

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

**GENERAL PURPOSE ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

This Financial Report was authorised for issue by the Board of Directors on 30 September 2009. The Board has the power to amend and re-issue the Financial Report.

THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
DIRECTORS' REPORT
30 June 2009

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 30 June 2009 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 12 occasions during the year and the numbers of meetings attended by each of the Directors during the financial year were as follows:

	<u>Meetings Held While in Office</u>	<u>Meetings Attended</u>
Ian Carroll OAM, President	12	11
Dr Zeny Edwards, Former President	6	6
Julian Bickersteth, Former Deputy President	12	12
William Holmes à Court, Treasurer	12	10
John Neish, Executive Director	11	11
Steven White, Acting Executive Director	1	1
Dr. Paul Adam	5	2
Wendy Carlson	3	2
Robyn Christie	12	11
Don Godden, Deputy President	12	10
Janine Kitson	12	12
Helen Lochhead	12	8
Peter Lowry OAM	12	12
Maisy Stapleton	12	6
Alan Terrell	12	11
Prof. Ross Griffith	7	5
Maureen Pike	7	5

Ian Carroll OAM was appointed to the Board with effect from 1 July 2008; Steven White resigned as Acting Executive Director, on 25 August 2008 on the appointment of John Neish as Executive Director. Prof. Ross Griffith and Maureen Pike were newly elected by the Members in November 2008; Dr Zeny Edwards did not seek re-election and resigned from the Board in November 2008, Ian Carroll OAM was subsequently elected as President in November 2008. Julian Bickersteth resigned as Deputy President in November 2008 and was replaced by Don Godden, William Holmes à Court was re-appointed as Treasurer.

Corporate Governance

The election of Directors held in 2008 produced eight candidates for the six available positions on the Board. 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 2009 are recognised within the published Annual Review and a list is available on the Trust's public website.

The Audit Committee

The Audit Committee met on 4 occasions during the year and the number of meetings attended by each member is shown below:

	<u>Meetings attended</u>
Rick Butler (Chair)	4
William Holmes à Court	3
Michael Braham	4

All were members of the Audit Committee for the full year.

THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
DIRECTORS' REPORT (continued)
30 June 2009

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
William Holmes à Court (Chair)	10	10
Julian Bickersteth	10	5
Gary Hoare	10	7
Steven White	2	2
John Neish	9	8
Dr. Zeny Edwards	5	5
Ian Carroll OAM	5	1
Ann Braybon	10	10

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 30 June 2009 the Trust received \$651,451 more cash than it spent on its operating expenses and activities (2008: \$263,067).

The Trust reported a deficit for accounting purposes of \$420,525 (2008: \$232,298). This included a reduction in the value of Trust investments of \$210,718.

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

The Trust sold property at 88 Elizabeth Bay Road, Elizabeth Bay, at auction for a consideration of \$4,305,000 and settlement is due on 11th November 2009.

Two further Federal Government stimulus grants have been awarded to the Trust as follows;

- \$1,320,000 (inclusive of GST) to conserve and refurbish the National Trust Service Centre, Observatory Hill.
- \$1,523,500 (inclusive of GST) to create an interactive venue and destination for Everglades Gardens.

Likely Developments

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

THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
DIRECTORS' REPORT (continued)
30 June 2009

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)



Edward John Neish
(Executive Director)

30 September 2009

**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 2009, 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

30 September 2009

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

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Liability limited by a scheme approved under Professional Standards Legislation

**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 2009, 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 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 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 opinion.

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**THE NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
INDEPENDENT AUDIT REPORT (continued)*****Matters relating to the electronic presentation of the audited financial report***

This Auditor's Report relates to the financial report of The National Trust of Australia (New South Wales) ("the Trust") for the financial year ended 30 June 2009 included on the Trust's website. The Trust's Directors are responsible for the integrity of the Trust's website. We have not been engaged to report on the integrity of this web site. The audit report refers only to the financial report identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

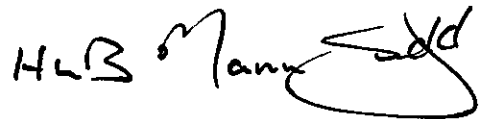
Independence

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 30 September 2009, 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 2009 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
(NSW Partnership)
Chartered Accountants**



**D K SWINDELLS
Partner**

**Sydney
30 September 2009**

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

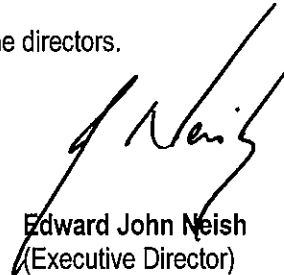
In the Directors' opinion:

- (a) the financial statements and notes set out on pages eight to twenty three are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Trust's financial position as at 30 June 2009 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
- (b) there are reasonable grounds to believe that the Trust 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 directors.



Ian Carroll OAM
(President)



Edward John Neish
(Executive Director)

30 September 2009

The National Trust of Australia (New South Wales)

Cash Flow Statement

For the year ended 30 June 2009

	Note	2009 \$	2008 \$
Cash Flows from Operating Activities:			
Cash receipts in the course of operations		8,215,975	7,202,567
Cash payments in the course of operations		(7,564,524)	(6,939,500)
Net cash inflow/(outflow) from operating activities:	13(ii)	<u>651,451</u>	<u>263,067</u>
Cash Flows from Investing Activities:			
Interest received		3,699	251,583
Dividends received		6,194	7,789
Distribution income received		382,204	177,986
Proceeds from sale of land		-	1,260,000
Purchase of investments	7	(2,212,196)	(3,803,741)
Proceeds from sale of investments	7	2,556,127	6,258
Payments for property, collections & equipment		(70,097)	(212,242)
Net cash inflow/(outflow) from investing activities:		<u>665,931</u>	<u>(2,312,367)</u>
Net increase / (decrease) in cash held:			
Cash at the beginning of the financial year		373,345	2,422,642
Cash at the end of the financial year	13(i)	<u>1,690,727</u>	<u>373,345</u>

The Cash Flow Statement 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)

Income Statement

For the year ended 30 June 2009

	Note	2009 \$	2008 \$
Revenue			
Bequests	22	684,109	145,145
Bushland Management Income		1,548,080	1,393,712
Conservation Services		64,951	159,243
Donations	19	375,789	405,600
Enterprises		806,313	713,170
Fundraising and Event Income		829,580	991,036
Gain on Disposal of Fixed Assets		4,937	-
Grant Revenue	2	1,422,899	809,590
Investment Income		392,865	437,358
Membership Income		803,316	786,603
Merchandising		720,479	609,907
Museum Visitation Income		547,059	440,645
Sponsorships		435,746	380,603
Total Revenue		8,636,123	7,272,612
Expenses			
ACNT Levy		39,175	47,254
Advertising and Promotion		91,376	58,170
Audit and Accounting Fees		66,358	48,318
Bushland Management Materials		34,686	35,198
Cost of Merchandising		328,276	385,605
Depreciation		62,620	88,146
Employee Costs and Expenses		4,587,419	3,775,188
Event Expenses		517,455	533,502
Insurances		166,979	163,829
Legal and Consultancy Fees		152,258	90,015
Loss on Revaluation/Disposal of Investment		210,718	255,308
Other Office Expenses		529,400	499,310
Postage and Printing		335,705	349,725
Repairs & Maintenance		684,527	601,114
Repairs & Maintenance - Grant Related		1,103,673	439,338
Utilities and Rates		146,023	134,890
Total Expenses		9,056,648	7,504,910
Deficit for the year	10	(420,525)	(232,298)

The Income Statement 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)

Balance Sheet

As at 30 June 2009

	Note	2009 \$	2008 \$
Current Assets			
Cash & Cash Equivalents	13	1,690,727	373,345
Receivables	4	514,113	464,291
Prepayments		79,327	10,912
Inventories	5	210,150	178,547
Total Current Assets		2,494,317	1,027,095
Non-Current Assets			
Receivables	4	-	21,772
Other Financial Assets	7	5,958,017	6,525,835
Property, Collections and Equipment	6	52,360,673	52,285,317
Total Non-Current Assets		58,318,690	58,832,924
TOTAL ASSETS		60,813,007	59,860,019
Current Liabilities			
Accounts Payable		1,265,307	648,169
Deferred Income and Unexpended Grants	8	1,673,092	1,091,280
Employee Entitlements	9	387,115	309,316
Total Current Liabilities		3,325,514	2,048,765
Non-Current Liabilities			
Deferred Income - Membership		97,854	87,490
Employee Entitlements	9	58,307	39,787
Total Non-Current Liabilities		156,161	127,277
TOTAL LIABILITIES		3,481,675	2,176,042
NET ASSETS		57,331,332	57,683,977
Accumulated Funds			
Retained Surplus	10	20,033,996	20,454,521
Reserves	10	37,297,336	37,229,456
TOTAL ACCUMULATED FUNDS		57,331,332	57,683,977

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 2009

	Note	Reserve	Retained Surplus	Total
		\$	\$	\$
Total Accumulated Funds at 30 June 2007		37,024,520	20,686,819	57,711,339
Revaluation of Collections as at 30 June 2008		204,936	-	204,936
Deficit for the year ended 30 June 2008		-	(232,298)	(232,298)
Total Accumulated Funds at 30 June 2008		<u>37,229,456</u>	<u>20,454,521</u>	<u>57,683,977</u>
Revaluation of Collections as at 30 June 2009		72,880	-	72,880
Disposal of Collections as at 30 June 2009		(5,000)	-	(5,000)
Deficit for the year ended 30 June 2009		-	(420,525)	(420,525)
Total Accumulated Funds at 30 June 2009		<u>37,297,336</u>	<u>20,033,996</u>	<u>57,331,332</u>

The Statement of Changes in Accumulated Funds is to be read in conjunction with the Notes to and forming part of the financial Statements.

NATIONAL TRUST OF AUSTRALIA (NEW SOUTH WALES)
NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

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 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 non-current assets.

STATEMENT OF COMPLIANCE:

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRSs ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(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.

MEMBERSHIP SUBSCRIPTIONS:

Subscriptions are recognised when due and receivable.

Three year subscriptions are treated as annual subscriptions paid in advance; the first annual subscription is recognised when due 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.

(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 the income statement.

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

(g) Land, Buildings and Collections

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 1 July 2000 which are now deemed to be at cost in accordance with Australian Accounting Standard AASB1041, 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.

(h) Depreciation

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%

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.

OPERATING LEASES:

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

(i) 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.

(j) Inventories

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

(k) 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.

(l) New Accounting Standards & Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2009 reporting period. The Directors' assessment of the impact of these new standards and interpretations is that they will result in no changes to the amounts recognised in the financial statements, but may impact the type of information disclosed in the financial statements.

NOTE 2: GRANT INCOME

Note	2009	2008
	\$	\$
Federal Government Grants:		
Dept. of the Environment, Water, Heritage and the Arts	1,153,083	76,437
Dept. of Industry, Tourism & Resources	-	10,000
The Australia Council for the Art	-	16,500
Natural Heritage Trust	14,775	-
	<u>1,167,858</u>	<u>102,937</u>
State Government Grants:		
NSW Heritage Branch - Dept. of Planning	214,000	271,925
Dept. of Environment and Climate Change	-	177,080
Dept. of Family and Community Services	-	4,794
Dept. of the Arts, Sport and Recreation	-	45,000
Art NSW - Museums & Galleries NSW	1,432	-
	<u>215,432</u>	<u>498,799</u>
Other Grants:	39,609	207,854
Total grant income	<u>1,422,899</u>	<u>809,590</u>

NOTE 3: AUDITOR'S REMUNERATION

Audit Services		
- Auditors of the Trust	59,697	40,318
	<u>59,697</u>	<u>40,318</u>

NOTE 4: RECEIVABLES

Current:		
Trade Debtors	383,725	339,539
Other Debtors - Investment Income	45,567	44,799
Other Debtors - Membership Income	23,856	36,824
Other Debtors	60,965	43,129
	<u>514,113</u>	<u>464,291</u>
Non-Current:		
Other Debtors	-	21,772
	<u>-</u>	<u>21,772</u>

NOTE 5: INVENTORIES

Inventories - at cost	210,150	178,547
	<u>210,150</u>	<u>178,547</u>

NOTE 6: PROPERTY, COLLECTIONS AND EQUIPMENT

	2009	2008
Note	\$	\$
Property:		
Freehold land and buildings - at cost	26,679,392	26,658,495
Held as custodian - at cost	3,025,503	3,025,503
	<u>29,704,895</u>	<u>29,683,998</u>
Collections:		
At fair value	22,429,126	22,360,994
Equipment & Furniture:		
Equipment and Furniture at cost	843,718	794,771
Less: Accumulated depreciation	(617,066)	(554,446)
	<u>226,652</u>	<u>240,325</u>
Total property, collections and equipment at net book value:	<u>52,360,673</u>	<u>52,285,317</u>
Reconciliations		
Property:		
FREEHOLD LAND AND BUILDINGS		
Carrying amount at the beginning of the year	26,658,495	26,521,769
Additions	20,897	136,726
Disposals	-	-
Carrying amount at the end of the year	<u>26,679,392</u>	<u>26,658,495</u>
HELD AS CUSTODIAN		
Carrying amount at the beginning of the year	3,025,503	3,004,485
Additions	-	21,018
Carrying amount at the end of the year	<u>3,025,503</u>	<u>3,025,503</u>
Collections:		
Carrying amount at the beginning of the year	22,360,994	22,155,501
Additions	252	557
Disposals	(5,000)	-
Revaluation Increment	72,880	204,936
Carrying amount at the end of the year	<u>22,429,126</u>	<u>22,360,994</u>
Equipment & Furniture:		
Carrying amount at the beginning of the year	240,325	274,532
Additions	48,947	53,939
Disposals	-	-
Depreciation	(62,620)	(88,146)
Carrying amount at the end of the year	<u>226,652</u>	<u>240,325</u>
Total Property, Collections & Equipment	<u>52,360,673</u>	<u>52,285,317</u>

NOTE 7: OTHER FINANCIAL ASSETS	Note	2009 \$	2008 \$
Other Financial Assets designated as At Fair Value through Profit or Loss			
Investments - Unit Trusts		-	2,602,280
Funds under Management - Other Investments		<u>5,958,017</u>	3,923,555
Total Other Financial Assets		<u>5,958,017</u>	6,525,835
Movements:			
Opening Balance		6,525,835	2,983,660
Add: Acquisition of Shares		-	4,575
Less: Disposal of Shares		-	(11,872)
Less: Disposal of Unit Trusts		(2,556,127)	-
Add: Cash Deposit transferred to Investments		<u>2,212,196</u>	3,803,741
		(343,931)	3,796,444
Devaluation of investments to market value		(223,887)	(254,269)
Closing Balance		<u>5,958,017</u>	6,525,835
NOTE 8: DEFERRED INCOME AND UNEXPENDED GRANTS			
Current:			
Deferred Income		304,618	659,395
Unexpended Grants	21	<u>1,368,474</u>	431,885
		<u>1,673,092</u>	1,091,280
NOTE 9: EMPLOYEE ENTITLEMENTS			
Current:			
Long Service Leave		137,725	136,711
Annual Leave		243,004	172,605
Other Employee Benefit		6,386	-
		<u>387,115</u>	309,316
Non-Current:			
Long Service Leave		<u>58,307</u>	39,787
		<u>58,307</u>	39,787
NOTE 10: RESERVES			
Retained Surplus at the start of the year		20,454,521	20,686,819
Deficit for the year		(420,525)	(232,298)
Retained Surplus at the end of the year		<u>20,033,996</u>	20,454,521
Asset Revaluation Reserve at the start of the year		37,229,456	37,024,520
Revaluation of Collection		72,880	204,936
Disposal of Collection Item		(5,000)	-
Asset Revaluation Reserve at the end of the year		<u>37,297,336</u>	37,229,456
		<u>57,331,332</u>	57,683,977

The Asset Revaluation Reserve is used to record increments and decrements on the revaluation of collections and all other assets.

NOTE 11: RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated

(a) Directors

The names of those who served as Directors on the Board of the Trust during the 2008-2009 financial year were as follows:

Non-Executive Directors

Ian Carroll OAM (President)	Janine Kitson
Dr. Zeny Edwards (Former President)	Helen Lochhead
William Holmes à Court (Treasurer)	Peter Lowry OAM
Dr. Paul Adam	Maisy Stapleton
Julian Bickersteth	Alan Terrell
Wendy Carlson	Prof. Ross Griffith
Robyn Christie	Maureen Pike
Don Godden	

Executive Directors

Steven A White (Former Executive Director, Acting)
John Neish (Executive Director)

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 the year*	Short-term benefit	Post -employment benefits	Total
		\$	\$	\$
2009	12	689,037	45,648	734,685
2008	7	533,608	24,649	558,257

No compensation was received by any non-executive Director.

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

Name	Position	
Edward John Neish	Executive Director	started 25/08/08
Steven White	Finance Director	finished 21/12/08
Graham Quint	Conservation Director	re-assigned 15/03/09
Alan Smith	Director of Membership and Fundraising	in place for full year
Richard Wesley	Museums Director	finished 01/04/09
Jane Worthy	Director Regions & Networks	started 27/01/09
Mark Small	Director, National Trust Enterprises	started 11/03/09
Michael McCosker	Director, Total Asset Management	started 16/03/09
James Shanahan	Director of Corporate Services	started 22/12/08
Scott Woodcock	Director, Core Programmes	started 16/03/09
Victoria Walker	Director of Communications and Marketing	started 23/03/09

NOTE 11: RELATED PARTIES cont'd

(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 2009 amounted to \$23,496 (2008 - \$25,368).

(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.

NOTE 12: SEGMENT INFORMATION

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. Apart from obligations for Macquarie's Mausoleum on the Isle of Mull, Scotland, the Trust is domiciled in and operates solely within New South Wales, Australia.

NOTE 13: NOTES TO CASH FLOW STATEMENT

(i) Reconciliation of Cash

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

	2009	2008
	\$	\$
Cash and Cash Deposits	<u>1,690,727</u>	373,345
Total Cash and Cash Equivalents	<u>1,690,727</u>	373,345

All cash and cash equivalents mature within one year.

(ii) Reconciliation of Deficit for the Year to net cash provided by operating activities	Note	2009	2008
		\$	\$
Deficit for the year:		(420,525)	(232,298)
Interest received		(3,699)	(251,583)
Dividends received		(6,194)	(7,789)
Distribution income received		(382,972)	(177,986)
Depreciation and amortisation		62,620	88,146
Disposal of Investments		-	1,039
(Increase)/decrease in value of investments	7	223,887	254,269
(Increase)/decrease in receivables		(27,282)	369,059
(Increase)/decrease in inventories		(31,603)	53,450
(Increase)/decrease in prepayments		(68,415)	11,453
(Decrease)/increase in payables		1,209,314	188,037
(Decrease)/increase in provisions		96,320	(32,730)
Net cash provided by/(used in) operating activities		<u>651,451</u>	263,067

NOTE 14: RESTORATION APPEALS

Monies are held separately by the Trust on behalf of specific restoration appeals. These amounts are not included in the Balance Sheet or the Income Statement of the Trust

	Note	2009	2008
		\$	\$
		<u>2,828,665</u>	2,286,113

NOTE 15: SUPERANNUATION

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

NOTE 16: CAPITAL MANAGEMENT

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

NOTE 17: RISK MANAGEMENT AND ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE**(a) Interest rate risk**

The Trust is exposed to Interest Rate Risk in relation to its cash and 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% (2008: 0.00% and 6.71%)

(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 2009.

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, investments in managed funds are exposed to market 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.

NOTE 18: COMMITMENTS**(a) Operating Leases Commitments**

	2009	2008
Commitments for minimum lease payments are as follows	\$	\$
One year or less	49,503	65,325
from one to five years	98,340	147,843
over five years	-	-
	<u>147,843</u>	<u>213,168</u>

(b) Capital Commitments

As at the 30th June 2009 the Trust has 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>331,815</u>	<u>-</u>

NOTE 19: CHARITABLE FUNDRAISING ACT

The Trust had various fundraising avenues for donations during the year:

	Income	Cost	Net	Applied
	\$	\$	\$	%
Membership/Benefactor donations	104,379	-	104,379	100%
Museums, Galleries and Committee function donations	107,687	-	107,687	100%
2008 Winter Appeal	14,707	-	14,707	100%
2008 Spring Appeal	25,868	4,320	21,548	83%
2008 Summer Appeal	48,720	9,311	39,409	81%
2009 Autumn Appeal	25,667	2,898	22,769	89%
2009 Winter Appeal	19,048	4,709	14,339	75%
Other Appeals	29,713	-	29,713	100%
	<u>375,789</u>	<u>21,238</u>	<u>354,551</u>	<u>94%</u>

Membership renewal forms , Museums, Galleries and Committees give Members and the public generally an opportunity to make unsolicited donations toward the Trust's activities.

NOTE 20: OTHER INFORMATION**Registration**

The Trust is exempt from the need to obtain an authority to fundraise under Section 9(3)(b) of the Charitable Fundraising Act.

Additional Information to Members

Additional disclosures in respect of these financial statements have been made in a series of supplementary schedules that are available to help members better understand the financial position of The Trust.

The supplementary schedules do not form part of the audited financial statements and are provided in a booklet form which is available to members upon request.

NOTE 21: UNEXPENDED GRANTS

Grant Details	Balance at 1 July 2008	Income	Expenditure	Balance at 30 June 2009
	\$	\$	\$	\$
Stage 1 - Dundullimal	-	42,000	7,928	34,072
Stage 1 - Everglades House & Garden Work	-	56,000	-	56,000
Stage 1 - Grossman and Brough	-	54,500	-	54,500
Macquarie's Bicentennial Project Old Government House, Parramatta	-	922,500	2,985	919,515
American Express Partners in Preservation	171,908	-	-	171,908
An Index of Kindness SH Ervin Gallery Project	16,500	-	14,782	1,718
Montague Island Lighthouse Museum Interpretation	7,306	-	-	7,306
Riversdale Waterway Clearing Grant	4,174	-	-	4,174
Norman Lindsay Gallery Water Grant	45,455	-	36,228	9,227
Everglades Gardens Water Grant	49,662	133	43,017	6,778
Building C S H Ervin Gallery Upgrade	45,000	-	-	45,000
Woodford Academy Water Grant	37,418	-	-	37,418
Macquarie's Mausoleum Isle of Mull	9,896	20,000	1,694	28,202
Conservation Donation Account	1,187	-	-	1,187
Conservation Donation Account	1,298	-	-	1,298
Stage Conservation Grant - Dundallimal	-	-	29,603	(29,603)
Everglades Gardens	8,120	-	528	7,592
Stella James House	-	14,776	2,594	12,182
Various inc Wolli Creek Training, Ying Yang Exhibition	33,961	-	33,961	-
Total	431,885	1,109,909	173,320	1,368,474

NOTE 22: BEQUEST REVENUE

The Trust received \$600,000 from the Butler Estate during the year. Under the terms of the bequest \$350,000 was allocated to the Trust to fund the acquisition, restoration, maintenance and preservation of house museums of historical value or for the purchase of items of heritage value to be displayed in the Trust's museums.

\$250,000 is held by the Trust and invested to make grants available to organisations for the following purposes:

- (i) the public exhibition of vintage and veteran cars in New South Wales,
- (ii) the restoration and preservation of vintage and veteran cars for the purpose of public exhibition in New South Wales,
- (iii) education or research into vintage and veteran cars in New South Wales.