



**Bellarine  
Bayside**  
Coastal Management

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

ABN 12 722 496 556

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2017**

**Financial report for the year ended 30 June 2017**

**COMMITTEE'S REPORT**

The Committee of Management presents this report on behalf of the entity for the financial year ended 30 June 2017.

**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:

Diane James AM: Chair

Therese Cotter: Deputy Chair

Elaine Carbines

Steve Griffin

Graeme McGregor AO

Melanie Rogers – *appointed 26/08/2016*

John Hartigan – *appointed 26/08/2016*

Lindsay Ellis – *resigned 18/01/2017*

Paul Simmons – *ceased office – expiration of term 15/08/2016*

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**

In 2012 the committee in conjunction with a wide range of stakeholders, set the strategic plan for the Northern Bellarine Peninsula. The vision and the strategies articulated in the plan set the direction for the future management of the coast for the next 15-20 years. The plan identifies five goals and seventy-six actions, the achievement of which will help realise that vision. The five goals are:

1. Understand, protect and enhance the natural environment;
2. Connect communities and the coast;
3. Facilitate access, enjoyment and sustainable use of the coast;
4. Improve built environments along the coast; and
5. Develop Bellarine Bayside as a sustainable, adaptive and accountable organisation that takes up its role in partnership with others.

The 2016-17 operating plan continued to address the entity's long term strategic aims within the constraints and parameters of its financial capability set in its annual budget.

For the year ended 30 June 2017, the entity generated revenues of \$7,081,459 (2016: \$6,223,158). This represented an increase of \$858,301 or 13.8% on the previous corresponding period [pcp]. Caravan park revenues, which are the entity's prime source of income, were \$5,969,677 (84.3% of total revenue) and a 5.2% increase on the \$5,676,286 derived in 2015-16.

Other revenues included \$540,307 (7.6% of total) from the sale of 3 boatsheds, foreshore leases, licences, permits and other income and \$571,475 (8.1% of total) from grants and subsidies received from State Government and other funding bodies. The respective figures for pcp were \$167,905 of other revenues and \$378,967 from grants.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### COMMITTEE'S REPORT

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 boat ramp replacement project	333,808
Department of Economic Development, Jobs, Transport and Resources - Pt Richards boat ramp precinct and carpark upgrade	74,431
Department of Economic Development, Jobs, Transport and Resources - Steeles Rock jetty replacement	62,302
Department of Environment Land Water and Planning – Taylor Reserve foreshore protection works	50,000
Department of Environment Land Water and Planning – Beach cleaning subsidy program	16,863
Department of Environment Land Water and Planning – Bengalat Reserve seawall repairs & protection	13,900
Corangamite Catchment Management Authority – Coastal Tender – Pt Richards Flora and Fauna Reserve project	9,766
Department of Environment Land Water and Planning – Portarlinton Pier environs foreshore repair and landscaping	8,690
Bellarine Catchment Network - Environmental Education contribution	1,715
	571,475

Receipts from grants in the pcp were \$378,967.

Total expenditure for the year (excluding depreciation charges) was \$5,542,179 (2016: \$5,241,291). This was an increase of \$300,888 or 5.7% on the pcp. The increase in expenditure was largely attributable to the \$375,000 cost to mitigate the risk of injury to patrons of the Portarlinton Holiday Park by removing 108 Monterey Cypress trees following wind damage in a severe wind storm in October 2016. Arborist reports following the storm indicated that the trees had become unstable – immediate removal was the only viable option. Maintenance and renewal activities resulted in a range of significant improvements across all holiday parks and foreshore environs. These included replacement of the jetty at Steeles Rock, replacement of the boat ramp at Indented Head and a range of refurbishments and improvements to amenities within each of the holiday parks, continuing the entities response to camper requests. In addition, the development of a camping and accommodation strategy will help inform and guide future plans to improve the range of holiday and camping experiences particularly during periods outside of the peak summer-autumn seasons.

A large amount of works were also directed towards coastal protection along the Indented Head and St Leonards foreshores with the installation of groynes, rock walls and fencing to protect against the loss of foreshore amenity caused by erosion and storm damage. In addition, all foreshore users will benefit from the installation of many items of furniture and fixtures including picnic tables, seats, drinking fountains and outdoor-showers and the on-going renewal of sections of the coastal trail.

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

Operations yielded a trading surplus for the year of \$527,919 (2016: \$462,578) – an increase of \$65,341.

Cash flows from operations for the year were \$1,199,193 (2016: \$1,568,183). Although down on the previous year due to a lower level of grant funds being received and the large outgoings in respect to the tree-risk mitigation project at Portarlinton Holiday Park and the completion of the replacement of the Indented Head boat ramp, cash from operations remains strongly positive. End of year cash holdings were bolstered by a combination of the trading surplus and the yield from the sale of boatsheds. This saw cash and investments rising from \$2,828,679 held at year end of the previous year to \$3,062,706, a rise of \$234,027 or 8.3%.

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>Diane James AM</b>	–	Chair
Qualifications	–	FAICD, IECL Level 1 Coach, Grad Cert Innovation and Entrepreneurship (2010)
Experience	–	Extensive experience in business and leadership development and community engagement. Current directorships – St Laurence Community Services, Southern Rural Water. Former roles: Victoria Coastal Council (Chairman), Barwon Water, EPA Victoria, Barwon Coast Committee of Management (inaugural Chairman), Member of Order of Australia (AM).
Special Responsibilities	–	Chairman of Governance and Remuneration sub-Committee
<b>Therese Cotter</b>	–	Deputy Chair
Qualifications	–	BNurs, Grad Dip Bus Mgt, MBA
Experience	–	Extensive experience in management, leadership and governance roles in healthcare. Presently, Programme Director, Enterprise at Barwon Health
Special Responsibilities	–	Member of Community Engagement sub-committee
<b>Elaine Carbines</b>	–	Committee member
Qualifications	–	BA, Dip Ed, GAICD
Experience	–	Extensive experience in leadership and project management. Presently, CEO of G21 Geelong Regional Alliance. Current directorships – Barwon South West Regional Development Committee, Karingal Foundation and G-Force Recruitment Ltd. Former significant roles – member of parliament representing Geelong Province, parliamentary secretary for education and environment, manager of strategic relations with Parks Victoria
Special Responsibilities	–	Chair of Community Engagement sub-committee
<b>Steve Griffin</b>	–	Committee member
Qualifications	–	B.App.Sc., Dip Ed, Assoc. Dip LGM, MBM.
Experience	–	Extensive experience in management and leadership. Presently, CEO for State Emergency Services – Victoria. Former significant roles include CEO for Geelong City Council, management roles in local government – City of Melbourne, City of Werribee and Wyndham City Council
Special Responsibilities	–	Member of Risk Audit & Finance sub-committee Member of Governance and Remuneration sub-Committee

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## COMMITTEE'S REPORT

<b>Graeme McGregor AO</b>	–	Committee member
Qualifications	–	Officer of the Order of Australia, 1997, B.Ec, FCPA
Experience	–	Extensive and distinguished experience in finance, accounting and leadership with a 43 year career with BHP culminating in the attainment of role as Executive Director Finance. Former directorships/chair of audit committee with a number of top 100 public-listed companies. Formerly national president of CPA Australia, treasurer of Australian Institute of Company Directors, and Australian representative on the International Federation of Accountants as well as a member of several Federal Government Committees, including the Financial Reporting Council. Portarlington resident for nearly 30 years and active in community serving, since 2006, as treasurer for the Portarlington Golf Club with service recognised by being voted Club Official of the Year by Community Clubs Victoria in 2014.
Special Responsibilities	–	Chair of Risk, Audit and Finance sub-committee
<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 sub-committee Member of Governance and Remuneration sub-Committee
<b>John Hartigan</b>	–	Committee member
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.

ABN 12 722 496 556

### 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
Diane James AM	7	6
Therese Cotter	7	6
Elaine Carbines	7	5
Steve Griffin	7	6
Graeme McGregor AO	7	6
Melanie Rogers	6	5
John Hartigan	6	5
Lindsay Ellis	4	4
Paul Simmons	1	1

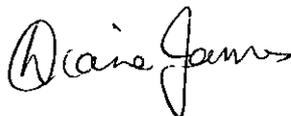
The entity is a declared corporation under S14A of the Crown Lands (*Reserves*) Act 1978 and is a public entity for the purposes of the Public Administration Act 2004. The committee is charged with the responsibility to manage, improve, maintain and control the public land reserves of Portarlington, 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 2017 has been received and can be found on page 6 of the financial report.

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

Committee member:



Diane James AM - Chair

Dated this 4th day of August 2017



**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 2017 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 CHARTERED ACCOUNTANTS**

**SRIPATHY SARMA**

**Principal**

Dated this

*4th*

day of August

2017



**CHARTERED ACCOUNTANTS**  
AUSTRALIA + NEW ZEALAND

**GEELONG OFFICE**  
35-37 Gordon Avenue  
Geelong West VIC 3218  
T: 03 5221 6111  
F: 03 5223 1966

**MELBOURNE OFFICE**  
Level 3, 365 Little Collins Street  
Melbourne VIC 3000  
T: 03 9670 4444  
F: 03 5223 1966

**POSTAL ADDRESS**  
PO Box 4115  
Geelong VIC 3220

**EMAIL** [lbw@lbwca.com.au](mailto:lbw@lbwca.com.au)  
**WEB** [www.lbwca.com.au](http://www.lbwca.com.au)  
 [@lbwca](https://twitter.com/lbwca)

Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.

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 2017

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
Revenue	2	6,509,984	5,844,191
Grants	2	571,475	378,967
Operating expenses	3	(5,542,179)	(5,241,291)
Depreciation	8	(1,011,361)	(519,289)
<b>Net surplus for the year</b>		<u>527,919</u>	<u>462,578</u>
<b>Other comprehensive income</b>			
Item not reclassified subsequently to profit or loss:			
Net gain on revaluation of buildings and land improvements	8	620,272	15,594,180
<b>Total other comprehensive income for the year</b>		<u>620,272</u>	<u>15,594,180</u>
<b>Total comprehensive income for the year</b>		<u>1,148,191</u>	<u>16,056,758</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 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	950,687	928,679
Trade and other receivables	5	377,251	78,513
Financial assets	6	2,112,019	1,900,000
Other assets	7	69,261	57,525
<b>TOTAL CURRENT ASSETS</b>		<b>3,509,218</b>	<b>2,964,717</b>
NON-CURRENT ASSETS			
Property, plant and equipment	8	21,364,240	20,806,809
Other assets		-	834
<b>TOTAL NON-CURRENT ASSETS</b>		<b>21,364,240</b>	<b>20,807,643</b>
<b>TOTAL ASSETS</b>		<b>24,873,458</b>	<b>23,772,360</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	183,600	140,433
Deferred income	10	2,459,747	2,521,963
Borrowings	11	7,043	36,131
Employee entitlements	12	218,592	215,790
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,868,982</b>	<b>2,914,317</b>
NON-CURRENT LIABILITIES			
Borrowings	11	-	7,043
Employee entitlements	12	53,896	48,611
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>53,896</b>	<b>55,654</b>
<b>TOTAL LIABILITIES</b>		<b>2,922,878</b>	<b>2,969,971</b>
<b>NET ASSETS</b>		<b>21,950,580</b>	<b>20,802,389</b>
<b>EQUITY</b>			
Asset Revaluation Reserve		16,214,452	15,594,180
Retained earnings		5,208,209	4,745,631
Surplus for year		527,919	462,578
<b>TOTAL EQUITY</b>		<b>21,950,580</b>	<b>20,802,389</b>

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 2017

	Note	Surplus for year	Retained earnings	Asset revaluation reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2015</b>		-	4,745,631	-	4,745,631
<b>Comprehensive income</b>					
Surplus for the year		462,578	-	-	462,578
Other comprehensive income for the year			-	15,594,180	15,594,180
<b>Total comprehensive income for the year</b>		462,578	-	15,594,180	16,056,758
<b>Balance at 30 June 2016</b>		<b>462,578</b>	<b>4,745,631</b>	<b>15,594,180</b>	<b>20,802,389</b>
<b>Balance at 1 July 2016</b>		-	5,208,209	15,594,180	20,802,389
<b>Comprehensive income</b>					
Surplus for the year		527,919	-	-	527,919
Other comprehensive income for the year	1 & 8		-	620,272	620,272
<b>Total comprehensive income for the year</b>		527,919	-	620,272	1,148,191
<b>Balance at 30 June 2017</b>		<b>527,919</b>	<b>5,208,209</b>	<b>16,214,452</b>	<b>21,950,580</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 2017**

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipt of grants		581,748	765,265
Other receipts		6,557,204	6,431,284
Payments to suppliers and employees		(5,885,253)	(5,501,540)
Interest received		44,951	20,424
Net GST paid		(99,457)	(147,250)
Net cash generated from operating activities		<u>1,199,193</u>	<u>1,568,183</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net movement in financial assets		(212,019)	(1,900,000)
Proceeds from sale of property, plant and equipment		19,486	10,811
Payment for property, plant and equipment		(948,521)	(488,544)
Net cash used in investing activities		<u>(1,141,054)</u>	<u>(2,377,733)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net movement in hire-purchase asset financing		(36,131)	(94,510)
Net cash generated by/(used in) financing activities		<u>(36,131)</u>	<u>(94,510)</u>
Net increase / (decrease) in cash held		<u>22,008</u>	<u>(904,060)</u>
Cash and cash equivalents at beginning of financial year		<u>928,679</u>	<u>1,832,739</u>
<b>Cash and cash equivalents at end of financial year</b>	<b>4</b>	<b><u>950,687</u></b>	<b><u>928,679</u></b>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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 4th August 2017 by the committee of management of the entity.

NOTE 1.1 CHANGES IN ACCOUNTING POLICIES

1.1.1 REVISED APPROACH TO VALUATION APPROACH FOR PROPERTY ASSETS

On 30 June 2016, following an extensive review of its approach to asset management and established six new asset classes. An asset register was established and values for the assets recorded at the current replacement cost. The Committee was assisted in this task by asset management firm, CT Management, with cost information for the purpose of establishing fair value for the assets sourced from the authoritative references – Rawlinson's Australian Costing Guide and data from the Municipal Association of Victoria.

The six asset classes are:

1. Buildings – with sub-classes for parks & foreshore;
2. Land Improvements – with sub-classes for parks & foreshore;
3. Marine Improvements;
4. Paths & Bridges – with sub-classes for parks & foreshore;
5. Public Furniture and Fixtures – with sub-classes for parks & foreshore; and
6. Roads – with sub-classes for parks & foreshore.

Two other asset classes: Office, Workshop Equipment and Motor Vehicles & Heavy Plant are maintained on an historical cost basis with straight-line depreciation applied.

For the year ended 30 June 2017, further updates and assessment of cost information upon which the asset values were established have not been made.

In complying with accounting standards and in order to ensure that the carrying amount of these assets do not exceed their recoverable amounts, the Committee has altered its asset valuation basis from fair value concept using current replacement cost to that of a value in use basis, which has been determined as the depreciated replacement cost (i.e. current replacement cost less accumulated depreciation) where accumulated depreciation represents the already consumed or expired future economic benefit remaining in the asset.

The depreciation charge applied for the year represents the amount of those future economic benefits that was consumed during the year and has been applied on a straight line basis having regard to the asset's estimated useful life.

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 1.2 ACCOUNTING POLICIES

#### a. **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 depreciated replacement cost.

Adjustments to the carrying value of these assets as a result of revaluation is recognised in other comprehensive income and accumulated equity in the asset revaluation reserve.

##### **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 either 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	1.33% - 4.00%	25 – 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% – 33.33%	3 - 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.

#### b. **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.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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.

#### c. **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.

#### d. **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.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

- (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.
- 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.

#### **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.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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.

#### **e. 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.

#### **f. 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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

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.

**g. 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.

**h. 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.

**i. 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.

**j. 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.

**k. Comparative Figures**

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

**l. 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.

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

m. **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 2017

### NOTE 2: REVENUE AND OTHER INCOME

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Revenue from holiday parks:		
– Portarlington	4,824,312	4,574,043
– Indented Head	799,349	757,069
– St Leonards	346,015	345,174
	<u>5,969,676</u>	<u>5,676,286</u>
Other income:		
– Foreshore leases, licences, permits & transfers	120,810	119,738
– Sale of rights to licence boatshed – 3 sales	354,500	-
– Interest received on financial assets	43,137	31,316
– Gain on disposal of property, plant and equipment	19,486	10,811
– Grants	571,475	378,967
– Other income	2,375	6,041
<b>Total other income</b>	<u>1,111,783</u>	<u>546,872</u>
<b>Total revenue and other income</b>	<u><u>7,081,459</u></u>	<u><u>6,223,158</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 2017

### NOTE 3: PROFIT FOR THE YEAR

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>a. Operating Expenses by function</b>		
Portarlington holiday park expenses	1,650,478	1,642,178
Indented Head holiday park expenses	462,634	342,874
St Leonards holiday park expenses	246,943	221,270
Employee benefits and on-costs - administration	421,291	579,171
Contract labour - administration	2,700	24,847
General administration expenses	402,768	425,476
Governance expense	156,287	24,187
Plant and equipment expenses	190,011	173,206
Foreshore reserves and halls expense	1,459,766	1,408,357
Tree maintenance expense	466,415	247,014
Boat ramp maintenance expense	82,883	152,711
<b>Total Operating expenses</b>	<b>5,542,179</b>	<b>5,241,291</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### NOTE 3: PROFIT FOR THE YEAR

	2017	2016
	\$	\$
<b>b. Operating Expenses by nature</b>		
Advertising, marketing, promotion, community consultations	68,520	44,522
Audit	5,500	11,000
Bank charges	37,691	30,375
Committee expenses	18,137	5,087
Computer software and services	95,739	96,849
Consultants	156,870	108,426
Cabin consumables (incl. laundry)	17,626	28,565
Contract cleaning	247,778	237,794
Contract labour (parks, foreshore and office)	17,731	100,310
Doubtful debt expense	7,336	(8,945)
Electricity	256,650	252,659
Fuel (petrol, diesel and oils)	39,533	37,257
Gas	35,991	37,999
Interest – hire purchase motor vehicles and heavy plant	4,454	10,290
Insurance	57,665	55,455
Leasing – motor vehicles	55,208	57,279
Legal	3,601	32,764
Memberships, licences and permits	27,001	13,802
OHS expenses	22,720	24,250
Postage, printing, stationery and other administration	40,738	49,932
Repairs and maintenance – motor vehicles and heavy plant	82,763	58,121
Repairs and maintenance – parks, foreshore, trees, boat ramps	1,548,235	1,324,235
Security	58,461	56,744
Staff employment costs	2,164,386	2,134,938
Telephone	21,720	29,262
Waste and garbage disposal	258,613	249,106
Water and rates	191,512	163,215
<b>Total Operating expenses</b>	<b>5,542,179</b>	<b>5,241,291</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### NOTE 4: CASH AND CASH EQUIVALENTS

	Note	2017	2016
		\$	\$
<b>CURRENT</b>			
Cash at bank		948,387	925,079
Cash on hand		2,300	3,600
Total cash and cash equivalents		950,687	928,679

### NOTE 5: TRADE RECEIVABLES

<b>CURRENT</b>			
Trade receivables		384,587	78,513
Provision for impairment	5a	(7,336)	-
Total current trade receivables		377,251	78,513

#### a. **Provision for Impairment of Receivables**

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

		\$
Provision for impairment as at 1 July 2015		8,945
- Charge (reduction) for year		(8,945)
- Written off		-
Provision for impairment as at 30 June 2016		-
- Charge (reduction) for year		7,336
- Written off		-
Provision for impairment as at 30 June 2017		7,336

### NOTE 6: FINANCIAL ASSETS

<b>CURRENT</b>			
Held-to-maturity investments > 3 months & < 12 months to maturity		2,112,019	1,900,000
Total financial assets		2,112,019	1,900,000

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### NOTE 7: OTHER ASSETS

	Note	2017	2016
		\$	\$
<b>CURRENT</b>			
Accrued income		17,665	12,213
Deferred financing costs		834	4,075
Prepayments		50,762	41,237
		69,261	57,525
<b>NON CURRENT</b>			
Deferred financing costs		-	834
Total other assets		-	58,359

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

##### a) Carrying amounts of property, plant and equipment

Buildings	12,354,137	12,512,805
Land improvements	2,775,245	2,882,030
Marine improvements	1,689,768	630,487
Paths & bridges	405,395	394,263
Public furniture and fixtures	1,476,812	1,524,720
Roads	2,432,327	2,507,216
Office, store and workshop equipment *	67,114	65,364
Motor vehicles and heavy plant *	163,442	187,323
Works in progress	-	102,601
Total property, plant and equipment	21,364,240	20,806,809

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

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Movement schedule

	Buildings	Land Improve- ments	Marine Improve- ments	Paths & Bridges	Public Furniture & Fixtures	Roads	Office, workshop equipment	Motor vehicles & heavy plant	Work In Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Gross carrying amount at 1 July 2016</b>	17,145,283	4,215,568	1,538,850	479,833	2,420,590	3,843,269	252,668	555,087	102,600	30,553,748
Transfers from work in progress		66,000			36,600				(102,600)	-
Valuation adjustments	143,696	(138,160)	2,097,000		(1,350)					2,101,186
Additions	62,776	127,335	474,275	36,399	82,380	38,940	19,026	89,479		930,610
Disposals – derecognition	(56,000)	(1,420)	(99,250)			(7,139)	(5,538)	(60,181)		(229,528)
<b>Gross carrying amount at 30 June 2017</b>	<b>17,295,755</b>	<b>4,269,323</b>	<b>4,010,875</b>	<b>516,232</b>	<b>2,538,220</b>	<b>3,875,070</b>	<b>266,156</b>	<b>584,385</b>		<b>33,356,016</b>

Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

	Buildings	Land Improve- ments	Marine Improve- ments	Paths & Bridges	Public Furniture & Fixtures	Roads	Office, workshop equipment	Motor vehicles & heavy plant	Work In Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Accumulated depreciation at 1 July 2016</b>	(4,632,478)	(1,333,538)	(908,363)	(85,569)	(895,870)	(1,336,053)	(187,304)	(367,764)	-	(9,746,939)
Valuation adjustments	(62,317)	17,081	(1,360,406)		351					(1,405,291)
Impairment charges to revalued assets – taken through other comprehensive income	(13,300)	(710)	(42,275)			(1,428)				(57,713)
Disposals – derecognition	56,000	1,420	99,250			7,139	5,538	60,181		229,528
Depreciation	(289,523)	(178,331)	(109,313)	(25,268)	(165,889)	(112,401)	(17,276)	(113,360)		(1,011,361)
<b>Accumulated depreciation at 30 June 2017</b>	(4,941,618)	(1,494,078)	(2,321,107)	(110,837)	(1,061,408)	(1,442,743)	(199,042)	(420,943)		(11,991,776)
<b>Carrying amount at 30 June 2017</b>	<b>12,354,137</b>	<b>2,775,245</b>	<b>1,689,768</b>	<b>405,395</b>	<b>1,476,812</b>	<b>2,432,327</b>	<b>67,114</b>	<b>163,442</b>	<b>-</b>	<b>21,364,240</b>

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### NOTE 8: PROPERTY, PLANT AND EQUIPMENT

#### Assets under hire purchase

The entity's obligations under hire purchase agreements (see Note 11) are secured by the lender's title to the hired assets which have a carrying amount of \$7,043 (2016: \$43,174). The subject assets are items classified as Motor Vehicles and Heavy Plant and form part of the total carrying amount of that class of property, plant and equipment.

### NOTE 9: TRADE AND OTHER PAYABLES

	Note	2017	2016
		\$	\$
<b>CURRENT</b>			
Creditors		60,791	88,048
Accrued expenses		80,120	66,404
Fringe benefits tax accrued		11,877	11,435
GST liability / (asset)		7,876	(51,090)
PAYG tax liability		22,860	21,408
Payroll tax liability		-	4,228
Superannuation contributions liability		76	-
		183,600	140,433
		183,600	140,433

### NOTE 10: DEFERRED INCOME

		\$	\$
<b>CURRENT</b>			
Deposits and bonds		1,834,476	1,893,188
Deferred grant income - grants received in advance	10-1	551,757	628,775
Deferred grant income - grants receivable but not yet received	10-2	63,151	-
Deferred boatshed licence fees for 2017/18 – invoiced before 30 June 2017 – receivable but not recognisable as income until 1 July 2017		10,363	-
		2,459,747	2,521,963
		2,459,747	2,521,963

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.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### 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	<b>Funds recognised as income in current year</b>	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	310,158	-	74,431	235,727
Dept. Transport, Planning Local Infrastructure – Indented Head Boat Ramp replacement project	153,808	180,000	333,808	-
Corangamite Catchment Management Authority – Coastal Tender – Pt Richards Flora and Fauna Reserve project	17,648	12,788	9,766	20,670
Dept. of Environment Land Water and Planning – Coastal Environments Program – Taylor Reserve – foreshore protection	50,000	-	50,000	-
Dept. of Environment Land Water and Planning – Coastal Environments Program – Bengalat Reserve seawall repairs	40,000	-	13,900	26,100
Dept. of Environment Land Water and Planning – Coastal Environments Program – Bengalat Reserve seawall investigation & repairs	-	40,000	-	40,000
Dept. of Environment Land Water and Planning – Coastal Protection – Infrastructure upgrades – Indented Heads foreshore	-	100,000	-	100,000
Dept. Economic Development, Jobs, Transport & Resources – Steeles Rock Jetty rebuild	-	62,302	62,302	-
Bellarine Catchment Network – contribution to environmental education program	-	1,715	1,715	-
Dept. of Environment Land Water & Planning - Beach Cleaning subsidy 2015/16	-	16,863	16,863	-
Dept. Environment Land Water & Planning – Local Landscape enhancement grant – Port Pier environs – small scale landscaping	-	12,000*	8,690	3,310*
Dept. of Environment Land Water and Planning – Risk & Hazards Assessment & Signage	-	42,000	-	42,000
City of Greater Geelong – contribution – WG Little Reserve landscape planning including playground upgrade	-	10,000*	-	10,000*

## Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 10 continued	\$	\$	\$	\$
Dept. of Economic Development, Jobs, Transport & Resources – Boating Safety – dredging of access channel at Pt Richards boat ramp	-	25,000	-	25,000
	571,614	502,668	<b>571,475</b>	502,807
GST related to amount carried forward – items marked * are GST-free	57,161	48,069		48,950
Total amount carried forward for recognition in a future period as and when associated works are completed	<b>628,775</b>	550,735		<b>551,757</b>

#### 10-2: Movement and reconciliation of Grant funds receivable but for which recognition as income is deferred

Grant monies & donations receivable (invoice issued) but yet to be received as at balance date and for which related projects have yet to commence. Income to be recognised and brought to account in future period:	Funds 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
	\$	\$	\$
Corangamite Catchment Management Authority – Coastal Tender – Pt Richards Flora and Fauna Reserve project	5,137	-	5,137
Parks Victoria – relocation of sands dredged from Portarlinton Harbour to beaches adjacent to Portarlinton Holiday Park	50,000	-	50,000
Portarlinton Mussel Festival – managing authority – contribution – WG Little Reserve landscape planning including playground upgrade * (no GST)	2,500	-	2,500
	57,637	-	57,637
GST related to amount carried forward	5,514	-	5,514
Total amount carried forward for recognition in a future period as and when associated works are completed	<b>63,151</b>	-	<b>63,151</b>

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

**ABN 12 722 496 556**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

**NOTE 11: BORROWINGS**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Hire purchase liabilities	7,043	36,131
<b>NON-CURRENT</b>		
Hire purchase liabilities	-	7,043
<b>Total borrowings</b>	<b>7,043</b>	<b>43,174</b>

Payable – minimum hire purchase payments:

- not later than 12 months	7,043	36,131
- later than 12 months but not later than 2 years	-	7,043
	<b>7,043</b>	<b>43,174</b>

Hire purchase assets remain the property of the financier until the end of the term of finance arrangement at which point ownership of the asset transfers to the entity.

As at 30 June 2017, one HP agreement remains current (2016: seven). This had an original term of 48 months and will complete in November 2017. Annual percentage borrowing rate for this facility is 6.60% (2016: 6.60%).

**NOTE 12: EMPLOYEE ENTITLEMENTS**

**CURRENT**

Provision for employee entitlements: annual leave	117,819	111,413
Provision for employee entitlements: long service leave	100,733	104,377
	<b>218,592</b>	<b>215,790</b>

**NON-CURRENT**

Provision for employee entitlements: long service leave	53,896	48,611
	<b>53,896</b>	<b>48,611</b>
	<b>272,488</b>	<b>264,401</b>

**ANALYSIS OF TOTAL EMPLOYEE ENTITLEMENT PROVISIONS**

	<b>Employee Benefits</b>
	<b>\$</b>
Opening balance at 1 July 2016	264,401
Additional provisions raised during year	202,587
Amounts used	(194,500)
<b>Balance at 30 June 2017</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 2017

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 (f).

### NOTE 13: LEASING COMMITMENTS

a. <b>Operating Lease Commitments</b>	<b>2017</b>	<b>2016</b>
Non-cancellable operating leases contracted for but not recognised in the financial statements	\$	\$
Payable – minimum lease payments:		
– not later than 12 months	52,563	34,262
– later than 12 months but not later than 2 years	50,543	21,028
– later than 2 years	39,651	5,843
	<u>142,757</u>	<u>61,133</u>

The motor vehicle lease commitments are non-cancellable operating leases contracted. Terms are for three years. 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

On 2 June 2017, the committee awarded a contract to PJ&T McMahons Earthmoving & Excavations to undertake the Point Richards carpark and environs redevelopment work. The contracted amount for the works is \$409,595 and the project is expected to commence July/August 2017 with a 9-week completion timeframe, subject to weather conditions.

### NOTE 16: EVENTS AFTER THE REPORTING PERIOD

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

# Bellarine Bayside Foreshore Committee of Management Inc.

ABN 12 722 496 556

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 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:

	<b>2017</b>	<b>2016</b>
	\$	\$
Key management personnel compensation	491,930	416,078

### 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 2017.

### 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:

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		\$	\$
<b>Financial assets</b>			
Cash and cash equivalents	4	950,687	928,679
Trade receivables	5	377,251	78,513
Financial assets—held-to-maturity investments > 3 & < 12 mths to maturity	6	2,112,019	1,900,000
<b>Total financial assets</b>		<b>3,439,957</b>	<b>2,907,192</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
– trade and other payables	9	183,600	140,433
– borrowings	11	7,043	43,174
<b>Total financial liabilities</b>		<b>190,643</b>	<b>183,607</b>

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

**ABN 12 722 496 556**

**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:

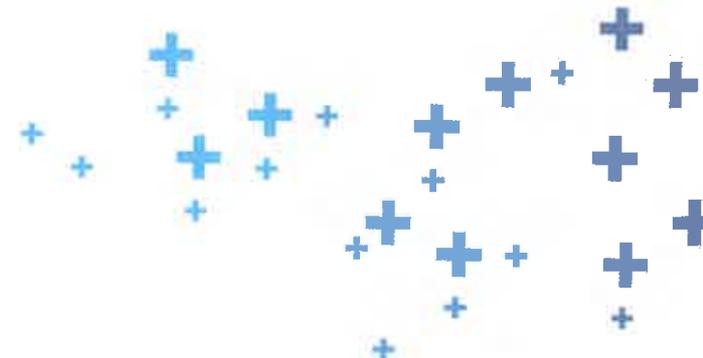
1. The financial statements and notes, as set out on pages 7 to 30:
  - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position of the entity as at 30 June 2017 and of its performance for the year ended on that date.
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:



Diane James AM - Chair

Dated this 4th day of August 2017



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 2017, 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 2017 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.



CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND

**GEELONG OFFICE**

35-37 Gordon Avenue  
Geelong West VIC 3218  
T: 03 5221 6111  
F: 03 5223 1966

**MELBOURNE OFFICE**

Level 3, 365 Little Collins Street  
Melbourne VIC 3000  
T: 03 9670 4444  
F: 03 5223 1966

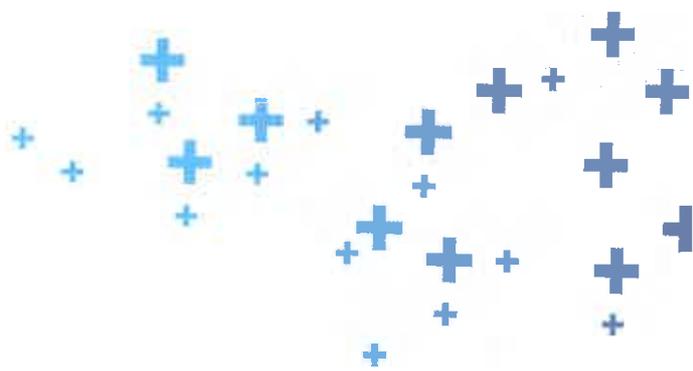
**POSTAL ADDRESS**

PO Box 4115  
Geelong VIC 3220

**EMAIL** [lbw@lbwca.com.au](mailto:lbw@lbwca.com.au)

**WEB** [www.lbwca.com.au](http://www.lbwca.com.au)  
 [@lbwca](https://twitter.com/lbwca)

Liability limited by a scheme  
approved under Professional  
Standards Legislation, other than  
for the acts or omissions  
of financial services licensees.



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.

*CBW*

**LBW CHARTERED ACCOUNTANTS**

*[Signature]*

**SRIPATHY SARMA**

Dated this *4<sup>th</sup>* day of August 2017



**CHARTERED ACCOUNTANTS**  
AUSTRALIA + NEW ZEALAND

**GEELONG OFFICE**

35-37 Gordon Avenue  
Geelong West VIC 3218  
T: 03 5221 6111  
F: 03 5223 1966

**MELBOURNE OFFICE**

Level 3, 365 Little Collins Street  
Melbourne VIC 3000  
T: 03 9670 4444  
F: 03 5223 1966

**POSTAL ADDRESS**

PO Box 4115  
Geelong VIC 3220

**EMAIL** [lbw@lbwca.com.au](mailto:lbw@lbwca.com.au)

**WEB** [www.lbwca.com.au](http://www.lbwca.com.au)  
 @lbwca

Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.