

**Friends of the National Library of
Australia Incorporated**

Financial Statements

30 June 2013

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Friends of the National Library of Australia Incorporated

Statement by Members of the Committee & Committee's Report

Your Committee members submit the financial report of the Friends of the National Library of Australia Incorporated (the Association) for the financial year ended 30 June 2013.

Committee Members

The names of the Committee members at the date of this statement were:

- Gary Kent – Chair
- Joan Kennedy – Deputy Chair
- Bill Geering - Treasurer
- Anne-Marie Schwirtlich – Director-General, NLA
- Anne Davis
- Alan Ives
- Margaret Pender
- Sylvia Marchant
- Jenny Oates
- Dennis Pearce
- Ros Welch
- Cathy Pilgrim
- Kathryn Favelle
- Sarah Jaensch.

Objects

The objects of the Association are:

- (i) To encourage public and private support for the National Library of Australia through appreciation of the aims and objectives of the National Library of Australia, and therefore to develop within the Australian community at large a tradition of caring for and cherishing the Library as a national institution;
- (ii) To foster among members of the Association and other interested parties a sense of involvement with, and understanding of, the collections, objectives and operations of the National Library of Australia;
- (iii) To encourage support and promote the work of individuals and organisations making a contribution to Australian culture;
- (iv) To raise funds for activities of the Association, consistent with the objects if the Association;

Friends of the National Library of Australia Incorporated

Statement by Members of the Committee & Committee's Report (continued)

- (v) To publicise the resources and facilities of the National Library of Australia and to stimulate greater awareness within the community of the role of the Library;
- (vii) To encourage and promote such other purposes of the National Library of Australia consistent with the Objects of the Association, including through donation of funds to the National Library of Australia and other organisations and individuals; and
- (viii) To co-operate with other Australian libraries, museums and other kindred organisations from time to time for any purposes consistent with these Objects.

Significant changes

No significant change in the nature of these objects occurred during the year.

Operating result

The operating surplus for the year amounted to \$11,770 [2012: Surplus \$5,537].

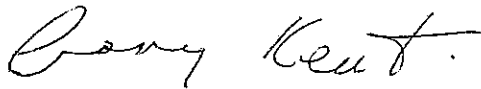
Friends of the National Library of Australia Incorporated

Statement by Members of the Committee & Committee's Report (continued)

In the opinion of the Committee, the accompanying financial report is drawn up so as to give a true and fair view of the results and cash flows of the Association for the year ended 30 June 2013 and the state of affairs of the Association as at that date. The accompanying financial report of the Association is prepared in accordance with the provisions of the *Associations Incorporation Act 1991* of the Australian Capital Territory, accounting standards and other mandatory professional reporting requirements in Australia.

In the opinion of the Committee, the Association will be able to meet its debts as and when they fall due.

Signed in accordance with a resolution of the Members of the Committee.



.....
Gary Kent – Chair



.....
Bill Geering – Treasurer

Dated this 15 day of October 2013.

Independent audit report

Independent audit report

Friends of the National Library of Australia Incorporated

Statement of comprehensive income

For the year ended 30 June 2013

	2013	2012
	\$	\$
<i>Income</i>		
Total income	109,958	102,242
<i>Expenses</i>		
Total expenses	98,188	96,705
Operating surplus	<u>11,770</u>	<u>5,537</u>

The accompanying notes form part of these accounts

Friends of the National Library of Australia Incorporated

Balance sheet

As at 30 June 2013

	<i>Note</i>	2013 \$	2012 \$
Current assets			
Cash	3	168,385	152,120
Receivables – interest/other		4,046	3,088
Prepayments		757	1,835
Total current assets		173,188	157,043
Total assets		<u>173,188</u>	<u>157,043</u>
Current liabilities			
Creditors		17,781	671
Income in advance		64,774	77,510
Total current liabilities		82,555	78,181
Total liabilities		<u>82,555</u>	<u>78,181</u>
<i>Net assets</i>		<u>90,633</u>	<u>78,862</u>
Equity			
Accumulated funds		<u>90,633</u>	<u>78,862</u>

The accompanying notes form part of these accounts

Friends of the National Library of Australia Incorporated

Statement of recognised income and expense

For the Year Ended 30 June 2013

	Retained Earnings	Total
Balance as at 1 July 2011	73,325	73,325
Result attributable to members	5,537	5,537
Balance as at 30 June 2012	<u>78,862</u>	<u>78,862</u>
Result attributable to members	11,770	28,377
Balance as at 30 June 2013	<u>90,632</u>	<u>107,239</u>

Statement of cash flows

For the year ended 30 June 2013

	<i>Note</i>	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from membership		74,824	82,230
Receipts from events and others		14,113	39,917
Payments to suppliers and employees		(79,999)	(101,547)
Interest received		7,327	5,581
<i>Cash provided/(utilised) by operating activities</i>	4	<u>16,265</u>	<u>26,181</u>
<i>Net cash movement for the year</i>		<u>16,265</u>	<u>26,181</u>
Cash at beginning of the year		152,120	125,939
Cash at end of the year	3	<u>168,385</u>	<u>152,120</u>

The accompanying notes form part of these accounts

Friends of the National Library of Australia Incorporated

Notes to and forming part of the accounts

1. Statement of significant accounting policies

This financial report is a special purpose financial report that has been prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 1991* of the Australian Capital Territory.

The financial report covers the Friends of the National Library of Australia Incorporated as an individual entity. The Friends of the National Library of Australia Incorporated is an association incorporated in the ACT under the *Associations Incorporation Act 1991*.

The financial report of the Friends of the National Library of Australia Incorporated as an individual entity has been prepared to satisfy the financial reporting requirements of the *Associations Incorporation Act 1991*.

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical cost.

Accounting Policies

(a) Membership subscriptions

Membership subscriptions are recorded in the year for which the subscription relates. Membership subscriptions paid in advance are recognised as a liability to the Association.

(b) Cash

For the purposes of the Statement of cash flows, cash includes cash on hand, at banks and on deposit.

(c) Taxation

The Friends of the National Library of Australia Incorporated considers that it is exempt from income tax under *Section 50-5* of the *Income Tax Assessment Act*.

Friends of the National Library of Australia Incorporated

Notes to and forming part of the accounts

1. Statement of significant accounting policies (continued)

(c) Taxation (continued)

The Association is not registered for GST purposes with the Australian Taxation Office and accordingly does not charge GST for its services nor is it entitled to claim any GST credits on its expenses.

(d) Comparative figures

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

(e) Financial instruments - recognition

When held financial instruments would be initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Loans and receivables – these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments – these investments have fixed maturities, and it is the Association's intention to hold these investments to maturity. Any "held-to-maturity" investments held by the Association are stated at amortised cost using the effective interest rate method.

Financial liabilities – non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

2. Critical accounting estimates and judgements

The Committee members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and other available data, obtained both externally and within the Association.

Friends of the National Library of Australia Incorporated

Notes to and forming part of the accounts

2. Critical accounting estimates and judgements (continued)

Key Estimates - Impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Critical Judgements – not applicable for 2013

3. Cash on hand and at bank

	2013	2012
	\$	\$
Main operating account	52,356	57,645
Business Optimiser account	46,491	44,938
Term deposit	69,538	49,537
	<u>168,385</u>	<u>152,120</u>

4. Reconciliation of Cash flows from operating activities to operating result

	2013	2012
	\$	\$
Operating result for the year	11,770	5,537
(Increase)/decrease in receivables	(958)	(3,088)
(Increase)/decrease in prepayments	1,079	(1,079)
Increase/(decrease) in creditors	17,110	(504)
Increase/(decrease) in income in advance	(12,736)	25,315
	<u>16,265</u>	<u>26,181</u>

5. Contingent assets and contingent liabilities

There are no contingent assets or contingent liabilities of the Association at 30 June 2013.

Friends of the National Library of Australia Incorporated

Notes to and forming part of the accounts

6. Events after the reporting date

There have been no events after the reporting date which have had a material impact on the Association.

7. Related Party Transactions

All transactions between the members of the Committee and the Association are on normal commercial terms.

8. Financial Instruments

(a) Financial risk management

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable.

The Association does not have any derivative financial instruments at 30 June 2013.

Financial Risk

The main risks the Association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Liquidity risk

The Association manages liquidity risk by monitoring forecast cash flows and ensuring that sufficient cash balances are maintained.

Friends of the National Library of Australia Incorporated

Notes to and forming part of the accounts

8. Financial Instruments (continued)

Credit Risk

The Association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Association.

(b) Interest Rate Risk

The Association's exposure to interest rate risk is the risk that investment income associated with a financial instrument will fluctuate as a result of changes in market interest rates.

Financial Liabilities

The Association has no interest rate risk on any liabilities.

9. Resources provided free of charge

The National Library of Australia makes in-kind contributions to the Association through the provision of staff and other corporate type resources.

No amounts for these in-kind contributions are included in the Association's accounts.

Friends of the National Library of Australia Incorporated
Attachment to the financial statements - not subject to audit

Detailed income statement
For the year ended 30 June 2013

	2013	2012
	\$	\$
<i>Income</i>		
Memberships	87,560	72,419
Functions	13,625	19,730
Interest	7,327	8,064
Other revenue	1,446	2,029
	<hr/>	<hr/>
Total income	109,958	102,242
<i>Expenses</i>		
Audit	880	880
Credit card charges	1,234	2,217
Donations and awards	10,899	22,720
Flowers/gifts	633	294
Functions and hospitality	13,103	15,353
Insurance	1,992	874
Postage	15,000	15,000
Printing and stationery	787	2,556
Registrar generals fee	-	105
Staff amenities/hire charges	1,603	2,078
Subscriptions and memberships	360	177
Sundry expenses	5,247	973
Travel and accommodation	12,338	990
Wages	34,112	32,488
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Total expenses	98,188	96,705
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Operating surplus	11,770	5,537