designated as At Fair Value through Profit or Loss			
Funds under Management - Other Investments		10,158,454	5,958,017
Total Other Financial Assets		10,158,454	5,958,017
Movements:			
Opening Balance		5,958,017	6,525,835
Less: Disposal of Unit Trusts		-	(2,556,127)
Add: Bequests transferred to investments		1,998,000	-
Add: Cash Deposit transferred to investments		1,731,954	2,212,196
Add: Interest and income reinvested		289,176	-
Revaluation of market investments to market value		181,307	(223,887)
Closing Balance		10,158,454	5,958,017

Fair Value of Financial Instruments

The following table shows financial instruments recorded at fair value, showing those whose value is based on quoted markets (Tier 1), and those involving valuations techniques where the model inputs are observable in the market (Tier 2).

	Value at Quoted Market Price (Tier 1)	Valuation Technique, Market Observable (Tier 2)	Total
	\$	\$	\$
Cash	1,182,481	-	1,182,481
Listed on ASX			
Australian Shares	2,656,526	-	2,656,526
Australian Fixed Interest Securities	501,990	-	501,990
Australian Listed Property Trusts	707,853	-	707,853
Unlisted			
International Funds	-	538,396	538,396
Australian Fixed Interest Securities Funds	-	4,571,208	4,571,208
	5,048,850	5,109,604	10,158,454



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
 (continued)

	Note	2010	2009
		\$	\$
NOTE 7: PROPERTY, COLLECTIONS AND EQUIPMENT			
Property:			
Freehold land and Buildings - at cost		25,679,392	26,679,392
Held as custodian - at cost		3,025,502	3,025,502
		28,704,894	29,704,894
Collections:			
At fair value		22,435,099	22,429,127
Equipment & Furniture:			
Equipment and Furniture at cost		1,131,310	843,716
Less: Accumulated depreciation		(709,881)	(617,064)
		421,429	226,652
Total property, collections and equipment at net book value		51,561,422	52,360,673
Reconciliations			
Property:			
FREEHOLD LAND AND BUILDINGS			
Carrying amount at the beginning of the year		26,679,392	26,658,495
Additions		-	20,897
Disposals		(1,000,000)	-
Carrying amount at the end of the year		25,679,392	26,679,392
HELD AS CUSTODIAN			
Carrying amount at the beginning of the year		3,025,502	3,025,502
Carrying amount at the end of the year		3,025,502	3,025,502
Collections:			
Carrying amount at the beginning of the year		22,429,127	22,360,994
Additions		5,972	253
Disposals		-	(5,000)
Revaluation		-	72,880
Carrying amount at the end of the year		22,435,099	22,429,127
Equipment & Furniture:			
Carrying amount at the beginning of the year		226,652	240,325
Additions		293,093	48,947
Depreciation		(98,316)	(62,620)
Carrying amount at the end of the year		421,429	226,652



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
(continued)

	Note	2010	2009
		\$	\$
NOTE 8: DEFERRED INCOME AND UNEXPENDED GRANTS			
Current:			
Membership		208,695	177,866
Other		460,415	126,752
Unexpended Grants	19,16	2,954,445	1,368,474
		<u>3,623,555</u>	<u>1,673,092</u>
NOTE 9: Employee Entitlements			
Current:			
Long Service Leave		147,953	137,725
Annual Leave		304,846	243,004
Other Employee Benefits		(3,928)	6,386
		<u>448,871</u>	<u>387,115</u>
Non-current:			
Long Service Leave		101,057	58,308
		<u>101,057</u>	<u>58,308</u>



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
(continued)

NOTE 10: RELATED PARTIES

stated

(a) Directors

The names of those who served as Directors on the Board of the Trust during the 2009-2010 financial year were as follows:

Non-Executive Directors

Ian Carroll OAM, President	Helen Lochhead
Don Godden, Deputy President	Peter Lowry OAM
Julian Bickersteth, Treasurer	Maureen Pike
Ron Bottrill (Acting Director for Janine Kitson)	Maisy Stapleton (Until 29 November 2009)
Robyn Christie	Alan Terrell (until 26 August 2009)
Prof. Ross Griffith	Martijn Wilder (Appointed 29 November 2009)
Will Holmes à Court, Former Treasurer	Ken Wilson (Appointed 29 November 2009)
Janine Kitson	

Executive Directors

Will Holmes à Court (Appointed 04 January 2010)
John Neish (Until 24 December 2009)

All Directors were in office the whole of the year, unless otherwise stated.

Other relevant information regarding attendance at meetings, resignations and retirements of Directors is contained in the Directors' Report.

(b) Key management personnel compensation

The key management personnel are the Executive Director and Senior Managers of the Trust who are responsible for the management of the Trust. The remuneration for the Executive Director and other key management personnel is set out below.

Year	No of Key Mgt Personnel who served during	Short-term benefit	Post - employment benefits	Total
		\$	\$	\$
2010	10	1,144,211	61,946	1,206,157
2009	12	738,719	45,648	784,367

No compensation was received by any non-executive Director.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
(continued)

Details of the key management personnel who served during the year are provided below:

Name	Position		
Will Holmes à Court	Acting Executive Director	started	04-Jan-10
Will Holmes à Court	Executive Director	started	08-Mar-10
Edward John Neish	Executive Director	retired	24-Dec-09
Alan Smith	Director of Membership and	retired	01-Apr-10
Jane Worthy	Director, Regions & Networks	retired	15-Mar-10
Mark Small	Director, National Trust	retired	15-Mar-10
Michael McCosker	Director, Total Asset Managemen	retired	27-Jul-09
James Shanahan	Director, Corporate Services	retired	15-Mar-10
Scott Woodcock	Director, Public Relations	started	18-Mar-09
Victoria Walker	Director, Communications and	retired	31-Dec-09
Gerry Hayes	Director, Trust Properties	started	19-Oct-09

(c) Other Transactions

(i) Directors' Interests

Mr Julian Bickersteth, a Director of the Trust since November 2001, is also a Director of International Conservation Services Pty Ltd, a company which provides specialist conservation advice and services to the Trust from time to time. The total fees paid and payable by the Trust to that company during the year to 30 June 2010 amounted to \$61,926 (2009 - \$23,496).

(ii) Donations

Certain Directors have made donations to the Trust during the year.

(iii) Directors' Membership

All Directors are financial members of the Trust and have been so during the entire year covered by these financial statements.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
 (continued)

	Note	2010	2009
		\$	\$

NOTE 11: Notes to Statement of Cash Flows

(i) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash and Cash Deposits	2,570,170	1,690,727
Total Cash and Cash Equivalents	2,570,170	1,690,727

All Cash and cash equivalents mature within one year.

(ii) Reconciliation of Surplus for the year to net cash provided by operating activities

Surplus for the year:	2,264,859	(352,725)
Interest received	(142,536)	(3,699)
Dividends received	(150,058)	(6,194)
Distribution income received	(202,958)	(382,972)
Depreciation and amortisation	98,317	62,620
Unrealised gains on the revaluation of collections	-	(67,800)
Sale of Property	(3,194,123)	-
(Increase)/decrease in value of investments	(181,308)	223,887
(Increase)/decrease in receivables	(58,960)	(27,282)
(Increase)/decrease in inventories	(15,956)	(31,603)
(Increase)/decrease in prepayments	70,485	(68,415)
(Decrease)/increase in payables	(36,189)	1,209,314
(Decrease)/increase in deferred income & unexpended grants	1,951,885	-
(Decrease)/increase in provisions	104,505	96,320
Net cash provided by/(used in) operating activities	507,964	651,451

NOTE 12: RESTORATION APPEALS

Monies are held separately by the Trust on behalf of specific third party restoration appeals. These amounts are administered by the Trust, and are not owned by the Trust. They are not included in the Balance Sheet of the Trust.

	2,490,612	2,827,648
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THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
(continued)

NOTE 13: SUPERANNUATION

The Trust contributes to employee superannuation funds as required under the Commonwealth Government's Superannuation Guarantee Legislation.

NOTE 14: CAPITAL MANAGEMENT

Capital available to the Trust at the end of the financial year is represented by its Total Accumulated Funds, being Retained Surplus and Reserves. The Board manages these Funds through the use of budgets and regular forecasts and with the assistance of the Finance Committee. This ensures that there are always sufficient reserves to pay debts and to continue the growth of the Trust.

NOTE 15: RISK MANAGEMENT AND ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest rate risk

The Trust is exposed to interest Rate Risk in relation to its cash equivalents, and also in relation to investments.

Interest rate on cash and cash equivalents at the Balance Sheet date was between 0.00% and 3.70% (2009: 0.00% and 3.70%).

(b) Credit Risk

The Credit risk on financial assets is the carrying amount net of any provision for doubtful debts.

The Trust is not materially exposed to any individual debtor as at 30 June 2010.

The Trust has regular monthly procedures for the collection of debts.

(c) Liquidity Risk

This is the risk the Trust is unable to pay its debts as they fall due. The cash position is monitored daily and reported monthly to the Board through the Finance Committee.

(d) Other Market Risk

In addition to the effects of movements in interest rates and investments in managed funds are exposed to marked risks influencing investment earnings.

These market risks are minimised through the selection of high quality fund managers and with investment in a moderate risk profile and a diversified asset allocation.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
(continued)

Note	2010	2009
	\$	\$

NOTE 16: COMMITMENTS

(a) Operating Leases Commitments

Commitments for minimum lease payments are as follows:

One year or less	73,363	49,503
from one to five years	53,906	98,340
	<u>127,269</u>	<u>147,843</u>

(b) Capital Commitments

As at 30 June 2009 the Trust had a capital commitment for the refurbishment of the S H Ervin Gallery and Building C to the value of \$331,815. Works were completed by the end of August 2009.

Refurbishment of S H Ervin Gallery	-	132,968
Refurbishment of Building C	-	198,847
	<u>-</u>	<u>331,815</u>

Deferred Income Grants

Stimulus	2,709,380	1,064,087
Other	245,065	324,388
Total	8 <u>2,954,445</u>	<u>1,388,475</u>

As at the 30 June 2010 the Trust had a Stimulus grant project commitments for the following Trust properties Everglades Gardens, Old Government House, National Trust Centre and Grossman & Brough House to the value of \$2,709,380. Works will be completed by the end of October 2010.



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
(continued)

NOTE 19: UNEXPENDED GRANTS

Grant Details	Balance at 1-Jul-09	Receipts	Expenditure	Balance at 30-Jun-10
	\$	\$	\$	\$
Stage 1 - Dundullimal	34,072	49,928	84,000	-
Stage 1 - Everglades House & Garden Work	56,000	1,371,750	297,007	1,130,743
Stage 1 - Grossman and Brough	54,500	46,100	2,823	97,777
Macquarie's Bicentennial Project Old Government House, Parramatta	919,515	698,115	830,495	787,135
Old Military Hospital / Fort Street School Site conservation and refurbishment	-	1,140,000	456,274	683,726
Governor Macquarie's Tomb: conservation, interpretation & access	-	10,000	-	10,000
NSW Heritage Branch - Department of Planning	-	36,766	36,766	-
Total - Job Fund related	1,064,087	3,352,659	1,707,365	2,709,381
American Express Partners in Preservation	171,908	-	15,000	156,908
An Index of Kindness SH Ervin Gallery Project	1,718	-	-	1,718
Montague Island Lighthouse Museum Interpretation	7,306	-	-	7,306
Riversdale Waterway Clearing Grant	4,174	-	-	4,174
Norman Lindsay Gallery Water Grant	9,227	-	9,227	-
Everglades Gardens Water Grant	6,778	-	6,778	-
Building C SH Ervin Gallery Upgrade	45,000	-	45,000	-
Woodford Academy Water Grant	37,418	4,079	-	41,497
Macquarie's Mausoleum Isle of Mull	28,202	-	1,246	26,956
Conservation Donation Account	1,187	-	-	1,187
Conservation Donation Account	1,298	-	-	1,298
Stage Conservation Grant - Dundallimal	(29,603)	29,603	-	-
Everglades Gardens	7,592	-	7,592	-
Stella James House	12,182	-	8,162	4,020
Total	1,368,474	3,386,341	1,800,370	2,954,445



THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
Notes to and forming part of the accounts for the year ended 30 June 2010
 (continued)

	Note	2010	2009
		\$	\$

NOTE 20: JOB FUNDS

During the year ended 30 June 2010 the Trust spent \$1,778,365 of funds which it had received as Job Funds (Job Stimulus Grants) in the financial years 2009 and 2010. This expenditure had no impact on the Surplus of -\$2,264,859 for the year as this expenditure was matched by a release to revenue of an equivalent amount of grant funds.

However this expenditure and the release of an equivalent amount of revenue did have a material impact on the related revenue and expense items reported in the Statement of Comprehensive Income.

The table below shows the amount included in the respective revenue and expenditure items reported on the Statement of Comprehensive Income that are directly related to the Job Stimulus Grant expenditure.

REVENUE

Grants	19	1,707,365	-
Investment Income		71,000	-
Total Revenue		1,778,365	-

EXPENSE

Governance Costs		8,070	-
Marketing		4,291	-
Office Administration		3,467	-
Property Operating Expenses		48,804	-
Repairs & Maintenance		1,145,870	-
Consultants		469,386	-
Salaries & Wages		81,982	-
Staff Expenses		14,890	-
Travel & Entertainment		1,606	-
Total Expenses		1,778,366	-