



NTQ Financial Report 2007-2008

NTQ Financial Report Year Ended 30 June 2008

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INDEPENDENT AUDITOR'S REPORT

To the Council of the National Trust of Queensland

Matters Relating to the Electronic Presentation of the Audited Financial Report

The audit report relates to the financial report of the National Trust of Queensland for the financial year ended 30 June 2008 included on the National Trust of Queensland's web site. The Council is responsible for the integrity of the National Trust of Queensland's web site. We have not been engaged to report on the integrity of the National Trust of Queensland's web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial 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, available from the National Trust of Queensland, to confirm the information included in the audited financial report presented on this web site.

Report on the Financial Report

I have audited the accompanying financial report of the National Trust of Queensland which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the President and the Treasurer.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*, including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). 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.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the *Australian Auditing Standards*. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

INDEPENDENT AUDITOR'S REPORT

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 risks of material misstatement in 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Auditor's Opinion

In accordance with s.46G of the *Financial Administration and Audit Act 1977* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the National Trust of Queensland for the financial year 1 July 2007 to 30 June 2008 and of the financial position as at the end of that year.

M R HYMAN CA
As Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

NATIONAL TRUST OF QUEENSLAND

CERTIFICATE BY MANAGEMENT COUNCIL

We certify that, in our opinion –

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and

- (b) the financial report as set out in pages 3 to 15 has been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the National Trust of Queensland for the financial year ended 30 June 2008 and of the financial position as at the end of that year.

Dr. J Jackson

President

S Sheaffe

Treasurer

NATIONAL TRUST OF QUEENSLAND

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Revenue			
Membership		270,107	243,777
Admissions		249,483	237,822
Untied Grants		126,437	123,359
Interest and Distributions		80,697	44,993
Sales		70,278	64,986
Property Rental Income		64,286	71,924
Other Operating Income		57,812	42,858
Sponsorship		53,000	35,000
Administration Fees		34,391	37,958
Donations		14,352	14,399
Total Revenue		<u>1,020,843</u>	<u>917,076</u>
less Cost of Goods Sold		39,491	36,988
Net Income		<u>981,352</u>	<u>880,088</u>
Expenses			
Wage and Employment Costs	3(a)	570,275	555,108
Operational Costs	3(b)	259,130	280,653
Administrative and Professional Costs	3(c)	104,393	86,050
Depreciation Expense	7	34,194	44,059
Audit Fees - external		18,000	17,600
- other		950	900
Advertising Costs		3,797	9,933
Inventory write off		-	5,894
Write-off of Assets below threshold		-	192,844
Write-back of expected 2005/06 QCF Distribution		-	14,040
Loss on sale of property, plant & equipment	2	17,250	4,590
Total expenses		<u>1,007,989</u>	<u>1,211,671</u>
Operating Surplus/(Deficit)		<u><u>(26,637)</u></u>	<u><u>(331,583)</u></u>

The accompanying notes form part of these financial statements.

NATIONAL TRUST OF QUEENSLAND

BALANCE SHEET
AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash Assets	4	437,120	479,418
Inventories		51,669	40,457
Receivables	5	60,775	33,619
Other	6	29,094	29,819
TOTAL CURRENT ASSETS		<u>578,658</u>	<u>583,313</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	7,067,005	5,780,601
Other Financial Assets	8	2,208,918	2,208,918
TOTAL NON-CURRENT ASSETS		<u>9,275,923</u>	<u>7,989,519</u>
TOTAL ASSETS		<u>9,854,581</u>	<u>8,572,832</u>
CURRENT LIABILITIES			
Payables	9	68,418	116,619
Accrued Employee Benefits	10	32,235	27,382
Advance Membership		18,588	19,891
TOTAL CURRENT LIABILITIES		<u>119,241</u>	<u>163,892</u>
NON-CURRENT LIABILITIES			
Advance Membership		13,542	13,520
Accrued Employee Benefits	10	17,079	1,912
TOTAL NON-CURRENT LIABILITIES		<u>30,621</u>	<u>15,432</u>
TOTAL LIABILITIES		<u>149,862</u>	<u>179,324</u>
NET ASSETS		<u>9,704,719</u>	<u>8,393,508</u>
EQUITY			
Accumulated Funds		3,676,390	3,703,025
Asset Revaluation Reserve		3,819,411	2,481,565
Capital		2,208,918	2,208,918
TOTAL EQUITY		<u>9,704,719</u>	<u>8,393,508</u>

The accompanying notes form part of these financial statements.

NATIONAL TRUST OF QUEENSLAND

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Accumulated Funds			
Opening balance 1st July		3,703,025	4,043,388
Less Transfers to Specific Purposes Fund	2		(8,780)
Add Net Surplus/(Deficit) from the Income Statement		(26,637)	(331,583)
Closing balance 30th June		<u>3,676,390</u>	<u>3,703,025</u>
Asset Revaluation Reserve			
Opening balance 1st July			
Land		1,332,760	1,344,760
Buildings		932,917	945,909
Heritage Collectibles		215,887	215,887
		<u>2,481,564</u>	<u>2,506,556</u>
Add Gain/(Loss) on property valuation			
Land		869,500	(12,000)
Buildings		468,347	(12,992)
Closing balance 30th June			
Land		2,202,260	1,332,760
Buildings		1,401,264	932,917
Heritage Collectibles		215,887	215,887
		<u>3,819,411</u>	<u>2,481,564</u>
TOTAL		<u>7,495,801</u>	<u>6,184,589</u>

The accompanying notes form part of these financial statements.

NATIONAL TRUST OF QUEENSLAND

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Inflows</i>			
Receipts from customers and members		771,643	754,332
Receipts from Untied Donations		140,789	137,758
Interest received		80,697	44,993
GST Input Tax Credits from ATO		-	-
<i>Outflows</i>			
Payments to suppliers and employees		(1,017,722)	(932,790)
GST paid to the Australian Tax Office		(17,705)	(38,551)
NET CASH PROVIDED BY (USED IN)			
OPERATING ACTIVITIES	11	(42,298)	(34,258)
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Inflows</i>			
Proceeds from sale of property, plant and equipment		-	10,410
<i>Outflows</i>			
Transfer to Specific Purposes Fund from sale of furniture		-	(8,780)
Payment for property, plant and equipment		-	(4,091)
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		-	(2,461)
NET (DECREASE)/INCREASE IN CASH HELD		(42,298)	(36,719)
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		479,418	516,137
CASH AT END OF FINANCIAL YEAR	4	437,120	479,418

The accompanying notes form part of these financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

Objectives of the National Trust

The National Trust is constituted for the purposes of promoting - (a) the preservation and maintenance for the benefit of the public generally of lands, buildings, furniture, pictures and other chattels of beauty or of national, historic, scientific, artistic, or architectural interest; (aa) where the state of any building referred to in paragraph (a) is such that it does not express the original design or intention for that building - the restoration or completion of that building to the extent of or to a lesser extent than the original design or intention so as to be consistent and in harmony with the original design or intention having regard to its architectural style; (b) the protection and augmentation of the amenities of such lands, buildings and chattels and their surroundings; (c) the access to and enjoyment of such lands, buildings and chattels by the public.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A: Basis of Accounting

The National Trust of Queensland has adopted all of the required changes to conform to the Australian Equivalents to International Financial Reporting Standards (IFRSs).

These financial statements are a general purpose financial report.

This financial report is for the entity of the National Trust of Queensland as an individual entity. The entity is constituted under the *National Trust of Queensland Act 1963*, and consistent with that Act, the entity has adopted a mission statement, which is to "identify, preserve, and promote our heritage". The financial report does not include the financial results of Currumbin Wildlife Sanctuary. Any potential surplus generated by Currumbin Wildlife Sanctuary cannot be applied to any other National Trust activity or business operation. *The Currumbin Bird Sanctuary Act 1976* specifically states in s 12(1) that "A surplus in the general fund or any part thereof shall not be applied to any purpose save the maintenance, improvement or enlargement of the Currumbin bird sanctuary unless the approval of the Governor in Council to their application to such purpose is first obtained." The results of Currumbin Wildlife Sanctuary are therefore reported separately in accordance with legislative requirements.

The financial report has been prepared on an accrual and going concern basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the National Trust of Queensland in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

B: Funds Accounting

The accounts of the Trust consist of two funds:

(i) General Fund

The General Fund provides for the general administration of the Trust including members' services, property management and publicity. It also accepts donations of a general nature.

It includes the financial operations of a network of branches throughout Queensland. It also includes the central office departments which manage administration, marketing, the "Trust News" newsletter, and general business.

(ii) Specific Purposes Fund

The Specific Purposes Fund comprises money donated or bequeathed to the Trust for use in accordance with the wishes of the donors. The fund may be augmented by grants from the Government and transfers from the General Fund. The use of the Fund is generally restricted to the acquisition and restoration of specifically listed properties and chattels held for permanent preservation and related projects and studies. This Fund, from this financial year, is not incorporated into the accounts but included in the Notes to the Accounts. See Note 15.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

C: Inventories

Inventories consist of trading stock and are valued at the lower of cost and net realisable value.

D: Property, Plant and Equipment

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

All items of plant and equipment items with a cost or value in excess of \$5,000 and buildings and heritage assets in excess of \$10,000 and a useful life of more than one year are recognised as an asset.

Property

Freehold land and buildings and heritage collectible items are valued by measuring by fair value basis on a 5 year rotation plan, i.e. approximately one fifth of the asset portfolio is independently valued each year. Fair value of a heritage property is defined to the registered valuers as the maximum value the National Trust or similar organisation would rationally pay to acquire the property.

Revaluation

Land, buildings, and heritage collectibles measured at fair value are comprehensively revalued at least once every five years with interim valuations, using appropriate indices, being performed on an annual basis.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that class.

Depreciation

Heritage Collectibles items with a value in excess of \$10,000 are not depreciated because generally they increase in value.

Land is not depreciated as it has an unlimited useful life.

Depreciation on all other assets is calculated on a straight line basis, to write off the cost over the estimated useful lives. The depreciation periods used are as follows -

Buildings	100	years
Office Equipment	5 - 10	years
Display Cases	20	years
Furniture and Fittings	10	years
Plant & Equipment	4 - 20	years

Impairment

All non-current assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Trust determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

E: Revenue Recognition

Amounts disclosed as revenue are net of returns, and taxes paid or payable. Revenue is recognised for the major business activities as follows -

- (i) Donations and bequests - when cash is received.
- (ii) Heritage and administrative grants - when grant funds are received.
- (iii) Membership Subscriptions - in the year to which they refer.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

F: Employee Benefits

Wages, Salaries, Recreation Leave and Sick Leave

Wages, salaries and recreation leave due but unpaid at reporting date are recognised in the Balance Sheet at the remuneration rates expected to apply at the time of settlement and include related on-costs such as WorkCover premiums, long service leave levies and employer superannuation contributions. For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. For those entitlements not expected to be paid within 12 months, the liabilities are recognised at their present value, calculated using yields on Commonwealth Government bonds of similar maturity.

No accrual is made for sick leave entitlements as these are non-vesting and past experience indicates that aggregate payments for sick leave taken in the future will be less than the value of future entitlements.

Long Service Leave

Long service leave is assessed at balance date having regard to future employee remuneration rates and other factors including accumulated years of employment and future remuneration levels. All long service leave is estimated as to whether it is to be paid earlier or later than one year and is measured at the present value of the estimated future cash outflows to be made for this entitlement accrued to balance date. Relevant Commonwealth Bond Rates are used for discounting cash flows.

Superannuation

Employees of the National Trust of Queensland are members of QSuper. Contributions to employee superannuation plans are expensed in the period in which they are paid or payable.

G: Specific Purposes Fund Expenditure

Expenditure on projects and studies is written off as incurred. Assets acquired by this Fund are brought to account in the Income Statement. This fund also expends on heritage conservation of assets owned by the wider community.

H: Cash Assets

For the purposes of the Balance Sheet and the Cash Flow Statement, cash assets include cash on hand and cheques receipted but not banked at 30 June as deposits with banks or financial institutions, and investments in money market instruments maturing within less than 6 months.

I: Taxation

The activities of the Trust are defined under the *Income Tax Assessment Act 1987* and is exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). As such, input tax credits receivable and GST payable from/to the Australian Taxation Office are recognised and accrued.

J: Comparative Figures

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

K: Receivables

Receivables are recognised when invoices are issued. Settlement is required within 30 days of the date of invoice. The collectability of receivables is assessed periodically with provision being made for doubtful debts. Bad debts are written off in the period in which they are recognised.

L: Payables

Payables are recognised for amounts payable in the future for goods and services received, whether or not billed to the Trust. Creditors are generally unsecured, not subject to interest charges and are settled promptly.

NATIONAL TRUST OF QUEENSLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 2: GAINS			
Gain/Loss on Sale of Property, Plant and Equipment			
Property		(17,250)	-
Plant and Equipment		-	(4,590)
Total		<u>(17,250)</u>	<u>(4,590)</u>

NOTE 3: INCOME STATEMENT

	Note	2008 \$	2007 \$
(a) Wage and Employment Costs			
Wages and salaries		524,447	505,432
Employer superannuation contributions		43,206	44,805
Other		2,622	4,871
		<u>570,275</u>	<u>555,108</u>

The Trust had 10 full time equivalent employees at 30 June 2008 (11.75 at 30 June 2007).

(b) Operational Costs

Cleaning & Maintenance	39,826	43,443
Rates, Taxes and Licence Fees	37,039	34,646
Events/Fundraising	35,885	38,986
Insurance & Security	33,381	34,677
Publishing Trust News	31,926	34,942
Telephones & Electricity	25,950	26,400
Other Expenses	23,541	31,092
Travel & Entertainment	19,895	20,169
Membership Expenses (ACNT Levy)	11,687	11,418
Heritage Strategy Expenses	-	4,880
	<u>259,130</u>	<u>280,653</u>

(c) Administrative and Professional Costs

Externally Contracted Services	60,423	41,154
Office and Computer Expenses	38,104	36,399
Conferences, Training and Meetings	5,866	8,497
	<u>104,393</u>	<u>86,050</u>

	Note	2008 \$	2007 \$
NOTE 4: CASH ASSETS			
Cash on Hand, at Bank and on Deposit		437,120	479,418
Total Cash Assets		<u>437,120</u>	<u>479,418</u>

NATIONAL TRUST OF QUEENSLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
NOTE 5: RECEIVABLES			
Trade Debtors		29,755	8,582
Less Provision for Doubtful Debts		-	-
		<u>29,755</u>	<u>8,582</u>
GST Receivable		-	16
Accrued Income		31,020	25,021
		<u>60,775</u>	<u>33,619</u>
Total Receivables		<u><u>60,775</u></u>	<u><u>33,619</u></u>

	Note	2008 \$	2007 \$
NOTE 6: OTHER CURRENT ASSETS			
Deposits and Prepayments		29,094	29,819
Total Other Current Assets		<u><u>29,094</u></u>	<u><u>29,819</u></u>

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Property			
Land (at valuation)		3,303,500	2,434,000
Buildings (at valuation)		3,806,674	3,338,326
Less Accumulated Depreciation		(146,055)	(112,672)
		<u>6,964,119</u>	<u>5,659,654</u>
Heritage Collectibles			
At Valuation		<u>97,350</u>	<u>114,600</u>
Other Equipment at Cost			
Less Accumulated Depreciation		(2,566)	(1,756)
		<u>5,537</u>	<u>6,347</u>
Total			
At Valuation		7,207,524	5,886,926
At Cost		8,103	8,103
Less Accumulated Depreciation		(148,621)	(114,428)
Total Property, Plant and Equipment		<u><u>7,067,006</u></u>	<u><u>5,780,601</u></u>

Movements during the reporting year

	Opening WDV	Additions	Disposals	Revaluation	Deprec/n	Closing WDV
Land	2,434,000			869,500		3,303,500
Buildings	3,225,654			468,347	(33,383)	3,660,618
Heritage Collectibles	114,600		(17,250)			97,350
Display Cases						-
Other Equipment	6,347				(810)	5,537
	<u>5,780,601</u>	-	<u>(17,250)</u>	<u>1,337,847</u>	<u>(34,193)</u>	<u>7,067,005</u>

NATIONAL TRUST OF QUEENSLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE: 8 OTHER NON-CURRENT FINANCIAL ASSETS

(a) Currumbin Wildlife Sanctuary - Investment

Consistent with the *Currumbin Bird Sanctuary Act 1976*, the Sanctuary's financial report is presented separately and not consolidated with the National Trust of Queensland.

The National Trust of Queensland's investment in the Currumbin Wildlife Sanctuary comprises -

	2008	2007
	\$	\$
Non-Current Asset		
Other Financial Assets		
Currumbin Wildlife Sanctuary	2,208,918	2,208,918
	<u>2,208,918</u>	<u>2,208,918</u>

(b) Currumbin Wildlife Sanctuary - Investment

The operations of Currumbin Wildlife Sanctuary are managed and administered by the National Trust of Queensland separately from the National Trust of Queensland's other activities. Some administrative and accounting service costs were charged as follows -

	2008	2007
Note	\$	\$
Assets and liabilities existing at balance date with the Currumbin Wildlife Sanctuary are as follows -		
Liabilities		
Payables	-	-
Assets		
Receivables	-	-

NOTE 9: PAYABLES

	2008	2007
Note	\$	\$
Trade Creditors	21,743	79,548
Audit Fees Payable	15,200	18,500
Other Accruals	31,475	18,571
Total Payables	<u>68,418</u>	<u>116,619</u>

NOTE 10: ACCRUED EMPLOYEE BENEFITS

Current

	2008	2007
Note	\$	\$
Accrual for Annual Leave	32,235	27,382
	<u>32,235</u>	<u>27,382</u>

Non Current

	2008	2007
Note	\$	\$
Accrual for Long Service Leave	17,079	1,912
	<u>17,079</u>	<u>1,912</u>

Total Accrued Employee Benefits	<u>49,314</u>	<u>29,294</u>
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 11: CASH FLOW INFORMATION

	Note	2008 \$	2007 \$
Reconciliation of cash flow from operations with profit (loss) from ordinary activities			
Surplus/(Deficit) from Ordinary Activities		(26,637)	(331,583)
Non cash flows included in Profit/(Loss) from all funds			
Depreciation		34,194	44,059
Writedown of Assets sold		17,250	-
Writeback of 2005/06 QCF distribution		-	14,040
Loss/(Gain) on Sale of non-current assets		-	4,590
Write off of Assets under threshold		-	192,844
Changes in assets and liabilities arising from Operating Activities:			
<i>Decrease(Increase) In Assets</i>			
Decrease(Increase) in Inventories		(11,210)	9,954
Decrease(Increase) in Receivables		(26,430)	13,339
Decrease(Increase) in Other Current Assets		-	-
<i>Increase(Decrease) in Liabilities</i>			
Increase(Decrease) in Payables		(48,202)	23,767
Increase(Decrease) in Accrued Expenditure		20,020	2,104
Increase(Decrease) in Advance Membership		(1,283)	(7,372)
Net Cash Used In Operating Activities		(42,298)	(34,258)

NOTE 12: FINANCIAL INSTRUMENTS

(a) Credit Risk

The credit risk on financial assets which have been recognised in the Balance Sheet is generally the carrying amount, net of any provision for doubtful debts.

The Trust does not have any material risk exposure to any single debtor or group of debtors.

(b) Interest Rate Risk

The Trust's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the Trust intends to hold fixed rate assets and liabilities to maturity.

(c) Liquidity Risk

The National Trust of Queensland manages liquidity risk through the use of the Liquidity Management Strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Trust has sufficient funds available to meet employee and supplier obligations at all times. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier obligations.

(d) Fair Value

The fair value is determined as follows:

- The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts.
- The fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists, or is determined by discounting expected future cash flows by the current interest rate for financial assets and liabilities with similar risk profiles.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 12: FINANCIAL INSTRUMENTS (cont'd)

Fixed Interest Rate Maturing in:

For the Year ended 30 June 2008

	Floating Interest Rate	1 year or less	Over 1 year to 5 years	More than 5 years	Non Interest Bearing	Total	Weighted Average Rate %
Financial Assets							
Cash Assets	85,778	346,961			4,381	437,120	7.57%
Receivables					60,775	60,775	-
Investments					2,208,918	2,208,918	-
Total	85,778	346,961	-	-	2,274,074	2,706,813	
Financial Liabilities							
Payables					68,418	68,418	-
Total	-	-	-	-	68,418	68,418	
Net Financial Assets	85,778	346,961	-	-	2,205,656	2,638,395	

Fixed Interest Rate Maturing in:

For the Year ended 30 June 2007

	Floating Interest Rate	1 year or less	Over 1 year to 5 years	More than 5 years	Non Interest Bearing	Total	Weighted Average Rate %
Financial Assets							
Cash Assets	52,170	423,885			3,363	479,418	6.28%
Receivables					33,619	33,619	-
Investments					2,208,918	2,208,918	-
Total	52,170	423,885	-	-	2,245,900	2,721,955	
Financial Liabilities							
Payables					116,619	116,619	-
Total	-	-	-	-	116,619	116,619	
Net Financial Assets	52,170	423,885	-	-	2,129,281	2,605,336	

NOTE 13: LEASE COMMITMENTS

From November 2005 the National Trust has leased a Toyota Corolla to replace the vehicle held under an expired Qfleet sponsorship. The lease is of 3 year duration, to expire in October 2008. The agreed lease rental is \$409 per month.

	2008 \$	2007 \$
Rental Expenses	4,923	4,957

For the Year ended 30 June 2008

	1 year or less	Over 1 year to 5 years	More than 5 years	Total
Future Commitments	1,641		-	1,641

NATIONAL TRUST OF QUEENSLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE: 14 TRUST PROPERTIES

Properties held in fee simple or under lease (L), or permit (P)	Note	2008 \$		
		Land	Buildings	Total
1 Wolston House, Grindle Road, Wacol		780,000	566,000	1,346,000
2 James Cook Historical Museum, Cooktown		225,000	707,000	932,000
3 Stock Exchange Building, Charters Towers		177,500	282,500	460,000
4 The Royal Bull's Head Inn, Drayton		200,000	309,000	509,000
5 Powder Magazine, Cooktown		240,000	57,282	297,282
6 Lyall's Jewellery Store, Charters Towers		50,000	60,000	110,000
7 Bartlam's Building, Charters Towers		150,000	275,000	425,000
8 Mount Isa Tent House, Mount Isa		15,000		15,000
9 Hou Wang Temple, Atherton		236,000	91,000	327,000
10 "Currajong", Heritage Centre, Townsville	(L)		290,000	290,000
11 "The Farm House", Heritage Centre, Townsville	(L)		265,000	265,000
12 "Workers Dwelling", Heritage Centre, Townsville	(L)		50,000	50,000
13 School of Mines Building, Charters Towers	(P)		183,836	183,836
14 Brennan and Geraghty's Store, Maryborough		90,000	298,000	388,000
15 B & G Residence "Uskerty", Maryborough		105,000	144,000	249,000
16 B & G Cottage, Maryborough		75,000	82,000	157,000
17 Moon's Reserve, Moons Lane, Brookfield		960,000		960,000
		<u>3,303,500</u>	<u>3,660,618</u>	<u>6,964,118</u>

Independent valuations of land and buildings have been performed by Maurice Gardiner & Associates of Brisbane and Herron Todd White, of Townsville and Cairns. This year, by rotation plan, the properties in Townsville and Charters Towers have been revalued. The valuations were at fair value as defined in Note 1D. The valuation of land and buildings is based on current market values, using appropriate revaluation indices. The School of Mines Building, held under perpetual permit is in the process of being released back to the Department of Public Works. The current fair value is reported to acknowledge the economic benefits gained by the Trust from control of this building.

Heritage collectible assets were valued independently in 2004 by S. Christison of Lancaster's Antique Centre, Toowoomba.

Equipment items are valued at cost.

NATIONAL TRUST OF QUEENSLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 15: SPECIFIC PURPOSES FUND	2008	2007
	\$	\$
Opening Balance	1,120,480	1,269,522
Add Revenue		
Donations	3,307,688	1,563,777
Grants	34,422	96,054
Interest	29,376	31,741
Total revenue for Specific Purposes Fund	<u>3,371,486</u>	<u>1,691,572</u>
Less Expense		
Donations Applied	2,615,879	1,742,465
Grants Applied	20,023	93,715
Bank Fees	5,734	4,434
Total expenses for Specific Purposes Fund	<u>2,641,636</u>	<u>1,840,614</u>
Total Surplus/(Deficit) for Specific Purposes Fund	<u>729,850</u>	<u>(149,042)</u>
Closing Balance	<u>1,850,330</u>	<u>1,120,480</u>
Specific Purposes Fund Assets and Liabilities		
<i>Current Assets</i>		
Cash	1,779,615	1,091,644
Other Financial Assets	75,721	35,575
	<u>1,855,336</u>	<u>1,127,219</u>
<i>Current Liabilities</i>		
Other Financial Liabilities	<u>(5,006)</u>	<u>(6,739)</u>
Total	<u>1,850,330</u>	<u>1,120,480</u>
NOTE 16: INDIVIDUAL PROPERTY OPERATIONS		
A: Properties - Individual surplus/(deficit)		
	2008	2007
	\$	\$
"Open to the Public" Properties		
Atherton Chinatown	(41,604)	(54,152)
Brennan & Geraghty's Store	(6,147)	(5,843)
Charters Towers Museum	(61,186)	(59,545)
H/Centre Townsville	(1,652)	3,731
James Cook Museum	58,865	48,137
Royal Bulls' Head Inn	(1,529)	(190)
Wolston House	(19,759)	(22,647)
Other Properties		
Lyll's Building	(1,063)	1,103
Moon's Reserve	488	316
Powder Magazine	(812)	(892)
School of Mines	8,861	7,265
Stock Exchange	23,015	23,862
Tent House Mt Isa	(860)	(842)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 16: INDIVIDUAL PROPERTY OPERATIONS (cont'd)

B: Properties - Expenditure from ALL sources

This report has evolved from the observation of the diminishing availability of grants to assist with the operation and maintenance of the Trust's properties. The figures below report cash outgoings; depreciation of buildings is not included in these calculations.

	2008	2007	2008	2007
	\$	\$	\$	\$
	Grants only	Grants only	Total	Total
"Open to the Public" Properties				
Atherton Chinatown		2,043	87,844	102,431
Brennan & Geraghty's Store			6,147	5,843
Charters Towers Museum		19,060	72,149	92,954
H/Centre Townsville	7,250	199	21,087	10,753
James Cook Museum			197,846	186,944
Royal Bulls' Head Inn			2,520	2,172
Wolston House			31,360	34,600
Other Properties				
Lyll's Building			2,755	2,497
Moon's Reserve			974	1,103
Powder Magazine	2,923	1,118	3,735	2,010
School of Mines			2,179	4,114
Stock Exchange			18,663	20,345
Tent House Mt Isa			1,475	1,399

NOTE 17: GOODS AND SERVICES RECEIVED BELOW FAIR VALUE

National Trust House

National Trust House is leased from the Department of Public Works under a rent-free but revocable arrangement. The Department does not assign commercial leasing rates to heritage buildings as old as National Trust House; thus the office space leasing cannot be valued.

NOTE 18: SEGMENT REPORTING

The entity is set up under the *National Trust of Queensland Act 1963*, and consistent with that Act, the entity has adopted a mission statement, which is to "identify, preserve, and promote our heritage". The Trust holds various listed properties which are open to the public for access in the State of Queensland.

Through a network of branches and a central office, the Trust generates revenue from memberships, admissions, rental, events and functions, and advertising. The Trust also receives funding by way of Federal and State grants, bequests, and donations for general application as well as for specific purposes.

NATIONAL TRUST OF QUEENSLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 19: CONTINGENT ASSET

The National Trust of Queensland has established a fund with the Queensland Community Foundation (QCF) for the purposes of creating a specific fund for the National Trust to generate future income and donations. All contributions made to this named fund within QCF are held in Trust and invested in perpetuity with net income distributed to the National Trust at the discretion of the Trustee in accordance with the Queensland Community Fund Declaration of Trust. At balance date this fund is valued at \$365,188.32 of which \$300,000 was contributed by the National Trust. During this financial year of 2007/08 the National Trust of Queensland earned \$39,067, which included a one-off large surplus from realised capital gains, (2006/07: \$12,846) as a return on the amount held in this fund.

NOTE 20: RELATED PARTY TRANSACTIONS

MANAGEMENT COUNCIL

The names of the persons who were council members at any time during the financial year are as follows -

President Dr D. Menghetti (to November 2007)
 Dr J. Jackson (from November 2007)

Honorary
Secretary Mrs J. Hogan

Treasurer Mr S. Sheaffe

Councillors	Major A. Hogan Senior Vice President Mr G. Smith Vice President (to November 2007)	Dr D. Gibson-Wilde Vice President Ms M. Falk (to November 2007) Ms C. Storry (to September 2007) Ms A. Garms (from November 2007) Ms P. Dennis (from November 2007) Mr D. MacLaughlin (from November 2007)
	Professor A. Rix (to February 2008) Dr I. Galloway Mrs G. Sheaffe Dr J. Jackson (from July to November 2007)	

None of the members of the Council received remuneration in relation to their position as Council members during the financial year ended 30 June 2008 (2007: \$Nil).

NOTE 21: CONTINGENT LIABILITIES

A contingent liability exists for the following –

Possible negotiated settlement of employment contract. An estimate of this possibility is unable to be determined.

NOTE 22: POST BALANCE DATE EVENTS

Ownership of the Cooktown Powder Magazine is being transferred to the Cook Shire Council. The Titles Office is processing the final change of trusteeship of the Magazine.
The Permit to operate the School of Mines in Charters Towers has been handed back to the control of the Department of Public Works.