

**K N P**

**ACCOUNTING & TAXATION**

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## **Arboriculture Australia Limited**

A.C.N. 090 873 644

### **FINANCIAL REPORT FOR THE PERIOD ENDED 31 December 2015**

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**General information**

The financial report covers Arboriculture Australia Limited as an individual entity. The financial report is presented in Australian dollars, which is Arboriculture Australia Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Arboriculture Australia Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office  
24 South Rd  
West Hindmarsh SA 5007

Principal place of business  
Unit 1 6-8 Marker Avenue  
Marleston SA 5033

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 2015. The directors have the power to amend and reissue the financial report.

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**DIRECTORS**

The names of the directors in office at any time during or since the end of the year are:

Name	Appointed / Resigned	Meetings	
		<b>A</b>	<b>B</b>
Henry Haavisto	Appointed 9 October 2006	7	8
Craig Robert Hallam	Appointed 9 September 2003	8	8
Craig Jeffrey Hinton	Appointed 9 September 2003	8	8
Louise Bennett	Appointed 12 July 2010	0	4
Kyle Arthur Hill	Appointed 12 July 2010	3	4
Mark Hartley	Appointed 30 April 2012	6	8
Robert Stavrou	Appointed 14 July 2014	8	8
Jim Roberts	Appointed 14 July 2014	6	8
Catherine Russo	Appointed 10 September 2014	8	8
David Crook	Appointed 1 June 2015	4	4

A - Number of meetings attended

B - Number of meetings held during the time the director held office during the year

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Directors' qualifications, experience and special responsibilities**

Name	Qualifications	Experience	Special Responsibilities
Henry Haavisto			President
Craig Robert Hallam			Vice President
Craig Jeffrey Hinton			Treasurer
Louise Bennett			Director
Keith William Foster			Director
Kyle Arthur Hill			Director
Mark Hartley			Director
Jim Roberts			Director
Catherine Russo			Director
David Crook			Director

**Principal Activities**

During the financial year the principal continuing activities of Arboriculture Australia Limited were the promotion, awareness and education of the arboriculture industry.

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**DIRECTORS REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**Short Term Objectives**

**Arboriculture Australia Limited's short term objectives are:**

- To stimulate greater public interest in the planting and preservation of shade and ornamental trees.
- To promote public education for the development of a greater appreciation for trees of shade and ornamental value.
- To recommend and uphold a Code of Ethics established to maintain a high level of practice by those engaged in the profession.
- To promote collaboration throughout the arboricultural industry within Australia to ensure best practices, continuous improvement and national consistency delivers sustainability to industry and the environment.
- To be recognised as the peak body for Arboricultural forums and expert advice on matters relating to safety, policy, regulation and innovation.

**Long Term Objectives**

**Arboriculture Australia Limited's long term objectives are to:**

- Educate tree workers, tree managers and urban foresters;
- Educate the public about the benefits of the trees;
- Enhance Arboriculture Australia's role as the national arboricultural body in Australia;
- Develop and institute arboricultural standards;
- Encourage and support arboricultural research;
- Develop strong relationships with related and like-minded organisations;
- Promote and improve the practice of professional arboriculture;
- Enhance safety within Arboricultural industry activities.





**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**

**Compilation Report**  
**To Arboriculture Australia Limited**

For the year ended 31 December 2015

We have compiled the accompanying special purpose financial statements of Arboriculture Australia Limited, which comprise the balance sheet as at 31 December 2015, the statement of profit or loss for the period then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

**The Responsibility of the Directors of Arboriculture Australia Limited**

The directors of Arboriculture Australia Limited are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors of Arboriculture Australia Limited. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Name of Firm: KNP Accounting & Taxation

Address: PO Box 34 Seacliff Park SA 5049

Date: 17<sup>th</sup> February 2016

Signed: 

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
National Conference Income	285,459	309,736
Conferences & Seminars Other	49,787	96,823
Membership Income	118,531	133,249
Sale of Publications	19,360	12,733
Other Income	<u>88,951</u>	<u>13,765</u>
	562,088	566,306
<b>EXPENSES</b>		
Audit Fees	(600)	707
The Bark Expenses	(22,678)	(31,881)
Board of Directors Expenses	(9114)	(1,633)
National Conference Expenses	(252,751)	(239,022)
Conferences & Seminars Other	(30,363)	(78,766)
Employee Benefits Expense	(122,720)	(128,281)
Depreciation	(3,419)	(2,054)
Cost of Sales	(14,834)	(35,338)
Rent	(10,800)	(11,482)
Finance Costs	0	(150)
Other Expenses	<u>(43,236)</u>	<u>(50,636)</u>
	(510,515)	(578,536)
Comprehensive income/(loss) for the year	51,573	(12,230)

This Statement of Comprehensive Income should be read in conjunction with the attached notes

**ABORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	This Year	Last Year
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	156,406	129,728
Trade and other receivables	3	24,247	260
Inventories	4	15,728	13,151
Current tax assets	5	15,030	14,578
Other current assets	6	109,307	38,999
<b>TOTAL CURRENT ASSETS</b>		<b>320,718</b>	<b>196,716</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	5,022	8,200
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,022</b>	<b>8,200</b>
<b>TOTAL ASSETS</b>		<b>325,740</b>	<b>204,916</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	17,434	18,010
Financial liabilities	9	180,611	123,006
Tax liabilities	5	26,510	15,017
Provisions	10	5,730	7,572
<b>TOTAL CURRENT LIABILITIES</b>		<b>230,285</b>	<b>163,605</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	13,000	10,429
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>13,000</b>	<b>10,429</b>
<b>TOTAL LIABILITIES</b>		<b>243,285</b>	<b>174,034</b>
<b>NET ASSETS</b>		<b>82,455</b>	<b>30,882</b>
<b>EQUITY</b>			
Retained earnings	11	82,455	30,882
<b>TOTAL EQUITY</b>		<b>82,455</b>	<b>30,882</b>

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and members		586,202	540,555
Payments to suppliers and employees		560,901	(572,828)
Finance Costs		-	(150)
		<hr/>	<hr/>
<b>NET CASH FLOWS FROM OPERATING CTIVITIES</b>		25,301	(32,423)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received		1,618	3,373
Payment for property, plant & equipment		(241)	-
Proceeds on sale of property, plant & equipment		-	-
		<hr/>	<hr/>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		1,377	3,373
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		26,678	(29,050)
<b>CASH AT THE BEGINNING OF THE FINANCIAL YEAR</b>		129,728	158,778
		<hr/>	<hr/>
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>	2	156,406	129,728

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDING 31 DECEMBER 2015**

	<b>Accumulated Funds \$</b>	<b>Total \$</b>
Balance at 1 January 2013	115,938	115,938
Total Comprehensive Income for the year	(78,333)	(78,333)
Other Comprehensive Income	5,507	5,507
Balance at 31 December 2013	<u>43,112</u>	<u>43,112</u>
Balance at 1 January 2014	43,112	43,112
Total Comprehensive Income for the year	(12,230)	(12,230)
Other Comprehensive Income	-	-
Balance at 31 December 2014	<u>30,882</u>	<u>30,882</u>
Balance at 1 January 2015	30,882	30,882
Total Comprehensive Income for the year	51,573	60,515
Other Comprehensive Income	-	-
Balance at 31 December 2015	<u>82,455</u>	<u>91,397</u>

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 31 DECEMBER 2015**

**Note 1: Summary of Significant Accounting Policies**

The directors' have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members.

Such accounting policies are consistent with the previous reporting period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

**a. Income Tax**

The income tax expense (income) for the year comprises current income tax expense (income). The company does not recognise deferred tax assets or liabilities.

Current income tax expense charged to profit or loss is the tax payable on taxable income and is measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

**b. Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured inventories includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

**c. Property, Plant and Equipment**

All property, plant and equipment except for freehold land and buildings are initially measured at cost and are depreciated over their useful lives. Depreciation commences from the time the asset is available for its intended use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount. Freehold land and buildings are carried at their recoverable amounts, based on periodic, but at least triennial, valuations by the directors. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

**ARBORICULTURE AUSTRALIA LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**Goodwill**

Goodwill is initially measured at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Goodwill is subsequently measured at cost less any impairment losses.

Goodwill is subject to impairment testing when the directors consider that there is objective evidence the business has been impaired. Impairment losses are calculated based on the directors' assessment of the business's recoverable amount. Recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amount.

Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

**e. Trade and Other Receivables**

Trade receivables are recognised initially at cost and are subsequently measured at cost less any provision for impairment. Most sales are made on the basis of normal credit terms and are not subject to interest. Where credit is extended beyond normal credit terms and is more than 12 months, receivables are discounted to their present value.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Other receivables include loans granted by the company and are discounted to present values using the interest rate inherent in the loan.

**f. Investments**

Investments include equity securities (ie shares) of listed and unlisted entities. The company recognises and measures these investments at cost less any accumulated impairment losses.

**ARBORICULTURE AUSTRALIA LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 31 DECEMBER 2015**

**g. Impairment of Assets**

At the end of each reporting period, property, plant and equipment, intangible assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of the asset's future cash flows discounted at the expected rate of return. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

**h. Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. They are recognised at their transaction price. Trade and other payables are subject to normal credit terms (30-60 days) and do not bear interest.

**i. Provisions**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability.

**j. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**k. Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. All revenue is stated net of the amount of goods and services tax.

**I. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables stated are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

**Note 2: Cash and Cash Equivalents**

	This Year	Last Year
<hr/>		
CURRENT		
Cash at bank and in hand	156,406	129,728
TOTAL CURRENT	156,406	129,728
TOTAL	156,406	129,728
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	156,406	129,728
	156,406	129,728
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**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 31 DECEMBER 2015**

**Note 3: Trade and Other Receivables**

	This Year	Last Year
CURRENT		
Trade Debtors	24,247	260
TOTAL CURRENT	24,247	260
TOTAL	24,247	260

**Note 4: Inventories**

	This Year	Last Year
CURRENT		
Inventory	15,728	13,151
TOTAL CURRENT	15,728	13,151
TOTAL	15,728	13,151

**Note 5: Tax Balances**

	This Year	Last Year
CURRENT TAX ASSETS		
GST Paid	7,489	3,545
GST Adjustment	7,541	11,033
TOTAL CURRENT TAX ASSETS	15,030	14,578
TOTAL TAX ASSETS	15,030	14,578
CURRENT TAX LIABILITIES		
PAYG Withholding Tax Payable	4,877	4,561
GST Payable	21,633	10,456
TOTAL CURRENT TAX LIABILITIES	26,510	15,017
TOTAL TAX LIABILITIES	26,510	15,017

**ARBORICULTURE AUSTRALIA LIMITED**  
**A.C.N. 090 873 644**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 31 DECEMBER 2015**

**Note 6: Other Assets**

	This Year	Last Year
<hr/>		
CURRENT		
Prepayments	109,308	38,999
TOTAL CURRENT	109,308	38,999
TOTAL	109,308	38,999

**Note 7: Property, Plant and Equipment**

	This Year	Last Year
<hr/>		
Plant and Equipment		
At cost	38,743	38,501
Less Accumulated Depreciation	-33,721	-30,301
TOTAL	5,022	8,200
TOTAL PROPERTY, PLANT AND EQUIPMENT	5,022	8,200

**Note 8: Trade and Other Payables**

	This Year	Last Year
<hr/>		
CURRENT		
Trade Creditors	13,254	13,390
Other Creditors	4,180	4,620
TOTAL CURRENT	17,434	18,010
TOTAL	17,434	18,010

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**ARBORICULTURE AUSTRALIA LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 31 DECEMBER 2015**

**Note 9: Financial Liabilities**

	This Year	Last Year
<b>CURRENT</b>		
Research & Education	9,232	9,232
Women in Arboriculture	4,030	0
NTAA	3,267	0
Trauma Funds	20,781	26,281
Income in advance - HK Members	1,636	8,532
Fees in advance	73,402	72,982
Conf/Seminar Income in Advance	65,500	7,909
Superannuation Payable	2,763	2,291
<b>TOTAL CURRENT</b>	<u>180,611</u>	<u>127,257</u>
<b>TOTAL</b>	<u><u>180,611</u></u>	<u><u>127,257</u></u>

**Note 10: Provisions**

PROVISIONS	This Year	Last Year			
<b>CURRENT</b>					
Provision for Annual Leave	<u>5,730</u>	<u>7,572</u>			
Total current provisions	5,730	7,572			
<b>NON-CURRENT</b>					
Provision for Long Service Leave	<u>13,000</u>	<u>10,429</u>			
Total non-current provisions	13,000	10,429			
<b>TOTAL PROVISIONS</b>	<u><u>18,730</u></u>	<u><u>18,001</u></u>			
<b>ANALYSIS OF PROVISIONS</b>					
	Employee Benefits	Warranties	Dividends	Other	Total
Opening balance at 01-Jan-15	18,001	0	0	0	18,001
Additional provisions	<u>729</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,730</u>
Closing balance at 31-Dec-15	<u><u>18,730</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>18,730</u></u>

**ARBORICULTURE AUSTRALIA LIMITED**  
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**Provision for employee benefits**

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

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**Note 11: Retained Earnings**

	This Year	Last Year
Retained earnings (accumulated losses) at the beginning of the financial year	30,882	43,112
Net profit attributable to members of the entity	<u>51,573</u>	<u>-12,230</u>
Retained earnings (accumulated losses) at the end of the financial year	<u><u>82,455</u></u>	<u><u>30,882</u></u>