



**Bellarine  
Bayside**  
Coastal Management

**BELLARINE BAYSIDE FORESHORE  
COMMITTEE OF MANGEMENT INC.**

ABN 12 722 496 556

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## Financial report for the year ended 30 June 2018

### COMMITTEE'S REPORT

The Committee of Management presents this report on behalf of the entity for the financial year ended 30 June 2018.

#### Committee of Management

The names of each person who has been a committee member during the year and to the date of this report are:

Sandra Brizga: Chair – *appointed 16/08/2017*

John Hartigan: Deputy Chair

Helene Cameron – *appointed 16/08/2017*

Kenneth Latta – *appointed 16/08/2017*

Gregory Lewis – *appointed 16/08/2017*

Jennifer Lilburn – *appointed 16/08/2017*

Melanie Rogers

Christopher O'Neil - *appointed 16/08/2017 – resigned 16/06/2018*

Diane James AM – *expiration of term 15/08/ 2017*

Therese Cotter – *expiration of term 15/08/2017*

Elaine Carbines - *expiration of term 15/08/2017*

Steve Griffin - *expiration of term 15/08/2017*

Graeme McGregor AO - *expiration of term 15/08/2017*

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

#### Principal Activities

The principal activities of the entity during the financial year were the management, improvement, maintenance and control of the public land reserves of Portarlinton, Indented Head and St Leonards.

#### Review of Operations

The 2017-18 operating plan continued to address the entity's long term strategic aims as espoused in the 2012 Northern Bellarine Plan and 2017 Camping & Accommodation Strategy.

For the year ended 30 June 2018, the entity generated revenues of \$7,057,073 (2017: \$7,081,459) - a small decrease of \$24,386 or -0.3% on the previous corresponding period [pcp]. Caravan park revenues, which are the entity's prime source of income, were \$6,065,744 (86.0% of total revenue) and a 1.6% increase on the \$5,969,676 derived in 2016/17.

Other revenues included \$239,901 (3.4% of total) from foreshore leases, licences, permits and other income and \$751,428 (10.6% of total) from grants and subsidies received from State Government and other funding bodies. The respective figures for pcp were \$540,308 of other revenues and \$571,475 from grants. The decrease in revenue from foreshore lease, licences and other income was due to the 2017 total being boosted by the sale of rights to licences boatsheds which yielded \$354,500.

Grant monies received in the current or prior periods and brought to account as income in the current year comprised:

Department of Economic Development, Jobs, Transport and Resources - Pt Richards boat ramp precinct and carpark upgrade	\$ 276,794
Department of Environment Land Water and Planning – Anderson Reserve & Bengalat Reserve seawall repairs & protection & Pt Richards – erosion control installations	158,778
Parks Victoria – Portarlinton Harbour dredging – Portarlinton beach re-nourishment	135,215

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### COMMITTEE'S REPORT

Department of Economic Development, Jobs, Transport and Resources – Pt Richards boat ramp dredging works	50,000
Department of Environment Land Water and Planning – Aquatic Risk Signage	29,336
Victorian Fisheries Authority – installation of fish cleaning tables at Pt Richards & Indented Head boat ramps	23,682
Department of Environment Land Water and Planning – Coastal trail & furniture upgrades	21,600
Department of Environment Land Water and Planning – Beach cleaning subsidy program	18,839
Corangamite Catchment Management Authority – Coastal Tender Rnd-3 – Pt Richards Flora and Fauna Reserve project	15,079
Corangamite Catchment Management Authority – Coastal Tender Rnd-5– Esplanade, Indented Head	7,050
COGG – Portarlington Pier signage	6,818
Department of Environment Land Water and Planning – Portarlington Pier environs foreshore repair and landscaping	3,310
Portarlington Mussel Festival – WG Little Reserve landscape planning project	2,500
COGG – WG Little Reserve landscape planning project	2,427
	751,428

Receipts from grants in the pcp were \$571,475.

Total expenditure for the year (excluding depreciation charges) was \$5,265,769 (2017: \$5,542,179). This was a decrease of \$276,410 or 7.0% on the pcp. The decrease in expenditure was largely attributable to the 2017 total being inflated to the extent of \$375,000 that was spent on removing over 100 cypress trees from the Portarlington Holiday Park following the severe wind storms of October 2016.

Maintenance and renewal activities resulted in a range of significant improvements across all holiday parks and foreshore environs. These included the completion of the new carpark and adjacent environs at point Richards, a range of coastal protection works, particularly at Point Richards and the beaches at Indented Head (Anderson Reserve) and St Leonards (Bengalat Reserve) and extensive use of the sands dredged from the Portarlington Pier harbour where some 40,000 cubic meters was used to re-nourish the Portarlington beach. In addition, these major works were complemented by a range of refurbishments and improvements to amenities within each of the holiday parks and along all foreshores.

During the year, the annual assessment of assets saw net impairment write-downs amounting to \$1,748,748. This mostly related to the down-grade or write-off of carrying values of buildings – parks & foreshore toilet blocks, halls at Indented Head and Nash Reserve and a now demolished, toilet block on the St Leonards foreshore. This amount has been written-off against the assets revaluation reserve in accordance with policy and is shown in the Statement of Profit and Loss as 'Other comprehensive income'. Notwithstanding, the operating performance of the entity remains sound.

Overall, the committee is pleased to report the completion of another successful year.

Operations yielded a trading surplus for the year of \$871,565 (2017: \$527,919) – an increase of \$343,646.

Cash flows from operations for the year were \$2,108,056 (2017: \$1,199,193). This was a significant increase of \$908,863 or 76% on the previous year and was due to a combination of increased holiday park receipts and reduced operating expenses. This saw total cash and investments rising from \$3,062,706 held at year end of the previous year to \$4,003,094, a rise of \$940,388 or 31%.

The entity remains in a sound financial position.

#### Events Subsequent to Balance Date

As at the date of this report, the committee is not aware of any matter or circumstance occurring since the end of the financial year that has affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## COMMITTEE'S REPORT

### Information on Members of the Committee of Management

<b>Dr Sandra Brizga</b>	–	Chair
Qualifications	–	B.A. (Hons.), M. Env. Law, M. App/. Fin., Ph. D.
Experience	–	Dr Sandra Brizga has over 30 years' experience in catchment, coastal and river management, working as an independent consultant since 1995. She previously pursued a career in academia and was a Lecturer at the University of Melbourne. Sandra has qualifications in geography, geomorphology, environmental law and finance, and has been the Vice-President of the Australian and New Zealand Geomorphology Group. Her publications include a book on river management and more than 200 reports and papers. Current and previous board and committee memberships include the Australian World Heritage Advisory Committee, Fraser Island World Heritage Area Scientific Advisory Committee, Central Coastal Board, Fisheries Co-management Council Inland Fishery Committee and Trust for Nature and Victorian Catchment Management Council. She is a Fellow of the Peter Cullen Trust and an Honorary Life Member of the River Basin Management Society.
Special Responsibilities	–	Chair of CEO Performance and Remuneration sub-Committee
<b>Gregory Lewis</b>	–	Committee member
Qualifications	–	B.Econ, M. Tax
Experience	–	Greg was initially raised on the Bellarine Peninsula (being a fourth generation descendant) before moving to Melbourne to undertake his graduate studies at University prior to beginning his professional career. Greg is a chartered accountant, chartered tax adviser and registered tax agent. He began his career as a graduate at KPMG before moving to Ernst & Young, where he became a principal in the tax division. After returning to KPMG as a partner, Greg went on to become a consultant in taxation at law firm Minter Ellison. He has been a company director and chairman of various public and private organisations. He is currently a board member of the Commonwealth Board of Tax Practitioners and has been the acting chair on a number of occasions. He is also a member of the Blairgowrie Yacht Squadron general committee. For both organisations he is a member of their Audit and Risk Committees. He still consults with private companies on technical and strategic matters. He and his family are very active in the Victorian sailing community.
Special Responsibilities	–	Chair of Risk, Audit and Finance sub-committee
<b>Helene Cameron</b>	–	Committee member
Experience	–	Helene is a former children's wear apparel buyer for Coles Myer and Marketing Manager for Pacific Dunlop and is currently the Owner/Director of UV Raze Pty Ltd, a wholesaler and manufacturer to the surf industry.

## Bellarine Bayside Foreshore Committee of Management Inc.

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### COMMITTEE'S REPORT

Elected to the Borough of Queenscliff council in 2008 and re-elected as both Councillor and Mayor in 2012, Helene was Mayor of the Borough of Queenscliff for four consecutive years until her resignation in 2016. Over the past eight years, her roles have included being on the State Government Ministerial Mayoral Advisory Committee to the Minister, Board Member of the Geelong Regional Library Corporation, Board Member of Women's Health and Wellbeing, Barwon South West Region and past chair of the Word 4 Word Advisory Committee for the Geelong Regional Library Corporation. Helene is currently a member of the Geelong Cemetery Trust Advisory Committee, Advisory Committee Member of the Word 4 Word Advisory Committee for the Geelong Regional Library Corporation and Events Manager for Queenscliff Harbour.

<b>Dr Kenneth Latta</b>	–	Committee member
Qualifications	–	MBA, BSc (Hons), DipAgrSc, GDipEd(Admin)
Experience	–	Ken has retired to the Bellarine after a senior executive career in the public sector, including Education (TAFE) and Victoria Police. He retired as the CEO and Chief Officer of the Metropolitan Fire and Emergency Services Board. He was awarded the Public Service Medal for leadership and reforms in the fields of Victorian Education and Police, and an Honorary Doctorate (VU) for his services to education in Western Melbourne. He has extensive Board Directorship and Chair experience, including six years as Chairman, Harness Racing Victoria.
Special Responsibilities	–	Member of CEO Performance and Remuneration sub-Committee
<b>Jennifer Lilburn</b>	–	Committee member
Qualifications	–	B. Ed (Environmental Studies), B. App.Sc (Environmental Studies and Land Use Policy), Adv. Dip (Group Studies)
Experience	–	Jen Lilburn has been running her consultancy, Kismet Forward, since 2006 providing specialist advice and support in the areas of community engagement, facilitation, risk communication, program logic, strategy, evaluation, training, and project management. She has assisted Bellarine Bayside with a range of communication projects over the last few years. Prior to that, Jen had twenty years' experience in the public sector, the last eight at the executive level of Parks Victoria (as Regional Manager Melbourne Metro). She was also Executive Officer of the Western Coastal Board from 2004 to 2006.

## Bellarine Bayside Foreshore Committee of Management Inc.

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### COMMITTEE'S REPORT

- |                          |   |  |
|--------------------------|---|--|
| <b>Melanie Rogers</b>    | – | Committee member   |
| Qualifications           | – | BSc , Dip Bus, Grad Cert HI, Grad Cert Prof Acc, GAICD   |
| Experience               | – | 30 year career managing a wide range of corporation functions across all tiers of government and the not-for-profit sector. Has managed technology and corporate support functions in community health. Also managed Organisational Development, Governance, Property and Risk Functions for Mount Alexander Shire Council as well as developing a service review framework for council. Has over twelve years' experience as a Board Director and Chair. Currently on the Board of Haven Home Safe and chairs its Risk Committee. Director of Active Community Housing Ltd. |
| Special Responsibilities | – | Member of Risk Audit & Finance & CEO Review and Remuneration sub-committee s   |
| <br>                     |   |  |
| <b>John Hartigan</b>     | – | Committee member/ Deputy Chair   |
| Qualifications           | – | BEng (Hons), Grad Dip Pub Admin  |
| Experience               | – | Formerly a senior executive in the Victorian Public Service. During a career spanning 30 years, has held senior management roles across government in the areas of public transport and roads planning, land management. Currently a director of the board of the Bendigo Kangan Institute and a Sessional Member of Planning Panels Victoria.   |
| Special Responsibilities | – | Member of Risk Audit & Finance sub-committee   |

Bellarine Bayside Foreshore Committee of Management Inc.

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**Meetings of Committee of Management**

During the financial year, 7 meetings of the committee of management were held. Attendances by each committee member were as follows:

	Committee Meetings	
	Number eligible to attend	Number attended
Dr Sandra Brizga	6	5
John Hartigan	7	7
Helene Cameron	6	5
Dr Kenneth Latta	6	5
Gregory Lewis	6	4
Jennifer Lilburn	6	4
Melanie Rogers	7	7
Christopher O'Neill	6	1
Diane James AM	1	1
Therese Cotter	1	1
Elaine Carbines	1	1
Steve Griffin	1	1
Graeme McGregor AO	1	1

The entity is a declared corporation under S14A of the Crown Lands (*Reserves*) Act 1978 and is a public entity for the purposes of the Public Administration Act 2004. The committee is charged with the responsibility to manage, improve, maintain and control the public land reserves of Portarlington, Indented Head and St Leonards situated on the northern coastline of the Bellarine Peninsula. The committee is respondent to the Minister for Energy, Environment and Climate Change through the Department of Environment, Land, Water and Planning.

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 7 of the financial report.

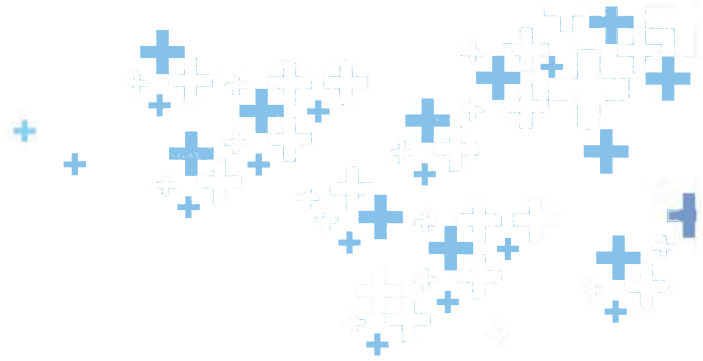
This committee's report is signed in accordance with a resolution of the Committee of Management.

Committee member:



Dr Sandra Brizga - Chair

Dated this 12 day of October 2018



**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE MEMBERS OF BELLARINE BAYSIDE FORESHORE  
COMMITTEE OF MANAGEMENT INC.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of the auditor independence requirements as set out in the applicable code of professional conduct in relation to the audit.

*LBW*

**LBW CHARTERED ACCOUNTANTS**

*[Signature]*

**SRIPATHY SARMA**

**Principal**

Dated this

*12<sup>th</sup>*

day of

*October*

2018



**CHARTERED ACCOUNTANTS**  
AUSTRALIA + NEW ZEALAND

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Professional Standards  
Legislation.



**Bellarine Bayside Foreshore Committee of Management Inc.**

**ABN 12 722 496 556**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR  
ENDED 30 JUNE 2018**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
Revenue and other income	2a	6,305,645	6,509,984
Grants	2b	751,428	571,475
Operating expenses	3	(5,265,769)	(5,542,179)
Depreciation	8	(919,739)	(1,011,361)
<b>Net surplus for the year</b>		<u>871,565</u>	<u>527,919</u>
 <b>Other comprehensive income</b>			
Item not reclassified subsequently to profit or loss:			
Net gain/(loss) on revaluation of buildings and land improvements		-	620,272
Impairment loss–property, plant & equip through revaluation reserve	8	(1,748,748)	-
<b>Total other comprehensive income for the year</b>		<u>(1,748,748)</u>	<u>620,272</u>
<b>Total comprehensive income for the year</b>		<u>(877,183)</u>	<u>1,148,191</u>

The accompanying notes form part of these financial statements.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018	2017
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,357,213	950,687
Trade and other receivables	5	150,195	377,251
Financial assets	6	2,645,881	2,112,019
Other assets	7	100,248	69,261
<b>TOTAL CURRENT ASSETS</b>		<b>4,253,537</b>	<b>3,509,218</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	19,796,602	21,364,241
<b>TOTAL NON-CURRENT ASSETS</b>		<b>19,796,602</b>	<b>21,364,241</b>
<b>TOTAL ASSETS</b>		<b>24,050,139</b>	<b>24,873,459</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	263,240	183,600
Deferred income	10	2,492,041	2,459,747
Borrowings		-	7,043
Employee entitlements	11	186,563	218,592
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,941,844</b>	<b>2,868,982</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee entitlements	11	34,897	53,896
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>34,897</b>	<b>53,896</b>
<b>TOTAL LIABILITIES</b>		<b>2,976,741</b>	<b>2,922,878</b>
<b>NET ASSETS</b>		<b>21,073,398</b>	<b>21,950,581</b>
<b>EQUITY</b>			
Asset Revaluation Reserve	12	14,355,837	16,214,452
Retained earnings		5,845,996	5,208,210
Surplus for year		871,565	527,919
<b>TOTAL EQUITY</b>		<b>21,073,398</b>	<b>21,950,581</b>

The accompanying notes form part of these financial statements.

Bellarine Bayside Foreshore Committee of Management Inc.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Note	Surplus for year	Retained earnings	Asset revaluation reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2016</b>		-	<b>5,208,210</b>	<b>15,594,180</b>	<b>20,802,390</b>
<b>Comprehensive income</b>					
Surplus for the year		527,919	-	-	527,919
Other comprehensive income for the year			-	620,272	620,272
<b>Total comprehensive income for the year</b>					
<b>Balance at 30 June 2017</b>		<b>527,919</b>	<b>5,208,210</b>	<b>16,214,452</b>	<b>21,950,581</b>
<b>Balance at 1 July 2017</b>		-	<b>5,736,129</b>	<b>16,214,452</b>	<b>21,950,581</b>
<b>Comprehensive income</b>					
Surplus for the year		871,565	-	-	871,565
Other comprehensive income for the year	12		-	(1,748,748)	(1,748,748)
Transfer revaluation surplus to retained earnings	12		109,867	(109,867)	-
<b>Total comprehensive income for the year</b>					
<b>Balance at 30 June 2018</b>		<b>871,565</b>	<b>5,845,996</b>	<b>14,355,837</b>	<b>21,073,398</b>

The accompanying notes form part of these financial statements.

**Bellarine Bayside Foreshore Committee of Management Inc.**

**ABN 12 722 496 556**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipt of grants		607,659	581,748
Interest received		39,573	44,951
Other receipts		7,302,296	6,557,204
Payments to suppliers and employees		(5,610,610)	(5,885,253)
Net GST paid		(230,862)	(99,457)
Net cash generated from operating activities		<u>2,108,056</u>	<u>1,199,193</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net movement in financial assets		(533,862)	(212,019)
Proceeds from sale of property, plant and equipment		50,091	19,486
Payment for property, plant and equipment		(1,210,716)	(948,521)
Net cash used in investing activities		<u>(1,694,487)</u>	<u>(1,141,054)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net movement in hire-purchase asset financing		(7,043)	(36,131)
Net cash generated by/(used in) financing activities		<u>(7,043)</u>	<u>(36,131)</u>
Net increase in cash held		<u>406,526</u>	<u>22,008</u>
Cash and cash equivalents at beginning of financial year		<u>950,687</u>	<u>928,679</u>
<b>Cash and cash equivalents at end of financial year</b>	<b>4</b>	<b><u>1,357,213</u></b>	<b><u>950,687</u></b>

The accompanying notes form part of these financial statements.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Preparation**

Bellarine Bayside Foreshore Committee of Management Inc. applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB). The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board [AASB] has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 12 October 2018 by the committee of management of the entity.

#### a. **Revenue**

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Bellarine Bayside Foreshore Committee of Management Inc. receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax.

# Bellarine Bayside Foreshore Committee of Management Inc.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### b. **Property, Plant and Equipment**

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

#### **Property**

Buildings, Land Improvements, Marine Improvements, Paths & Bridges, Public Furniture and Fixtures and Roads are shown at fair value less subsequent depreciation and impairment losses.

In periods when asset classes are not subject to independent valuation, the Committee reviews the carrying value of the individual classes of assets to ensure the carrying amount for property is not materially different to the fair value. Where the carrying value materially differs from the fair value at balance date, the class of asset is revalued. In these periods additions to property assets are recorded at cost. Upon the next independent valuation, such assets are transferred to their applicable asset classes at their assessed fair value.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior-year decrement for that class of asset that has been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

#### **Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of approach to assessment of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date acquired.

#### **Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

Depreciation rates and useful lives applicable to each class of asset are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rates</b>	<b>Useful Life</b>
Buildings	2.50% - 4.00%	40 – 75 years
Land improvements	1.25% - 10.00%	10 – 80 years
Marine improvements	2.50% - 6.67%	15 - 40 years
Paths & bridges	1.54% - 6.67%	15 – 65 years
Public furniture & fixtures	1.00% - 10.00%	10 – 100 years
Roads	1.11% - 6.25%	16 – 90 years
Plant and equipment	10.00% – 25.00%	4 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are disposed or sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings. Impairment charges and losses on disposal of revalued assets are charged against the revaluation reserve through other comprehensive income.

## Bellarine Bayside Foreshore Committee of Management Inc.

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### c. Fair value measurement

Certain assets and liabilities are measured at fair value where required or permitted by Australian Accounting Standards. AASB13 Fair Value Measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level - 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level - 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level - 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Committee has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of fair value hierarchy as explained above.

Specialised buildings and property improvements are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset.

Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use. Specialised assets contain significant, unobservable adjustments, therefore these assets are classified as Level – 3 under the market-based comparison approach.

#### d. Leases / Hire purchase

Leases or hire-purchase of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### e. Financial Instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets and are initially measured at fair value plus transactions costs except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are recognised immediately as expenses in profit or loss.

##### Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

##### (i) *Financial assets at fair value through profit or loss*

Financial assets are classified as “fair value through profit or loss” when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

##### (ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

##### (iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity’s intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

##### (iv) *Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.



## Bellarine Bayside Foreshore Committee of Management Inc.

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

f. **Impairment**

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the entity recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**De-recognition**

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. **Impairment of Assets**

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### g. **Employee Benefits**

#### **Short-term employee benefits**

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) for which the entity has an obligation that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, accrued annual leave and vesting long service leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The entity's obligations for short-term employee benefits are recognised as a part of current employee entitlements in the statement of financial position.

#### **Other long-term employee benefits**

The entity classifies employees' non-vesting long service leave as non-current employee entitlements when there is not a present obligation and there is no expectation of settlement within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for these future obligations and measure same at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to wage inflation and discount rates issued by the Victorian Government's Department of Treasury and Finance. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The entity's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

#### **Retirement benefit obligations**

##### *Defined contribution superannuation benefits*

All employees of the entity receive defined contribution superannuation entitlements, for which the entity pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The entity's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities – trade and other payables, in the entity's statement of financial position.

### h. **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 three months or less, and bank overdrafts. Bank overdrafts, when drawn, are shown within short-term borrowings in current liabilities on the statement of financial position.

### 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).

Receivables and payables 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 statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

j. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*. Bellarine Bayside Foreshore Committee of Management Inc. is body incorporated under the S14A of the Crown Lands (Reserves) Act 1978 with effect from 1 Oct 1994 and was declared as a public entity under the Public Administration Act 2004 with effect from 1 July 2013.

k. **Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l. **Comparative Figures**

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

m. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

n. **Economic Dependence**

Bellarine Bayside Foreshore Committee of Management Inc. is dependent on the on-going commercial viability of the six caravan and camping parks it operates on the foreshore of the northern Bellarine peninsula. Typically, ninety percent or more of its revenue is derived from the park operations and these revenues are used, in part, to maintain and improve the caravan and camping parks, to maintain and improve the coastal environs of the 17 km Crown land reserve for which the committee has custodial responsibility and, in part, to maintain the financial well-being of the entity. Whilst the entity seeks financial assistance and grant monies from time-to-time from Government and others, it is not financially or economically dependent upon the Government or other funding bodies.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 2: REVENUE AND OTHER INCOME

	2018	2017
	\$	\$
<b>a Revenue and other income</b>		
Revenue from holiday parks:		
- Portarlington	4,844,255	4,824,312
- Indented Head	829,745	799,349
- St Leonards	391,744	346,015
Total revenue from holiday parks	6,065,744	5,969,676
Other income:		
- Foreshore leases, licences, permits & transfers	145,824	120,810
- Sale of rights to licence boatsheds	-	354,500
- Interest received on financial assets	60,962	43,137
- Gain on disposal of property, plant and equipment	29,637	19,486
- Other	3,478	2,375
Total other income	239,901	540,308
<b>Total revenue and other income</b>	6,305,645	6,509,984
 <b>b Grants</b>	 751,428	 571,475
<b>Total Revenue and other income &amp; grants</b>	7,057,073	7,081,459

# Bellarine Bayside Foreshore Committee of Management Inc.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 3: PROFIT FOR THE YEAR

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>a. Operating Expenses by function</b>		
Portarlington holiday park expenses	1,818,668	1,650,478
Indented Head holiday park expenses	403,499	462,634
St Leonards holiday park expenses	260,467	246,943
Employee benefits and on-costs - administration	513,268	421,291
Contract labour - administration	-	2,700
General administration expenses	349,038	402,768
Governance expense	137,719	156,287
Plant and equipment expenses	159,363	190,011
Foreshore reserves and halls expense	1,247,005	1,459,766
Tree maintenance expense	91,298	466,415
Boat ramp maintenance expense	175,577	82,883
Asset write-down expense	109,867	-
<b>Total Operating expenses</b>	<b>5,265,769</b>	<b>5,542,179</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 3: PROFIT FOR THE YEAR

	2018	2017
	\$	\$
<b>b. Operating Expenses by nature</b>		
Advertising, marketing, promotion, community engagement	59,890	68,520
Audit	6,500	5,500
Bank charges	39,736	37,691
Committee expenses	25,677	18,137
Computer software and services	106,722	95,739
Consultants	141,417	156,870
Cabin consumables (incl. laundry)	25,029	17,626
Contract cleaning	256,783	247,778
Contract labour (parks, foreshore and office)	5,354	17,731
Doubtful debt expense	-	7,336
Electricity	324,947	256,650
Fuel (petrol, diesel and oils)	41,532	39,533
Gas	34,555	35,991
Interest – hire purchase motor vehicles and heavy plant	834	4,454
Insurance	66,748	61,277
Leasing – motor vehicles	47,138	55,208
Legal	455	3,601
Memberships, licences and permits	12,261	27,001
OHS expenses	10,192	22,720
Postage, printing, stationery and other administration	42,505	40,738
Repairs and maintenance – motor vehicles and heavy plant	58,218	79,151
Repairs and maintenance – parks, foreshore, trees, boat ramps	1,131,495	1,548,235
Security	68,882	58,461
Staff employment costs	2,179,548	2,164,386
Telephone	26,309	21,720
Waste and garbage disposal	271,934	258,613
Water	171,241	191,512
Write-down of assets	109,867	-
<b>Total Operating expenses</b>	<b>5,265,769</b>	<b>5,542,179</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 4: CASH AND CASH EQUIVALENTS

	Note	2018	2017
		\$	\$
CURRENT			
Cash at bank		1,354,913	948,387
Cash on hand		2,300	2,300
Total cash and cash equivalents		1,357,213	950,687

### NOTE 5: TRADE RECEIVABLES

CURRENT			
Trade receivables		157,531	384,587
Provision for impairment	5a	(7,336)	(7,336)
Total current trade receivables		150,195	377,251

#### a. Provision for Impairment of Receivables

Movement in the provision for impairment of receivables is as follows:

		\$
Provision for impairment as at 1 July 2016		-
- Charge (reduction) for year		7,336
- Written off		-
Provision for impairment as at 30 June 2017		7,336
- Charge (reduction) for year		-
- Written off		-
Provision for impairment as at 30 June 2018		7,336

### NOTE 6: FINANCIAL ASSETS

CURRENT			
Held-to-maturity investments > 3 months & < 12 months to maturity		2,645,881	2,112,019
Total financial assets		2,645,881	2,112,019

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### NOTE 7: OTHER ASSETS

	Note	2018	2017
		\$	\$
<b>CURRENT</b>			
Accrued income		31,788	17,665
Deferred financing costs		-	834
Prepayments		68,460	50,762
		100,248	69,261

#### NOTE 8: PROPERTY, PLANT AND EQUIPMENT

##### a) Property, plant and equipment

Property, plant and equipment at fair value

Buildings		10,358,641	12,354,137
Land improvements		2,605,097	2,775,245
Marine improvements		1,557,839	1,689,768
Paths & bridges		381,003	405,394
Public furniture and fixtures		1,332,869	1,476,812
Roads		2,248,635	2,432,327
		18,484,084	21,133,683

Property, plant and equipment at cost

Property assets (additions – at cost) #		1,024,606	-
Office, store and workshop equipment *		94,000	67,115
Motor vehicles and heavy plant *		193,912	163,443
		1,312,518	230,558
<b>Total property, plant and equipment</b>		<b>19,796,602</b>	<b>21,364,241</b>

Note: Assets class marked # represent additions to property asset classes that are recorded at cost – upon the next independent valuation, such additions are transferred to their relevant class at fair value so assessed.

Note: Asset classes marked \* are not subject to valuation and are carried at stated amortised values.



**Bellarine Bayside Foreshore Committee of Management Inc.**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 8: PROPERTY, PLANT AND EQUIPMENT  
 Movement schedule**

	Fair value							Cost			Total
	Buildings	Land Improve-ments	Marine Improve-ments	Paths & Bridges	Public Furniture & Fixtures	Roads	Property additions (at cost)	Office, workshop equipment	Motor vehicles & heavy plant		
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross carrying amount at 1 July 2017	17,295,755	4,269,323	4,010,875	516,231	2,538,220	3,875,071	-	266,157	584,385		33,356,017
Additions – at cost	-	-	-	-	-	-	1,045,991	49,529	135,650		1,231,170
Disposals – derecognition	(449,680)	(11,000)	-	-	(9,500)	(233,648)	-	-	(109,154)		(812,982)
Gross carrying amount at 30 June 2018	16,846,075	4,258,323	4,010,875	516,231	2,528,720	3,641,423	1,045,991	315,686	610,881		33,774,205

Bellarine Bayside Foreshore Committee of Management Inc.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Fair value							Cost			Total
	Buildings	Land Improve-ments	Marine Improve-ments	Paths & Bridges	Public Furniture & Fixtures	Roads	Property additions (at cost)	Office, workshop equipment	Motor vehicles & heavy plant		
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Accumulated depreciation at 1 July 2017</b>	(4,941,618)	(1,494,078)	(2,321,107)	(110,837)	(1,061,408)	(1,442,744)	-	(199,042)	(420,942)	(11,991,776)	
Impairment charges – through other comprehensive income	(1,690,809)	-	(16,649)	-	-	(41,290)	-	-	-	(1,748,748)	
Depreciation	(244,593)	(165,330)	(115,280)	(24,391)	(142,518)	(98,871)	(21,385)	(22,644)	(84,727)	(919,739)	
Disposals – derecognition	389,586	6,182	-	-	8,075	190,117	-	-	88,700	682,660	
<b>Accumulated depreciation at 30 June 2018</b>	(6,487,434)	(1,653,226)	(2,453,036)	(135,228)	(1,195,851)	(1,392,788)	(21,385)	(221,686)	(416,969)	(13,977,603)	
<b>Carrying amount at 30 June 2018</b>	<b>10,358,641</b>	<b>2,605,097</b>	<b>1,557,839</b>	<b>381,003</b>	<b>1,332,869</b>	<b>2,248,635</b>	<b>1,024,606</b>	<b>94,000</b>	<b>193,912</b>	<b>19,796,602</b>	

# Bellarine Bayside Foreshore Committee of Management Inc.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 9: TRADE AND OTHER PAYABLES

	Note	2018	2017
		\$	\$
<b>CURRENT</b>			
Creditors		90,300	60,791
Accrued expenses		122,559	80,120
Fringe benefits tax accrued		13,783	11,877
GST liability		-	7,876
PAYG tax liability		30,336	22,860
Payroll tax liability		6,262	-
Superannuation contributions liability		-	76
		263,240	183,600
		263,240	183,600

### NOTE 10: DEFERRED INCOME

		2018	2017
		\$	\$
<b>CURRENT</b>			
Deposits and bonds		2,065,781	1,834,476
Deferred grant income - grants received in advance	10-1	426,260	551,757
Deferred grant income - grants receivable but not yet received		-	63,151
Deferred boatshed licence fees		-	10,363
		2,492,041	2,459,747
		2,492,041	2,459,747

Deferred deposit and bonds income represents advance payments for camp and caravan site bookings. Income is recognised upon the commencement of the holiday stay. Bonds are refundable upon return of keys or is taken to income when keys are lost or not returned.

Deferred grant income consists of:

- a) Government and local council grants received in advance for works to be undertaken by the entity;
- b) Government and local council grant applications for which the entity has been advised of the approval of the grantor and for which invoices have been raised but have yet to be received;
- c) Deferred grant income is amortised over the life of the deeds of grant or is fully recognised as income upon completion of the works.

## Bellarine Bayside Foreshore Committee of Management Inc.

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 10-1: Movement and reconciliation of Grant funds received in advance of recognition as income

Grant monies received and brought to account during the year or received in a previous period and recognised and brought to account this year comprised:	Funds brought forward from prior period	Funds received or receivable during current period	Funds recognised as income in current year	Funds carried forward to be recognised as income as matched against expenditure in future period
	\$	\$	\$	\$
Dept. Transport, Planning Local Infrastructure - Pt Richards Boat Ramp Precinct and Carpark Upgrade	235,727	41,067	276,794	-
Dept. of Environment Land Water and Planning – Coastal Protection – Infrastructure upgrades – Indented Heads foreshore	100,000	-	100,000	-
Dept. of Environment Land Water and Planning – Coastal Environments Program – Bengalat Reserve seawall investigation & repairs	40,000	-	15,167	24,833
Dept. of Environment Land Water and Planning – Coastal Environments Program – Bengalat Reserve seawall repairs	26,100	-	26,100	-
Dept. of Environment Land Water and Planning – Risk & Hazards Assessment & Signage	42,000	-	29,336	12,664
Dept. of Economic Development, Jobs, Transport & Resources – Boating Safety – dredging of access channel at Pt Richards boat ramp	25,000	25,000	50,000	-
Corangamite Catchment Management Authority – Coastal Tender Rnd-3 Pt Richards Flora and Fauna Reserve project	20,670	12,787	15,079	18,379
City of Greater Geelong – contribution – WG Little Reserve landscape planning including playground upgrade	10,000	-	2,427	7,573
Dept. Environment Land Water & Planning – Local Landscape enhancement grant – Port Pier environs – small scale landscaping	3,310	-	3,310	-
Parks Victoria – Portarlinton Pier harbour dredging & Portarlinton beach renourishment		135,215	135,215	-
Dept. of Environment Land Water and Planning – Coastal Protection - Pt Richards groyne installation		100,000	17,511	82,489
Dept. of Environment Land Water and Planning – Coastal Protection - St Leonards timber seawall replacement		90,000	-	90,000

# Bellarine Bayside Foreshore Committee of Management Inc.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	\$	\$	\$	\$
Note 10.1 continued				
Dept. of Environment Land Water & Planning - PHP tree removal works		80,000	-	80,000
Dept. of Environment Land Water & Planning - Public safety & coastal protection works - Jade Tiger Beach, Indented Head		79,200	-	79,200
Dept. of Environment Land Water and Planning – Coastal Access & Risk - St Leonards trail realignment		21,600	21,600	-
Dept. of Environment Land Water & Planning - Beach Cleaning subsidy 2016/17		18,839	18,839	-
Victorian Fisheries Authority - fishing cleaning table Pt Richards boat ramp		11,931	11,931	-
Victorian Fisheries Authority - fishing cleaning table Indented Head boat ramp		11,751	11,751	-
Corangamite Catchment Management Authority – Coastal Tender Rnd-5 Esplanade, Indented Head		7,050	7,050	-
City of Greater Geelong – contribution – Portarlinton Pier tourism signage		6,818	6,818	-
Portarlinton Mussel Festival – donation towards WG Little Reserve landscape planning including playground upgrade		2,500	2,500	-
	502,807	643,758	<b>751,428</b>	395,137
GST related to amount carried forward – ( <i>some items are GST-free</i> )	48,950			31,123
Total amount carried forward for recognition in a future period as and when associated works are completed	<b>551,757</b>			<b>426,260</b>

### NOTE 11: EMPLOYEE ENTITLEMENTS

	2018	2017
CURRENT	\$	\$
Provision for employee entitlements: annual leave	99,226	117,819
Provision for employee entitlements: long service leave	87,337	100,733
	186,563	218,592
NON-CURRENT		
Provision for employee entitlements: long service leave	34,897	53,896
	<b>221,460</b>	<b>272,488</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
ANALYSIS OF TOTAL EMPLOYEE ENTITLEMENT PROVISIONS	\$	\$
Opening balance at 1 July	272,488	264,401
Additional provisions raised during year	117,495	202,587
Amounts used	(168,523)	(194,500)
Balance at 30 June	221,460	272,488

Provision for employee entitlements 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 entity 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 entity 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.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1.2 (g).

### NOTE 12: ASSET REVALUATION RESERVES

Details of the movements in the asset revaluation reserves are as follows:

	Buildings	Land Improve- ments	Marine Improve- ments	Paths & Bridges	Public Furniture & Fixtures	Roads	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2017</b>	9,977,562	2,150,305	507,480	334,061	1,220,022	2,025,022	16,214,452
Impairment charges – through other comprehensive income	(1,690,809)	-	(16,649)	-	-	(41,290)	(1,748,748)
Transfer revaluation surplus – derecognised assets – to retained earnings	(60,093)	(4,818)	-	-	(1,425)	(43,531)	(109,867)
<b>Balance at 30 June 2018</b>	<b>8,226,660</b>	<b>2,145,487</b>	<b>490,831</b>	<b>334,061</b>	<b>1,218,597</b>	<b>1,940,201</b>	<b>14,355,837</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 13: LEASING COMMITMENTS

a. <b>Operating Lease Commitments</b>	<b>2018</b>	<b>2017</b>
Non-cancellable operating leases contracted for but not recognised in the financial statements	\$	\$
Payable – minimum lease payments:		
– not later than 12 months	45,756	52,563
– later than 12 months but not later than 2 years	18,278	50,543
– later than 2 years	2,804	39,651
	<u>66,838</u>	<u>142,757</u>

The motor vehicle and office equipment lease commitments are non-cancellable operating leases. Contracted terms are for three years (motor vehicles) and five years (office equipment). No capital commitments exist in regards to the lease commitments at year-end.

### NOTE 14: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at the date of this report, there are no known matters for which contingencies, liabilities or assets, are requiring of disclosure in this report.

### NOTE 15: EVENTS AFTER THE REPORTING PERIOD

The committee is not aware of any significant events occurring since the end of the reporting period.

### NOTE 16: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any committee member (whether executive or otherwise) of that entity is considered key management personnel.

The totals of remuneration paid to key management personnel (KMP) of the entity during the year are as follows:

Key management personnel compensation	<u>551,248</u>	<u>491,930</u>
---------------------------------------	----------------	----------------

The \$59,318 or +12.1% movement in the compensation amount is mostly due to following key factors:

- The 2017 figure includes only part-year pay for a new senior management role that commenced late September 2016;
- The introduction of Committee fees from November 2016; and
- Remuneration rates for senior management and sitting fees for Committee increased by an average of 2.9% for 2018

### NOTE 17: OTHER RELATED PARTY TRANSACTIONS

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

There were no transactions between the entity and related parties during the year ended 30 June 2018.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 18: FINANCIAL RISK MANAGEMENT

The entity's financial instruments consist of deposits with banks, trade-accounts receivable and payable, and hire purchase loans.

The carrying amounts for each category of financial instruments, measured in accordance with AASB139 as detailed in the accounting policies to these financial statements, are as follows:

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>Financial assets</b>			
Cash and cash equivalents	4	1,357,213	950,687
Trade receivables	5	150,195	377,251
Financial assets—held-to-maturity investments > 3 & < 12 mths to maturity	6	2,645,881	2,112,019
<b>Total financial assets</b>		<b>4,153,289</b>	<b>3,439,957</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
– trade and other payables	9	263,240	183,600
– borrowings	11	-	7,043
<b>Total financial liabilities</b>		<b>263,240</b>	<b>190,643</b>



### COMMITTEE MEMBERS' DECLARATION

In accordance with a resolution of the Bellarine Bayside Foreshore Committee of Management Inc., the committee members of the entity declare that:

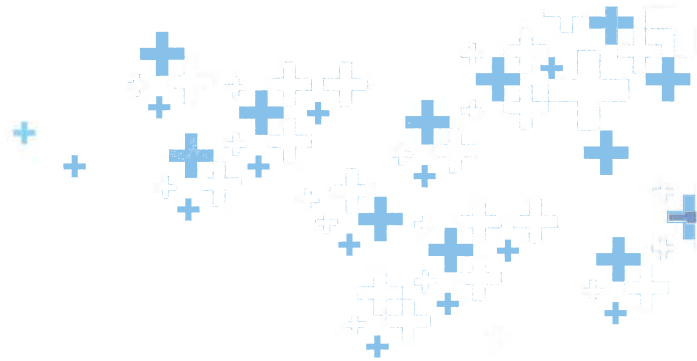
1. The financial statements and notes, as set out on pages 7 to 31:
  - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position of the entity as at 30 June 2018 and of its performance for the year ended on that date.
2. In the committee members' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

For and on behalf of the committee:



Dr Sandra Brizga - Chair

Dated this 12th day of October 2018



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELLARINE BAYSIDE FORESHORE  
COMMITTEE OF MANAGEMENT INC.**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Bellarine Bayside Foreshore Committee of Management Inc. (the entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the committee members' declaration.

In our opinion, the accompanying financial report of Bellarine Bayside Foreshore Committee of Management Inc.:

- (i) gives a true and fair view of the entity's financial position as at 30 June 2018 and of its performance for the year then ended; and
- (ii) complies with the Australian Accounting Standards – Reduced Disclosure Requirements.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Responsibilities of the Committee for the Financial Report**

The committee of management of the entity is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



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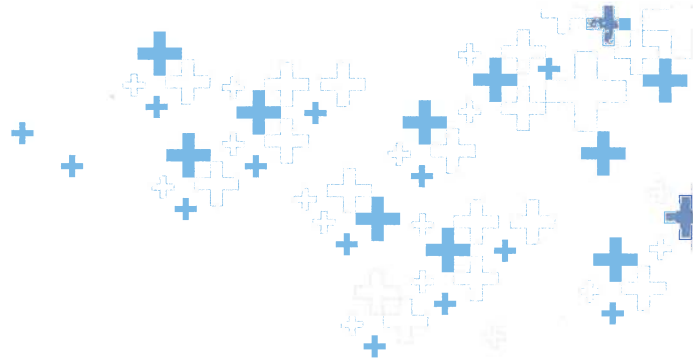
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scheme approved under  
Professional Standards  
Legislation.



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**LBW CHARTERED ACCOUNTANTS**

**SRIPATHY SARMA**

Dated this 12<sup>th</sup> day of October 2018



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