



**Bellarine
Bayside**
Coastal Management

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

ABN 12 722 496 556

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

Financial report for the year ended 30 June 2019

COMMITTEE'S REPORT

The Committee of Management presents this report on behalf of the entity for the financial year ended 30 June 2019.

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:

Melanie Rogers: Chair – *from 01/07/2019*

Dr Sandra Brizga: Chair – *until 30/06/2019*

John Hartigan: Deputy Chair

Helene Cameron

Kenneth Latta

Gregory Lewis

Jennifer Lilburn – *resigned at expiration of term 30/06/2019*

Nicole Newman – *appointed 01/07/2019*

Sheena Walters – *appointed 01/07/2019*

Cameron Quinten – *appointed 01/07/2019*

Richard Davies – *appointed 01/07/2019*

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 Portarlington, Indented Head and St Leonards.

Review of Operations

The 2018/19 operations continued to address the entity's long term strategic aims as espoused in the 2012 Northern Bellarine Foreshore Plan and the 2017 Camping & Accommodation Strategy.

For the year ended 30 June 2019, the entity generated revenues of \$7,436,740 (2018: \$7,057,073) – an increase of \$379,666 or 5% on the previous corresponding period [pcp]. Caravan park revenues, which are the entity's prime source of income, were \$6,525,516 (88% of total revenue) and a 7.6% increase on the \$6,065,744 derived in 2017/18.

Other revenues included \$307,785 (4% of total) from foreshore leases, licences, permits and other income and \$603,439 (8% of total) from grants and subsidies received from State Government and other funding bodies. The respective figures for pcp were \$239,901 of other revenues and \$751,428 from grants. The increase in revenue from foreshore lease, licences and other income was mainly due to gains on the disposal of heavy plant and increased interest income from term deposit investments.

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 - Indented Head Hall - roof replacement	250,000
Department of Environment Land Water and Planning – St Leonards coastal trail realignment, installation of visitor seating, landscaping and revegetation	100,000
Department of Environment Land Water and Planning – St Leonards Timber seawall – erosion control installation	90,000
Department of Environment Land Water and Planning – Pt Richards timber groyne - erosion control installation	37,035

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

Country Fire Authority - Safer Together Project - fire fuel reduction works at Flora & Fauna Reserve, Pt Richards and Lower Bluff, St Leonards	32,900
Department of Environment Land Water and Planning – Anderson Reserve, Indented Head seawall repairs – erosion control installation	24,832
Department of Environment Land Water and Planning – Levens Rd, St Leonards seawall repairs – erosion control installation	22,354
Department of Environment Land Water and Planning – Beach cleaning subsidy program	14,829
Department of Environment Land Water and Planning – Aquatic Risk Signage	12,664
COGG – WG Little Reserve landscape planning project	7,573
Corangamite Catchment Management Authority – Coastal Tender Rnd-3 – Pt Richards Flora and Fauna Reserve project	6,621
Victorian Fisheries Authority – installation of fish cleaning tables at Pt Richards & Indented Head boat ramps	2,631
Portarlington Mussel Festival – WG Little Reserve landscape planning project	2,000
	603,439

Receipts from grants in the pcp were \$751,428.

Total expenditure for the year (excluding depreciation charges) was \$5,890,427 (2018: \$5,265,769). This was an increase of \$624,657 or 12% on the pcp. The increase in expenditure was largely attributable to an asset write-down expense of \$667,641 that was incurred as part of the annual asset impairment review and the revaluation processes.

Maintenance and renewal activities resulted in a range of noteworthy improvements across all holiday parks and foreshore environs. These included the a range of coastal protection works along various foreshores to restore amenity and prevent further erosion and storm damage, the rejuvenation of public places via coastal trail & visitor facilities upgrades and revegetation, repainting and refurbishing buildings within the holiday parks and along the foreshores, including the important works at the Indented Head community hall which saw the replacement of the roof, guttering and wall-cladding, the implementation of dog orders and the installation of aquatic risk signage. In addition, significant time and effort was applied to the planning and design of very large projects that will carry-over into the next financial year: the upgrade of the power network at Portarlington holiday park, the construction of a new playground at WG Little Reserve in conjunction with a range of project partners: Bendigo Bank Community Foundation, Portarlington-Drysdale Lions Club, COGG, Portarlington Arts Association, Portarlington Mussel Festival and National Celtic Festival, and the commencement of developing a new strategic plan (Coastal and Marine Management Plan) as required by the Marine and Coastal Act 2018 that will ultimately replace the Northern Bellarine Foreshore Plan.

In addition, an independent revaluation of the building & structures and marine improvement asset classes resulted in a \$940,546 net reduction in the total carrying or book-value amounts of these asset classes. This amount has been written-off against existing asset revaluation reserves in accordance with policy and is shown in the Statement of Profit and Loss as 'Other comprehensive income'.

Operations yielded a trading surplus for the year of \$614,035 (2018: \$871,565) – a decrease of \$257,530.

Cash flows from operations for the year were \$2,047,250 (2018: \$2,108,056). Notwithstanding the marginal decrease, cash flow from operations remains strong and is indicative of prudent and controlled financial management. The completion of the year's operations saw total cash and investments rising strongly from \$4,003,093 held at year-end of the previous year to \$5,270,491, a rise of \$1,267,398. The entity well placed to meet the funding demands of the new financial year including the two major projects mentioned above, the power network upgrade and the playground construction.

Overall, the committee is pleased to report the completion of another successful year and that the entity remains in a sound financial position.

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

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.

Statement of Expectations

At regular intervals, usually around the start of a Committee's term, the Minister for Energy, Environment and Climate Change issues a Statement of Expectations to the four Category 1 Committees of Management in the Barwon South West Region. The four Committees are, from east to west, Bellarine Bayside Foreshore Committee of Management; Barwon Coast Committee of Management; Great Ocean Road Coast Committee of Management; and Otway Coast Committee of Management.

The Statement of Expectations applicable to the year ended 30 June 2019 was issued in January 2018.

In the interests of transparency, accountability and public availability, the Statement of Expectations is published on the entity's website.

Bellarine Bayside reports on its progress against the nine priority expectations in the Statement of Expectations as follows:

Priorities	Summary of Expectations	Current Status
1. Structure, Culture and Operational Focus	Principles of good governance are adopted and meet community expectations of transparency, accountability and participation.	Bellarine Bayside was the subject of a significant review in 2015 conducted by PPB Advisory. The recommendations arising from that review included those areas covered in this priority. The Committee has implemented the Review's recommendations.
2. Occupation of the Reserve	Report provided to DELWP on tenures, rental regimes, expiry and the program for renewal.	Annual Report has been provided to DELWP.
3. Use and Development of the Reserve	Proposals are consistent with all relevant acts and policies. Applications to DELWP have considered public input into decision making and the National Climate Change Adaptation Research Facility pathways approach has been considered and where appropriate utilised.	The Committee has included all of the required considerations in all of its submissions for formal consents.
4. Coastal Management Plan	Review and submit a Coastal Management Plan to the Minister by August 2019 To be prepared in partnership with Traditional Owners and/or Registered Aboriginal Parties and in collaboration with neighbouring coastal management entities.	The CMP is included in the organisations 2018/19 work program and budget and will be completed in 2019/20. The CMP will comply with the DELWP Guide for the Preparation of Coastal Management Plans. The Coastal and Marine Management Plan review is well underway. The first stage of the project which incorporated a review of the existing plan has been drafted. It is forecasted that the Final Plan is unlikely to be completed by August 2019. It is proposed that a draft will be completed by that date. This has been discussed and supported by officers of DELWP. Our CMP will also comply with the relevant the new legislation and

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

		guidelines. The process will also include formal inclusion of Traditional Owners and other agencies and stakeholders.
5. Community Engagement	Interactions with the public are consistent with VAGO's Public Participation in Government Decision Making, DELWP Community Charter and DELWP 'Munganin Gadhaba' Aboriginal Inclusion Plan.	The Committee has an agreed Communications Plan which includes community engagement. This complies with the Department's protocols and requirements.
6. Communications Protocol with DELWP	Developed by the committee, provided to DELWP and in place.	<p>The Committee has an agreed Communications Plan and will comply with the Department's protocols and requirements.</p> <p>Compliance is occurring with the Committee's approved Communications Plan which incorporates processes and procedures in accordance with those outlined in the SOE</p>
7. Annual Report	<p>Requirements of the Statement of Expectations are incorporated into annual and strategic planning processes.</p> <p>Progress towards meeting the Statement of Expectations is reported.</p>	The Annual Report has been provided to DELWP. The SOE has also been uploaded onto our web site.
8. Procurement	<p>Purchasing policies are consistent with Victorian Government Purchasing Board and can be demonstrated as open and transparent.</p> <p>Risk Management is in accordance with the DELWP Risk Management Guidelines.</p>	<p>The Committee has a Procurement Policy which is supported by a Delegations Policy which is part of the Committee's Charter.</p> <p>Compliance with the required government policies and procedures is occurring and the Committee have endorsed the organisations delegation policies. The Committee updated its Financial Delegations</p> <p>Policy during the past year. A subcommittee is established to oversee compliance with all required Government governance and probity policies and procedures.</p> <p>The Committee has a Risk Management Plan which complies with the required standards and guidelines.</p>
9. Committee Policies and Guideline	Model policies are in place consistent with those provided by DELWP including the <i>Integrity framework</i> model policy which replaces the Code of conduct model policy and guidance notes are being utilised.	The Committee has an approved Board Charter which describes the processes and roles and responsibilities to ensure compliance with all state government policies, procedures and guidelines

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

Information on Members of the Committee of Management

Melanie Rogers	–	Chair - from 01/07/2019
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 it's Risk Committee. Director of Active Community Housing Ltd.
Special Responsibilities	–	Member of Risk Audit & Finance & CEO Review and Remuneration sub-committee s
John Hartigan	–	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
Dr Sandra Brizga	–	Committee member [Chair -until 30/06/2019]
Qualifications	–	BA (Hons), M Env Law, M App Fin, PhD, GAICD
Experience	–	Dr Sandra Brizga has over 30 years' experience in coastal, river and catchment 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 is the 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, Trust for Nature and Victorian Catchment Management Council. She is a Fellow of the Peter Cullen Trust, an Honorary Life Member of the River Basin Management Society and a Sessional Member of Planning Panels Victoria.
Special Responsibilities	–	Chair of CEO Performance and Remuneration sub-Committee

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

- | | | |
|--------------------------|---|--|
| Gregory Lewis | – | Committee member |
| Qualifications | – | B.Eco, 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 |
| Helene Cameron | – | 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.

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. |
| Dr Kenneth Latta | – | 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. |

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

Special Responsibilities	–	Member of CEO Performance and Remuneration sub-Committee
Nicole Newman	–	Committee member
Qualifications	–	
Experience	–	<p>Nicole is the Managing Director of The Food Purveyor and acts as a mentor, advisor, consolidator and distributor of premium Victorian produce, within speciality hampers, across the country. Prior to establishing the Food Purveyor, Nicole worked within food consulting as a Marketing Manager and Operations Coordinator with Nestle for 15 years. During this time she worked with SME Food Manufacturers around Australia, assisting to develop niche products for events such as the Australian Open and the Grand Prix, as well as for restaurants, caterers and airlines on behalf of Nestle.</p> <p>This extensive knowledge of food production, branding, supply chain, sales and the hospitality industry has assisted Nicole and her clients to recognise and navigate complexities in the Agri-Food Sector.</p> <p>Nicole is also an active member of the board of the G21 AgriBusiness Forum - the peak body for Agriculture and Agribusiness in the G21 Region.</p>
Sheena Walters	–	Committee member
Qualifications	–	BBus, PostGradDipAuslEngInt, GradCertNFPMgt
Experience	–	<p>Sheena currently works as an executive in the public sector and has strong skills in strategy, risk and community engagement. She previously worked in the not-for-profit sector for over 15 years in various management roles.</p> <p>Sheena began with a career in sign language interpreting across Australia and overseas. She has worked internationally in over 12 countries to improve the human rights of deaf people as a sign language interpreter, trainer and project worker.</p> <p>Sheena has previously served on the Australian Sign Language Interpreters Association NSW Committee and as the World Association of Sign Language Interpreters regional representative for Australasia & Oceania.</p>
Cam Quinten	–	Committee member
Qualifications	–	BEd(Sec)(Environmental Studies), BSc(Hons), GradDipAppSc(Environmental Management), DipBus(Frontline Management), DipSust, Cert IV Training and Assessment, GAICD
Experience	–	<p>Cam is passionate about education, governance, business and the natural environment. Initially trained as a science and environmental studies teacher, he completed post graduate studies in Environmental Management before taking up a position at Deakin University providing welfare support and teaching ecology.</p>

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

COMMITTEE'S REPORT

Cam then worked as an Apprenticeships and Traineeships consultant with Victoria University, before starting at The Gordon TAFE in Business Development and Engagement roles. Cam was later appointed as Manager of the Building and Construction Enterprise (Division).

Cam is currently employed as GM Commercial Operations at Gforce Employment Solutions, where he began in 2017 in a Strategy and Growth role.

Cam has over fifteen years' experience as a Board Director and Chair, having previously sat on the YHA Victoria Board and as a staff representative on the Board of the Gordon TAFE.

Richard Davies	–	Committee member
Qualifications	–	BEng(Civil), GradDipBus, MAICD
Experience	–	<p>Richard's 40 year career includes public and private roles in the civil construction, electricity and gas energy sectors in Victoria, covering power station, mining and pipeline infrastructure.</p> <p>He moved into senior executive, Group Management and Chief Operating Officer positions in Victoria's gas utility sphere, leading the State's largest gas network business, Multinet Gas, through the privatisation process in 1999.</p> <p>Richard joined the Great Ocean Road Coast Committee (GORCC) as Commercial Manager in 2008, moving into the Chief Executive role in 2010 and successfully delivering substantial profit growth, improved customer service and important environmental, coastal and leasing outcomes for GORCC under state policy.</p> <p>As a Bellarine Peninsula resident, Richard is a keen ocean swimmer planning a 20th Lorne Pier to Pub entry coming up in 2020.</p>

Meetings of Committee of Management

During the financial year, 10 meetings of the committee of management were held. Attendances by each committee member were as follows:

	Committee Meetings	
	Number eligible to attend	Number attended
Melanie Rogers	10	8
John Hartigan	10	8
Dr Sandra Brizga	10	10
Helene Cameron	10	7
Gregory Lewis	10	7
Dr Kenneth Latta	10	9
Jennifer Lilburn	10	7
Nicole Newman	0	0
Sheena Walters	0	0
Cam Quinten	0	0
Richard Davies	0	0

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

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 Portarlinton, 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 2019 has been received and can be found on page 10 of the financial report.

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

Committee member:

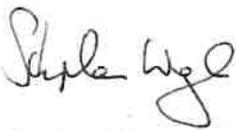


Melanie Rogers - Chair

Dated this 11 day of October 2019

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

As lead auditor of Bellarine Bayside Foreshore Committee of Management Inc. for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Stephen Wight
Director

Dated this 14th day of October, 2019

*Davidsons Assurance Services Pty Ltd
101 West Fyans Street
Geelong, Victoria 3220*

/ GEELONG

101 West Fyans Street
PO Box 386
Geelong VIC 3220
PHONE 03 5221 6399

/ TORQUAY

6 Walker Street
PO Box 125
Torquay VIC 3228
PHONE 03 5261 2029

/ DIRECTORS

Stephen Wight CA
Stephen Kirtley CA

Davidsons Assurance Services Pty Ltd
ACN 123 098 662 / ABN 77 123 098 662

info@davidsons.com.au

davidsons.com.au

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 2019**

	Note	2019	2018
		\$	\$
Revenue and other income	2a	6,833,301	6,305,645
Grants	2b	603,439	751,428
Operating expenses	3	(5,890,427)	(5,265,769)
Depreciation	8	(932,278)	(919,739)
Net surplus for the year		614,035	871,565
 Other comprehensive income			
Items not reclassified subsequently to profit or loss:			
Impairment loss—property, plant & equip through revaluation reserve		-	(1,748,748)
Loss on disposals —property, plant & equip through revaluation reserve	8	(214,864)	-
Net gain/(loss) on revaluation of buildings and marine improvements	8	(725,682)	-
Total other comprehensive income for the year		(940,546)	(1,748,748)
Total comprehensive income for the year		(326,511)	(877,183)

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 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,557,067	1,357,213
Trade and other receivables	5	147,637	150,195
Financial assets	6	2,713,424	2,645,881
Other assets	7	109,591	100,247
TOTAL CURRENT ASSETS		5,527,719	4,253,536
NON-CURRENT ASSETS			
Property, plant and equipment	8	18,106,606	19,796,603
TOTAL NON-CURRENT ASSETS		18,106,606	19,796,603
TOTAL ASSETS		23,634,325	24,050,139
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	223,559	263,240
Deferred income	10	2,412,348	2,492,041
Employee entitlements	11	209,485	186,563
TOTAL CURRENT LIABILITIES		2,845,392	2,941,844
NON-CURRENT LIABILITIES			
Employee entitlements	11	42,046	34,897
TOTAL NON-CURRENT LIABILITIES		42,046	34,897
TOTAL LIABILITIES		2,887,438	2,976,741
NET ASSETS		20,746,887	21,073,398
EQUITY			
Asset Revaluation Reserve	12	13,415,291	14,355,837
Retained earnings		6,717,561	5,845,996
Surplus for year		614,035	871,565
TOTAL EQUITY		20,746,887	21,073,398

The accompanying notes form part of these financial statements.

Bellarine Bayside Foreshore Committee of Management Inc.
ABN 12 722 496 556

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Note	Surplus for year	Retained earnings	Asset revaluation reserve	Total
		\$	\$	\$	\$
Balance at 1 July 2017		-	5,736,129	16,214,452	21,950,581
Comprehensive income					
Surplus for the year		871,565	-	-	871,565
Transfer revaluation surplus to retained earnings		-	109,867	(109,867)	-
Other comprehensive income for the year		-	-	(1,748,748)	(1,748,748)
Total comprehensive income for the year		871,565	109,867	(1,858,615)	(877,183)
Balance at 30 June 2018		871,565	5,845,996	14,355,837	21,073,398
Balance at 1 July 2018		-	6,717,561	14,355,837	21,073,398
Comprehensive income					
Surplus for the year		614,035	-	-	614,035
Other comprehensive income for the year	12	-	-	(940,546)	(940,546)
Total comprehensive income for the year		614,035	-	(940,546)	(326,511)
Balance at 30 June 2019		614,035	6,717,561	13,415,291	20,746,887

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 2019

	Note	2019	2018
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt of grants		517,343	607,659
Interest received		76,293	39,573
Other receipts		7,068,228	7,302,296
Payments to suppliers and employees		(5,454,413)	(5,610,610)
Net GST paid		(160,201)	(230,862)
Net cash generated from operating activities		2,047,250	2,108,056
CASH FLOWS FROM INVESTING ACTIVITIES			
Net movement in financial assets		(67,543)	(533,862)
Proceeds from sale of property, plant and equipment		70,615	50,091
Payment for property, plant and equipment		(850,468)	(1,210,716)
Net cash used in investing activities		(847,396)	(1,694,487)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net movement in hire-purchase asset financing		-	(7,043)
Net cash generated by/(used in) financing activities		-	(7,043)
Net increase in cash held		1,199,854	406,526
Cash and cash equivalents at beginning of financial year		1,357,213	950,687
Cash and cash equivalents at end of financial year	4	2,557,067	1,357,213

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 2019

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 the above Standard. The entity is a not-for-profit entity for financial reporting purposes.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board 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 11 October 2019 by the committee of management of the entity.

a. **Revenue**

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Twelve-month permits and 'season-ticket' bookings are examples of revenue service contracts where revenue is recognised progressively as the entity's service or performance obligations are satisfied with the effluxion of time and with the continuous availability of the sites/parks for camping & accommodation purposes.

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

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.

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

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.

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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.

Independent valuation of the 'fair-value' asset classes is carried out on a 5-year rotating basis or more frequently when the Committee is of the view that the carrying value of a class of assets, materially differs from the fair-value of those assets. In between 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:

Class of Fixed Asset	Depreciation Rates	Useful Life
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.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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 its asset-classes on the basis of the nature, characteristics and risks of the asset and the level of fair value hierarchy as described 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.

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, this is the date that the entity commits itself to either the purchase or sale of the asset.

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Financial instruments 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

(i) *Financial assets and liabilities at amortised cost*

Financial assets and liabilities are measured at amortised cost if both of the following criteria are met:

- the assets are held to collect contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method less any impairment.

(ii) *Financial assets at fair value through other comprehensive income*

Debt investments are measured at fair value through other comprehensive income if both of the following criteria are met and the assets are not classified as 'fair value through profit or loss':

- the assets are held to achieve its objective both by collecting the contractual cash flows and by selling the assets, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

Equity investments are measured at fair value through other comprehensive income if the entity makes an irrevocable election at initial recognition to recognise in this category.

Subsequent changes in fair value of these assets are recognised in other comprehensive income.

Upon disposal of debt investments, any related balance in the fair value reserve is reclassified to profit or loss. However, upon disposal of equity investments, any related balance in the fair value reserve is reclassified to retained earnings.

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

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are measured at fair value through profit or loss. The decision to classify a financial asset at fair value through profit or loss is irrevocable and stands until the asset is derecognised.

(iv) *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. The entity's trade and most other receivables fall into this category of financial instruments.

(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.

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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 2019

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 2019

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.

o. **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the entity.

The Committee Members' initial assessment of the pronouncements that are relevant to the entity but applicable in future reporting periods is set out below:

(i) *AASB 15: Revenue from Contracts with Customers*

AASB 15 is applicable to annual reporting periods of not-for-profit entities beginning on or after 1 January 2019, as deferred by AASB 2016-7: Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-For-Profit Entities.

When effective, AASB 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Based on a preliminary assessment performed over each service and customer contract, the effects of AASB 15 are not expected to have a material effect on the entity.

(ii) *AASB 16: Leases*

AASB 16 is applicable to annual reporting periods beginning on or after 1 January 2019.

When effective, AASB 16 will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Based on a preliminary assessment performed over each lease type, the effect of AASB 16 is expected to be:

- An increase in Lease Liabilities with a commensurate increase in Right-to-Use Assets. These changes are not expected to materially impact Net Assets.
- An increase in Amortisation Expense (of the Right-to-Use Asset) and an increase in Interest Expense with a commensurate decrease in Lease Expense and/or increase in revenue recognition where lease arrangements are below market value. These changes are not expected to materially impact Total Comprehensive Income.

(iii) *AASB 1058: Income of Not-For-Profit Entities*

AASB 1058 is applicable to annual reporting periods beginning on or after 1 January 2019.

When effective, AASB 1058 requires that where a Not-for-Profit entity acquires an asset for a payment that is significantly less than its fair value (for example grants, bequests, donations, or other similar voluntary contributions), the timing of income recognition will depend on whether the transaction gives rise to a performance obligation. Where a performance obligation exists, the amount is recognised as revenue in accordance with the principles of AASB 15, which would mean recognising the proportion relating to the performance obligations as income only when they are satisfied: Twelve-month permits and 'season-ticket' bookings are examples of revenue service contracts where revenue is recognised progressively as the entity's service or performance obligations are satisfied with the effluxion of time and with the continuous availability of the sites/parks for camping & accommodation purposes. Where a performance obligation does not exist, the amount is immediately recognised as income.

In accordance with AASB 2018-8, the entity has elected not to apply the fair value initial measurement requirements of AASB 1058, therefore, AASB 1058 is not expected to have a material effect on the entity's 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 2019

NOTE 2: REVENUE AND OTHER INCOME

	2019	2018
	\$	\$
a Revenue and other income		
Revenue from holiday parks:		
- Portarlington	5,252,393	4,844,255
- Indented Head	868,520	829,745
- St Leonards	404,603	391,744
Total revenue from holiday parks	<u>6,525,516</u>	<u>6,065,744</u>
Other income:		
- Foreshore leases, licences, permits & transfers	137,965	145,824
- Interest received on financial assets	98,609	60,962
- Gain on disposal of property, plant and equipment	70,615	29,637
- Other	596	3,478
Total other income	<u>307,785</u>	<u>239,901</u>
Total revenue and other income	<u>6,833,301</u>	<u>6,305,645</u>
b Grants	<u>603,439</u>	<u>751,428</u>
Total Revenue and other income & grants	<u><u>7,436,740</u></u>	<u><u>7,057,073</u></u>

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3: PROFIT FOR THE YEAR

	2019	2018
	\$	\$
a. Operating Expenses by function		
Portarlington holiday park expenses	1,924,708	1,818,668
Indented Head holiday park expenses	397,574	403,499
St Leonards holiday park expenses	275,378	260,467
Employee benefits and on-costs - administration	514,079	513,268
General administration expenses	342,457	349,038
Governance expense	127,672	137,719
Plant and equipment expenses	195,103	159,363
Foreshore reserves and halls expense	1,300,688	1,247,005
Tree maintenance expense	75,369	91,298
Boat ramp maintenance expense	69,758	175,577
Asset write-down expense (impairment charges)	8 667,641	109,867
Total Operating expenses	5,890,427	5,265,769

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3: PROFIT FOR THE YEAR

	2019	2018
	\$	\$
b. Operating Expenses by nature		
Advertising, marketing, promotion, community engagement	54,952	59,890
Audit	9,500	6,500
Bank charges	43,651	39,736
Committee expenses	28,903	25,677
Computer software and services	91,512	106,722
Consultants	118,661	141,417
Cabin consumables (condiments, amenities and laundry)	25,174	25,029
Contract cleaning and supplies	191,308	256,783
Contract labour (parks, foreshore and office)	35,411	5,354
Doubtful debt expense	31,891	-
Electricity	341,934	324,947
Fuel (petrol, diesel and oils)	42,994	41,532
Gas	38,843	34,555
Interest – hire purchase motor vehicles and heavy plant	-	834
Insurance	81,895	66,748
Leasing – motor vehicles	57,971	47,138
Legal	4,663	455
Memberships, licences and permits	14,344	12,261
OHS expenses	15,600	10,192
Postage, printing, stationery and other administration	35,731	42,505
Repairs and maintenance – motor vehicles and heavy plant	81,071	58,218
Repairs and maintenance – parks, foreshore, trees, boat ramps	1,092,934	1,131,495
Security	55,047	68,882
Staff employment costs	2,236,793	2,179,548
Telephone	25,962	26,309
Waste and garbage disposal	288,120	271,934
Water	177,921	171,241
Write-down of assets (impairment charges)	8 667,641	109,867
Total Operating expenses	5,890,427	5,265,769

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 4: CASH AND CASH EQUIVALENTS

	Note	2019	2018
		\$	\$
CURRENT			
Cash at bank		2,554,767	1,354,913
Cash on hand		2,300	2,300
Total cash and cash equivalents		2,557,067	1,357,213

NOTE 5: TRADE RECEIVABLES

CURRENT			
Trade receivables		186,864	157,531
Provision for impairment	5a	(39,227)	(7,336)
Total current trade receivables		147,637	150,195

a. Provision for Impairment of Receivables

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

		\$
Provision for impairment as at 1 July 2017		7,336
– Charge (reduction) for year		-
– Written off		-
Provision for impairment as at 30 June 2018		7,336
– Charge (reduction) for year		31,891
– Written off		-
Provision for impairment as at 30 June 2019		39,227

NOTE 6: FINANCIAL ASSETS

CURRENT			
Financial assets at amortised cost > 3 months & < 12 months to maturity		2,713,424	2,645,881
Total financial assets		2,713,424	2,645,881

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7: OTHER ASSETS

	Note	2019	2018
		\$	\$
CURRENT			
Accrued income		54,103	31,787
Prepayments		55,488	68,460
		109,591	100,247
		109,591	100,247

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

a) Property, plant and equipment

Property, plant and equipment at fair value

Buildings (2019 valuation)	a)	8,766,400	10,358,641
Land improvements (2016 valuation)		2,258,716	2,605,097
Marine improvements (2019 valuation)	a)	1,868,500	1,557,839
Paths & bridges (2016 valuation)		354,826	381,004
Public furniture and fixtures (2016 valuation)		1,165,205	1,332,869
Roads (2016 valuation)		2,142,864	2,248,635
		16,551,511	18,484,084
Property, plant and equipment at cost			
Property assets (additions – at cost) #	b)	892,636	1,024,606
Office, store and workshop equipment *	c)	87,997	94,000
Motor vehicles and heavy plant *	c)	328,097	193,912
Works in progress		241,365	-
		1,550,095	1,312,518
Total property, plant and equipment		18,106,606	19,796,603

Note a): The 2019 valuation of the building and marine improvement asset classes was carried out by independent firm - Opteon Property Group.

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

Bellarine Bayside Foreshore Committee of Management Inc.
ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Movement schedule

	Fair value						Cost				Total
	Buildings	Land Improvements	Marine Improvements	Paths & Bridges	Public Furniture & Fixtures	Roads	Property additions (at cost)	Office, workshop equipment	Motor vehicles & heavy plant	Works in progress	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net carrying amount at 1 July 2018	10,358,641	2,605,097	1,557,839	381,004	1,332,869	2,248,635	1,024,606	94,000	193,912	-	19,796,603
Additions – at cost	-	-	-	-	-	-	421,341	21,160	166,602	241,365	850,468
Disposals – through comprehensive income	(197,269)	-	(17,595)	-	-	-	-	-	-	-	(214,864)
Net change in fair value upon revaluation	(1,155,554)	-	(429,872)	-	-	-	-	-	-	-	(725,682)
Impairment charges – through profit & loss	-	(164,123)	-	-	-	-	(503,518)	-	-	-	(667,641)
Depreciation	(239,418)	(182,258)	(101,616)	(26,178)	(167,664)	(105,771)	(49,793)	(27,163)	(32,417)	-	(932,278)
Net carrying amount at 30 June 2019	8,766,400	2,258,716	1,868,500	354,826	1,165,205	2,142,864	892,636	87,997	328,097	241,365	18,106,606

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 9: TRADE AND OTHER PAYABLES

	Note	2019	2018
		\$	\$
CURRENT			
Creditors		76,512	90,300
Accrued expenses		83,348	122,559
Fringe benefits tax accrued		12,499	13,783
GST liability		3,072	-
PAYG tax liability		43,908	30,336
Payroll tax liability		4,220	6,262
		223,559	263,240
		223,559	263,240

NOTE 10: DEFERRED INCOME

		2019	2018
		\$	\$
CURRENT			
Deposits and bonds		2,140,532	2,065,781
Deferred grant income - grants received in advance	10-1	259,292	426,260
Deferred boatshed licence fees		12,524	-
		2,412,348	2,492,041
		2,412,348	2,492,041

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 recognised as income progressively in accordance with the stage of completion of the associated works and fully upon completion of the works.

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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. of Environment Land Water and Planning – Coastal Environments Program – Bengalat Reserve seawall investigation & repairs	24,832	-	24,832	-
Dept. of Environment Land Water and Planning – Risk & Hazards Assessment & Signage	12,664	-	12,664	-
Corangamite Catchment Management Authority – Coastal Tender Rnd-3 Pt Richards Flora and Fauna Reserve project	18,379	-	6,621	11,758
City of Greater Geelong – contribution – WG Little Reserve landscape planning including playground upgrade	7,573	-	7,573	-
Dept. of Environment Land Water and Planning – Coastal Protection - Pt Richards groyne installation	82,489	-	37,035	45,454
Dept. of Environment Land Water and Planning – Coastal Protection - St Leonards timber seawall replacement	90,000	-	90,000	-
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 Protection - St Leonards – coastal trail and foreshore protection works	-	100,000	100,000	-
Dept. of Environment Land Water & Planning - Public safety & coastal protection works – Anderson Reserve, Indented Head	-	22,727	-	22,727
Dept. of Environment Land Water & Planning - Beach Cleaning subsidy 2017/18	-	14,829	14,829	-
Victorian Fisheries Authority - fishing cleaning table Pt Richards boat ramp	-	1,326	1,326	-
Victorian Fisheries Authority - fishing cleaning table Indented Head boat ramp	-	1,305	1,305	-
Dept. of Economic Development, Jobs, Transport & Resources – Indented Head hall – roof replacement	-	250,000	250,000	-

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 10.1 continued	\$	\$	\$	\$
Portarlington Mussel Festival – donation towards WG Little Reserve landscape planning including playground upgrade	-	2,000	2,000	-
Dept. of Economic Development, Jobs, Transport & Resources – Steeles Rock boat ramp area master plan	-	3,520	-	3,520
Dept. of Environment Land Water and Planning – Coastal Protection – Leviens Rd St Leonards seawall installation – additional funds	-	22,354	22,354	-
Country Fire Authority – Safer Together project – fire fuel reduction works Pt Richards and St Leonards	-	32,900	32,900	-
	395,137	450,961	603,439	242,659
GST related to amount carried forward – <i>(some items are GST-free)</i>	31,123			16,633
Total amount carried forward for recognition in a future period as and when associated works are completed	426,260			259,292

NOTE 11: EMPLOYEE ENTITLEMENTS

CURRENT	2019	2018
	\$	\$
Provision for employee entitlements: annual leave	110,723	99,226
Provision for employee entitlements: long service leave	98,762	87,337
	209,485	186,563
 NON-CURRENT		
Provision for employee entitlements: long service leave	42,046	34,897
	251,531	221,460

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
ANALYSIS OF TOTAL EMPLOYEE ENTITLEMENT PROVISIONS	\$	\$
Opening balance at 1 July	221,460	272,488
Additional provisions raised during year	164,103	117,495
Amounts used	(134,032)	(168,523)
Balance at 30 June	<u>251,531</u>	<u>221,460</u>

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
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	8,226,659	2,145,487	490,832	334,061	1,218,597	1,940,201	14,355,837
Loss on disposals – through other comprehensive income	(197,269)	-	(17,595)	-	-	-	(214,864)
Net changes in reserves following 2019 revaluation	(1,155,553)	-	429,871	-	-	-	(725,682)
Balance at 30 June 2019	6,873,837	2,145,487	903,108	334,061	1,218,597	1,940,201	13,415,291

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 13: LEASING COMMITMENTS

a. Operating Lease Commitments	2019	2018
Non-cancellable operating leases contracted for but not recognised in the financial statements	\$	\$
Payable – minimum lease payments:		
– not later than 12 months	37,424	45,756
– later than 12 months but not later than 2 years	37,784	18,278
– later than 2 years	404	2,804
	<u>75,612</u>	<u>66,838</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: FORWARD CAPITAL COMMITMENTS

In February 2019, the committee awarded a contract to Fells Powerline and Electrical P/L as lead, to undertake the upgrade of the Portarlington Holiday Park power network. The approved budget for the works is \$900,000. The project commenced February 2019 and completion is expected by November 2019. The outflows expected for FY2020 are \$850,000.

In June 2019, the committee awarded a contract to Greater Scapes and Structures P/L as lead contractor to undertake the construction of a new play space at WG Little Reserve, Portarlington. The project carries an estimated cost \$500,000. The following organisations have combined with Bellarine Bayside to fund the project: Bendigo Community Foundation, Portarlington-Drysdale Lions Club, City of Greater Geelong, Portarlington Mussel Festival, National Celtic Festival and the Portarlington Arts Association. Bellarine Bayside's commitment is \$150,000. The project commenced June 2019 and has an expected completion date of November 2019. The outflows expected for FY2020 are \$450,000.

NOTE 16: EVENTS AFTER THE REPORTING PERIOD

The committee is not aware of any significant events occurring since the end of the reporting period that is likely to affect the operations or have a material effect on asset values of the entity.

NOTE 17: 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>667,762</u>	<u>643,333</u>
---------------------------------------	----------------	----------------

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 18: 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 2019.

NOTE 19: 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:

	Note	2019	2018
		\$	\$
Financial assets			
Financial assets at amortised cost:			
– Cash and cash equivalents	4	2,557,067	1,357,213
– Trade receivables	5	147,637	150,195
– Term deposits > 3 months & < 12 months to maturity	6	2,713,424	2,645,881
Total financial assets		<u>5,418,128</u>	<u>4,153,289</u>
Financial liabilities			
Financial liabilities at amortised cost:			
– trade and other payables	9	223,559	263,240
Total financial liabilities		<u>223,559</u>	<u>263,240</u>

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 11 to 34:
 - 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 2019 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:



Melanie Rogers - Chair

Dated this 11th day of October 2019

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

Opinion

We have audited the financial report of Bellarine Bayside Foreshore Committee of Management Inc. (the association), which comprises the statement of financial position as at 30 June 2019, and the comprehensive income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee members' declaration.

In our opinion, the accompanying financial report of the association is prepared, in all material respects, in accordance with the Crown Lands (Reserves) Act 1978, including:

- (i) Giving a true and fair view of the association's financial position as at 30 June 2019 and of its performance for the year then ended; and
- (ii) That the financial records kept by the association are such as to enable financial statements to be prepared in accordance with 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 association 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 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.

Other Information

The committee is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation of the financial report in accordance with the Crown Lands (Reserves) Act 1978, and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

/ GEELONG

101 West Fyans Street
PO Box 386
Geelong VIC 3220
PHONE 03 5221 6399

/ TORQUAY

6 Walker Street
PO Box 125
Torquay VIC 3228
PHONE 03 5261 2029

/ DIRECTORS

Stephen Wight CA
Stephen Kirtley CA

Davidsons Assurance Services Pty Ltd
ACN 123 038 662 / ABN 77 123 038 662

info@davidsons.com.au

davidsons.com.au



In preparing the financial report, the committee is responsible for assessing the association'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 association or to cease operations, or has no realistic alternative but to do so.

The committee is responsible for overseeing the association's financial reporting process.

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 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Stephen Wight
Director

Dated this 14th day of October, 2019

*Davidsons Assurance Services Pty Ltd
101 West Fyans Street
Geelong, Victoria 3220*