

COMMUNITY SERVICES COMMITTEE**18 NOVEMBER 2015****2****CAIRNS HISTORICAL SOCIETY PROGRESS REPORT AND CONTRACTUAL ARRANGEMENTS**

Linda Kirchner | 1/25/3 | #4916519

RECOMMENDATION:**It is recommended that Council:**

- 1. Endorses the proposed concept designs from the Cairns Historical Society for the museum fit out as presented to the Steering Committee meeting of the 22 October 2015;**
- 2. Approves an additional allocation of \$300,000 to the Society for museum fit-out purposes; and**
- 3. Receives and notes the Society's Financial Statement for the 2014/15 financial year in accordance with reporting requirements for the Society's 2014/18 Resource and Performance Agreement for operational funds.**

EXECUTIVE SUMMARY:

The Cairns Historical Society (Society) has progressed the design of the revitalised Museum. At the Steering Committee meeting on the 22 October 2015 the Society presented the concept design and sought approval for additional funding to enable full implementation.

The Committee determined that the additional funding was justified and this report seeks Council's formal endorsement of this decision.

The approved capital budget for fit out for the School of Arts (SoA) building is \$1.503 million (14/15 \$373k and 16/17 \$1.13m). Council had previously advised the Society that \$1.3m would be allocated for the museum component. The Society is now requesting an additional \$300k. It is noted that Council has already provided the Society with \$329,250 to undertake planning works and that the balance of the fit out funds will largely be expended in 2016/2017 with the anticipated opening of the facility in mid 2017.

With the approval of tender 55257 for the SoA Building Upgrade at the October Ordinary meeting, this additional \$300k budget allocation would take the overall project capital budget expenditure to \$10.29m.

Council also provides funding for the annual operations of the Museum via a four-year Resource and Funding Agreement. This report also provides Council with a copy of the Society's 2014-15 Financial Report and Audited Accounts.

BACKGROUND:

The Society's presentation provided a summary of key milestones to date and demonstrated the team's dedication to producing a contemporary, exciting concept design.

In order to deliver quality curatorial design, Council has to date provided the Society with funds to the value of \$329,250 (ex GST) through a Resource and Performance Agreement.

This amount has been disbursed as follows:

- In November 2014 Council resolved to allocate \$100,000 to the Society for Stages 1 and 2 of the curatorial and fit-out design of the Cairns Museum.

Stages 1 & 2 Budget Breakdown

Item	\$ Amount (ex GST)	Services
1	\$10,000	Project Start-up Planning – payment of Project Management fees spent to date
2	\$15,000	First \$15,000 of an approximate \$25,000 contract for Indigenous curatorial
3	\$35,000	First \$35,000 of an approximate \$100,000 contract for curatorial
4	\$10,400	Total contract for Brand Development services
5	\$12,000	Further \$12,000 of approximately \$70,000 contract for project management
6	\$8,000	First \$8,000 of an approximate \$130,000 for Design consultant
7	\$9,600	Contingency
Total	\$100,000	

- On completion of stages 1 and 2, and the acquittal of the above funds, in April 2015 Council resolved a further allocation of \$239,250 in order to take the project through to the design tender stage. The Society is currently delivering this phase of the project.

Stage 3 Budget Breakdown

Item	\$ Amount (ex GST)	Services
1	\$10,000	Indigenous Curatorial - Design of TO displays for People's Gallery completed and signed off by TO groups and ready for tendering
2	\$59,000	Final curatorial ready for tendering
3	\$31,750	Project Management
4	\$63,600	Design (lump sum) - Final internal design completed, including details on fabrication items and ready for tendering
5	\$9,900	Design (provisional items) - Final internal design completed, including details on fabrication items and ready for tendering
6	\$12,000	Lighting Design - Final internal design completed and ready for tendering. Fee based on an initial quote pending the development of a fully scoped brief
7	\$50,000	Conceptual development of multi-media displays. Multimedia items that require longer time frames to acquire and develop will be commenced. Particularly related to photography and video of seasonal items that need to be collected new for this project
	\$3,000	Contingency
Total	\$239,250	

Council is also advised that the Cairns Historical Society receives operational funds from Council via a four-year Resource and Funding Agreement (2014/18) in order to maximise the potential of a renewed Cairns Museum. Under the agreement Council provides funds for the salary costs of a Museum Manager as well as ancillary operational expenses. The Society is required to provide Council with a copy of its Financial Statement within two months of their Management Committee adopting the audited financial statements.

COMMENT:

The Society has been very conscious of the need to demonstrate that they have worked to the approved budget whilst producing a modern, engaging museum for both locals and visitors to the region. They formally engaged quantity surveyors, WT Partnership and their overall QS calculation is \$1.6 million. Whilst Council's capital budget allocation for the fit-out was \$1.503m, only \$1.3m had been previously allocated to museum component.

In order to meet this budget objective, the Society proposed to the Committee areas where budget savings could be made. These were:

- Quality and durability of showcases and plints – reduced \$100k
- Temporary exhibition gallery – using second hand furniture - \$40k
- Lighting - \$40k
- Interactives - \$40k
- Multimedia - \$50k
- Additional installations - \$30k

On balance, the Steering Committee felt that the savings achieved were not justified and could have potential whole of life operational impacts.

In accordance with the terms and conditions of the Society's R&P agreement for operational costs, the Society have provided Council with the attached Financial Report and Audited accounts for the 2014/15 financial year. (Attachments 1 and 2)

OPTIONS:

1. That Council notes the work of the Cairns Historical Society to date; endorses the proposed program and recommends to Council the requested additional budget.
2. Advise the Society that the budget savings as presented are to be implemented.
3. Receives and notes the Society's financial report and audited accounts for 2014/15.

CONSIDERATIONS:

Risk Management

In assessing this request, the Committee considered the potential reputational risk of selecting lower quality fit out options and the longer term operational budget impacts.

Financial:

Council had previously allocated the following budget for School of Arts:

- Building Upgrade - \$5.071m in 15/16 and \$1m in 16/17
- Fitout \$373k in 14/15 and \$1.13m in 16/17.

TOTAL \$7.574M

At the October Ordinary meeting Council resolved to award Building Upgrade contract (55257) report for \$8.69m. It should be noted that this included fit out items which had been included to achieve costing efficiency and were not considered by the Society to be part of their fit-out expense. These items consisted of museum reception, shop joinery, compactus and archive storage shelves.

The purpose of this report is to request an increase to the fit-out allocation of \$300k for Cairns Historical Society purposes. If approved, this will increase the overall School of Arts refurbishment project budget to \$10.29 million.

ATTACHMENTS:

Attachment 1: Cairns Historical Society 2014-2015 Financial Report - #4936388

Attachment 2: Cairns Historical Society 2014-2015 Audit - #4936388



Linda Kirchner
General Manager Community Sport and Culture

Attachment 1: Cairns Historical Society 2014-2015 Financial Report



*The Historical Society, Cairns,
North Queensland Inc*

Cairns Museum (School of Arts Building) cnr Shields & Lake Streets, City Place, Cairns
P.O. Box 319, CAIRNS QLD 4870
Phone: (07) 4051 5582 Fax: (07) 4051 5586
Website: www.cairnsmuseum.org.au Email: histsoc@cairnsmuseum.org.au

9th November 2015

Lesley Buckley
Cultural Planner
Community, Sport and Cultural Services
Cairns Regional Council

By email

Dear Liz

Attached are the Cairns Historical Society's 2014-15 Financial Report and Audited Accounts, as specified in the 2014-2018 Resource and Performance Agreement.

We note that we submitted the draft report on the 29th July but have now finalised on your advice, with no changes requested.

The Society wishes to pass on its thanks to Council for their assistance and flexibility throughout the first year of our formal relationship. We look forward to growing our partnership.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Suzanne Gibson', written in a cursive style.

Suzanne Gibson
Manager
Cairns Historical Society Museum

CHS Financial Report 2014/15

1. Background

In September 2014, Cairns Regional Council (Council) and the Cairns Historical Society (the Society) signed a four year Resource and Performance Agreement (RPA). Under the RPA the Council agreed to fund the salary costs of a Museum Manager and contribute \$54,165 in the 2014/15 financial year towards other operational costs.

In return the Society agreed to a number of measures to ensure the quality and sustainability of its operations.

This report is one of the deliverables under the terms of the RPA.

2. Overview

In preparing the Financial Report for 2014/15 the Society notes that the financial year was an unusual one for the Society and, consequently, for Council with respect to the Society.

The Society thanks CRC for its willingness to assist and support the Society during this year.

The following factors are regarded as issues specific to the 2014-15 financial year and consequently to the Society's planning and budgeting for this period:

- a) The Society did not receive funds from CRC for 2014-15 until September 2014. Consequently the key outcome of the RPA, the appointment of a full-time museum manager, could not be finalised until November 2014.
 - i. The funds allocated to the Society for 2014-15 under the terms of the RPA were backdated to 1 July 2014, resulting in approximately \$31,000.00 of wages funding that could not be spent by the Society on wages.
 - ii. With the approval of CRC, the Society requested and received approval to reallocate these funds into four identified projects. These projects and their outcomes are detailed below in **Item 3: Reallocated Wages Expenditure**.
 - iii. An error in calculations of these funds was identified by CHS through the audited accounts and is discussed in **Item 5: Carry Over Funds Discrepancy**.

- b) As a result of the RPA, and at the request of CRC, the Society undertook to move its financial year into line with that of CRC. Consequently the Society's 2014-15 financial year has been shortened by three months, to come into line with CRC on 1 July 2015.
 - i. As a result of the shortened financial year, the Society also requested and received approval from Council to carry-over \$7000 of operational funds, identified for the redevelopment of the outdated Society website, into the 2015-16 financial year.

3. Operational Expenditure

Under the RPA the Society received \$54,165.00 for operational expenses from CRC. This figure recognises that the Society has lost its major income source with the closure of the Cairns Museum during the renovation of the SOA building.

During the (shortened) 2014-15 financial year, the Society with the assistance of CRC, revised its chart of accounts, updated its accounting software, reviewed and updated its asset register, and reviewed and tightened its internal record keeping and book keeping systems.

As a result the 2014-15 has been considered by both the Society and the CRC as a transition year.

In December 2014 the Society clarified with CRC its planned operational expenditure and identified key additional expenditure. The following table reviews the budgeted and actual expenditure on CHS key additional spending.

Table 1: Key Operational Expenditure 2014-15

Item	Budget	Reason	Actual	Reason
Advertising & marketing	\$10,000	Upgrade of Society website to reflect new Cairns Museum and Society branding and to grow access to the collection online for researchers, schools, locals and visitors.	\$15,894	<ul style="list-style-type: none"> Website spend carried over to 2015/16.¹ Includes \$9k spend on Business Plan.² Printing & Photocopying charges rolled in here, as well as functions & bus trip
Computer maintenance	\$5000	Assistance to develop an IT Plan to guide the Society's investment in computer hardware, systems and software suitable for all its operations in the refurbished SOA building	\$7,635	<ul style="list-style-type: none"> IT Plan procured for \$1500. Includes \$5k for IT support and maintenance.³
Maintenance and conservation of equipment and collection.	\$10,000	To implement the digitisation of CHS audio visual collection, identified as an urgent short term priority in the 'Preservation Needs Assessment Report' by Artlab Australia.	\$6,321	<ul style="list-style-type: none"> Digitisation of audio collection completed. Film digitisation did not proceed due to ongoing concerns about correct archival formats.
Conservation supplies	\$5000	Purchase of archival quality packaging materials to begin the process of transferring significant paper based materials into appropriate storage.	\$2,901	<ul style="list-style-type: none"> Sufficient to cover Society requirements in the shortened year.
Legal Advice	\$5000	To protect the interests of the Society during the design and construction of the Museum F/O project	\$6509	<ul style="list-style-type: none"> Additional spend required to cover unanticipated legal advice for MOU with 2 TO groups.

Note that the actual expenditure for these items has been registered against the closest line item in CHS Budget and Audited Accounts. This is because the line item for "consultancies" has been reserved for funds allocated to the Museum F/O Project, at the request of CRC.

¹ See discussion of Carry Over Funds

² See Item 3 for a discussion of Reallocated Wages Expenditure

³ See Item 3 for a discussion of Reallocated Wages Expenditure

In addition, the Society noted the following as significant expenditure in 2014-15:

Table 3: Significant Additional Expenditure 2014/15

Item	Budget	Actual	Reason
Training	\$6,462	\$17,961	<ul style="list-style-type: none"> Includes \$7,640 of approved spending on service and training for Society Libcode and Perfect Pictures catalogue systems.⁴ Includes \$6,400 approved operational spending on curatorial services for Gallery 4 of the Cairns Museum. These funds enabled the completion of concept curatorial and object selection for Gallery 4 for the Cairns Museum. As a result the project has remained on schedule. Includes planned expenditure on 2 x conservation workshops and "tag and test" training for 2 x volunteers.
Grants		\$7793	<ul style="list-style-type: none"> CHS purchased new computers x 6, as well as scanners and a camera with funding obtained through the Gambling Community Benefit Fund.

4. Reallocated Wages Expenditure

In March 2015 the Society asked CRC to approve the reallocation of the backdated wages component of the 2014-15 RPA. The Society requested and received approval to direct the funds into four projects, in order of priority:

1. Training and support for the CHS's catalogue software, which had recently been updated and as a result had a number of errors and bugs that required on-site support.
2. On site computer support and training to assist the Society in its move to a networked IT system.
3. Volunteer Planning and Management. Review of existing volunteer planning and recruitment and training of new volunteers for reopened museum.
4. Sponsorship/Fundraising Program Development. Assistance for the Society to identify and target opportunities for generating and growing income.
- 5.

Table 1: Reallocated wages expenditure 2014-15

Project	Proposed Spend \$	Actual \$	Outcomes	Line item in CHS Audited Accounts
Catalogue support & training	\$7-10,000	\$7640	<ul style="list-style-type: none"> 3 x 2 day site visits by library and image catalogue software developers to review and problem solve. On-site training for key Society volunteers 	Staff Training & Welfare

⁴ See Item 3 for a discussion of Reallocated Wages Expenditure

Project	Proposed Spend \$	Actual \$	Outcomes	Line item in CHS Audited Accounts
			<ul style="list-style-type: none"> Ongoing off-site support for software changes required to meet the needs of the Society. 	
On site IT support & training	\$5000	\$5000	<ul style="list-style-type: none"> Fortnightly presence of IT specialist to work alongside key Society IT volunteer to implement a range of necessary IT changes for the Society. Key outcomes a: move to NBN enabled system, internal secure and guest Wi-Fi, network and security protocols, automated back-ups. 	Computer Expenses
Volunteer Planning & Management	\$10,000	\$0	<ul style="list-style-type: none"> The Society has begun the review of its policies and procedures and earmarked the funds for a dedicated recruitment campaign prior to the reopening of the museum. As the timing of the consultancy is tied to the opening of the SOA, the Society requested and received approval from CRC to carry over \$9,000 into the 2015-16 FY, for this project. 	N/A
Sponsorship and Fundraising Program Development	\$8-12,000	\$9,000	<ul style="list-style-type: none"> Review and update of existing business and financial plan, including donor and membership base. Preparation of revised whole of Society budget to establish revenue targets and priorities. Human resources audit to establish whether the Society can sustain a fundraising or sponsorship strategy. Preliminary merchandising plan to test alternative fundraising mechanisms. This groundwork was essential for the Society to make decisions about sustainable revenue strategies, based on the resources and priorities of the Society and CRC. 	Advertising

Note that the expenditure for these items has been registered against the closest line item in CHS Budget and Audited Accounts. This is because the line item for "consultancies" has been reserved for funds allocated to the Museum F/O Project, at the request of CRC.

5. Carry Over Funds

A further request was made of CRC by the Society in 2014-15. The Society requested permission to carry over funds for two projects that could not be completed in 2014-15.

1. The brand development and visual identity for the new Museum and the Society had been prolonged by internal consultation. As a result of this the redevelopment of the outdated CS website was held up.
 - 1.1. The Society requested and received approval from CRC to carry over \$7000 of operational funds that had been earmarked by the Society for this project.
 - 1.2. The Society has appointed a local firm to develop the website.
 - 1.3. The logo and brand are now confirmed and will be finalised and released this month.

6. Carry Over Funds Discrepancy

1. As outlined in Item 3, the Society also received approval from CRC to carry over \$9,000 of reallocated wages funds for the purposes of a dedicated consultancy to recruit and train new volunteers for the new Cairns Museum.
2. In reviewing the Audited Accounts, CHS has identified an error in its calculation of the available funds identified as unspent wages.
3. While the total amount of unspent wages funds were \$31k, some \$6462 of this amount was already included in the CHS accounts as a training budget. This arose from an early issue with the wages paid to the Museum Manager. CRC accounted for the differential in the training budget as a one off item and the original issue has been resolved.
4. Consequently the total amount of *unallocated* unspent wages was not \$31k but \$24 538.
5. The carry over funds for this project have been adjusted to reflect the actual carry over and CHS will now need fund this consultancy largely from its existing Operational Resources.

Attachment 2: Cairns Historical Society 2014-2015 Audit

**THE HISTORICAL SOCIETY CAIRNS
NORTH QUEENSLAND INC
Committee's Report**

Your committee members submit the financial report of the HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC for the financial year ended 30 June 2015.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Mr Stephen Ray Fowler
Dr Janice Wegner
Dr Dawn May
Mrs Janet Koch
Ms Suzanne Margaret Gibson
Dr Nicola Horsfell
Mrs Pauline O'Keefee
Mr Bill Browning

Principal Activities

The principal activities of the association during the financial year were:

Historical Society Museum

Significant Changes

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

Operating Result

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


.....
Mr Stephen Ray Fowler
President


.....
Mrs Janet Koch
Hon Treasurer

Dated September 2015

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Consolidated Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Income		
- Small Publications	1,209	389
- Photocopied Information	-	899
- Photographs	3,640	1,692
	4,849	2,980
Less Cost of Goods Sold		
- Museum Shop	-	2,100
- Publications	7,265	5,421
- Bulletins	1,578	1,893
- Photographs	23,650	22,900
- Publications	2,901	660
	35,394	32,974
- Publications	4,721	7,265
- Bulletins	1,618	1,578
- Photographs	24,250	23,650
	4,805	481
Gross Profit from Trading	44	2,499
Expenditure		
Administration Costs	-	10,000
Advertising	15,895	259
Auditor's Fee	520	490
Bank Charges	58	74
Photocopying	-	444
Cleaning	247	3,377
Collection Costs	7,635	-
Council Fees	100,220	-
Conservation	6,321	-
Depreciation	4,073	5,462
Employees' Amenities	852	434
Entertainment Expenses	437	1,600
Filing Fees	-	47
Grants - Expenditure	7,793	1,375
Grant Refunded to the Department	-	19,770
Hire of Plant & Equipment	1,107	-
Insurance	3,026	3,220
Rental expense for sub-lease	1,561	2,906
Legal Costs	6,510	-
Memberships	1,037	850
Postage	876	894
Printing & Stationery	2,261	4,423
Reimbursements	-	12,392
Repairs & Maintenance	4,660	469
Relocation Expenses	-	2,460
Staff Training & Welfare	17,961	-
Sundry Expenses	478	3,308
Superannuation Contributions	5,864	-
Telephone	2,258	2,701
Wages	48,865	-
Work cover	294	-
	240,809	76,955

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Consolidated Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Other Income		
Interest Received	4,563	4,098
Recoveries	-	10,581
Other Society Income	24,682	30,523
Government Grants	223,834	36,791
	<u>253,079</u>	<u>81,993</u>
Profit before Income Tax	<u>12,314</u>	<u>7,537</u>

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Balance Sheet
As at 30 June 2015

	Note	2015 \$	2014 \$
Current Assets			
Cash and Cash Equivalents	1(a)	72,196	38,119
Trade and Other Receivables	3	391,810	130,932
Inventories	4	30,589	32,493
Total Current Assets		<u>494,595</u>	<u>201,544</u>
Non-Current Assets			
Property, Plant and Equipment	5	18,231	22,355
Total Non-Current Assets		<u>18,231</u>	<u>22,355</u>
Total Assets		<u>512,826</u>	<u>223,899</u>
Current Liabilities			
Trade and Other Payables	6	21,823	-
Other	7	254,790	-
Total Current Liabilities		<u>276,613</u>	<u>-</u>
Total Liabilities		<u>276,613</u>	<u>-</u>
Net Assets		<u>236,213</u>	<u>223,899</u>
Equity			
Reserves	8	15,050	15,050
Retained Profits	9	221,163	208,849
Total Equity		<u>236,213</u>	<u>223,899</u>

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Statement of Appropriations
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Retained Profits - Beginning of Year	208,849	201,312
Profit from Ordinary Activities before Income Tax	12,314	7,537
	<u>221,163</u>	<u>208,849</u>
Unappropriated Profit at 30 June 2015	<u><u>221,163</u></u>	<u><u>208,849</u></u>

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
Notes to the Financial Statements
For the Year ended 30th June 2015

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

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

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

(b) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents and presented within current liabilities on the balance sheet.

(c) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Defined Contribution Schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(d) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent of directors' valuation. All assets excluding freehold land, are depreciated over their useful lives to the associations. Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first in first out basis and are net of any rebates and discounts received.

(f) Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates. All revenue is stated net of the amount of goods and services tax (GST).

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
Notes to the Financial Statements
For the Year ended 30th June 2015

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest Revenue

Interest is recognised using the effective interest method.

Other Revenue

Other revenue is recognised when the entity is entitled to the funds.

(g) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
Notes to the Financial Statements
For the Year ended 30th June 2015

	2015 \$	2014 \$
2. Profit for the Year		
Profit before income tax expense from continuing operations includes the following specific expenses:		
Charging as Expense		
Cost of Goods Sold	4,805	481
Movements in Provisions		
Depreciation		
- Depreciation of Property, Plant and Equipment	4,073	5,462
Net Expenses Resulting from Movement in Provisions	<u>4,073</u>	<u>5,462</u>
Rental Expense on Operating Leases		
- rental expense for sub-lease	1,561	2,906
	<u>1,561</u>	<u>2,906</u>
3. Trade and Other Receivables		
Current		
Short-term Deposits - Cairns Penny Bank	95,545	93,262
Trade Debtors	296,265	36,791
Provision for GST	-	879
	<u>391,810</u>	<u>130,932</u>
Total Trade and Other Receivables	<u>391,810</u>	<u>130,932</u>
4. Inventories		
Current		
- Publications	4,721	7,265
- Bulletins	1,618	1,578
- Photographs	24,250	23,650
	<u>30,589</u>	<u>32,493</u>
Total Inventories	<u>30,589</u>	<u>32,493</u>
5. Property, Plant and Equipment		
Land and Buildings		
Resources	10,549	12,465
Less Accumulated Depreciation	4,418	5,914
	<u>6,131</u>	<u>6,551</u>
Equipment - Office & General	7,594	8,512
Less Accumulated Depreciation	5,632	6,262
	<u>1,962</u>	<u>2,250</u>
Total Land and Buildings	<u>8,093</u>	<u>8,801</u>

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
Notes to the Financial Statements
For the Year ended 30th June 2015

	2015	2014
	\$	\$
Plant and Equipment		
Museum	10,649	10,649
Less Accumulated Depreciation	<u>7,051</u>	<u>6,252</u>
	3,598	4,397
Computer Equipment	18,080	18,702
Less Accumulated Depreciation	<u>12,705</u>	<u>10,978</u>
	5,375	7,724
Equipment - Audio Visual	4,378	4,378
Less Accumulated Depreciation	<u>3,213</u>	<u>2,945</u>
	1,165	1,433
Total Plant and Equipment	<u>10,138</u>	<u>13,554</u>
Total Property, Plant and Equipment	<u>18,231</u>	<u>22,355</u>
6. Trade and Other Payables		
Current		
- Group Tax	1,396	-
Provision for GST	<u>20,427</u>	-
	21,823	-
Total Trade and Other Payables	<u>21,823</u>	-
7. Other		
Current		
Income in Advance	<u>254,790</u>	-
	<u>254,790</u>	-
8. Reserves		
Asset Revaluation Reserve	<u>15,050</u>	<u>15,050</u>
	<u>15,050</u>	<u>15,050</u>

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
Notes to the Financial Statements
For the Year ended 30th June 2015

	2015 \$	2014 \$
9. Retained Earnings		
Retained Earnings at the Beginning of the Financial Year	208,849	201,312
Add		
Net profit attributable to members of the associations	12,314	7,537
Retained Earnings at the End of the Financial Year	221,163	208,849


**THE HISTORICAL SOCIETY CAIRNS
NORTH QUEENSLAND INC
Statement by Members of the Committee**


The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee as set out in the accompanying financial statements:

1. Presents a true and fair view of the financial position of THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC as at 30 June 2015 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:


.....
President: Mr Stephen Ray Fowler


.....
Hon Treasurer: Mrs Janet Koch

Dated September 2015

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC

**Supplementary Information
to the Financial Statements**

For the Year ended 30 June 2015

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015 Overview

GENERAL INFORMATION
 THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
 1 October 2014 to 30 June 2015
 ABN 81 832 219 957
 Principal Activity - Historical Society Museum
 Non Reporting Entity
 Name of Auditor - James Alexander Chartered Accountant

Committee Members:

Mr Stephen Fowler
 Mrs Janet Koch
 Dr Dawn May
 Dr Nicola Horsfell
 Dr Janice Wegner
 Ms Suzanne Gibson
 Mrs Pauline O'Keeffe
 Mr Bill Browning

FINANCIAL INFORMATION

	2015	2014	2013
	\$	\$	\$
Operating Profit	12,314	7,537	(6,295)
Trading Sales	4,849	2,980	34,419
Cost of Goods Sold	4,805	481	22,671
Cash at Bank	72,046	37,619	62,406
Trade Debtors	296,265	36,791	6,300
Stock on Hand	30,589	32,493	33,426
Current Assets	494,595	201,544	192,732
Non-Current Assets	18,231	22,355	23,873
Current Liabilities	276,613	-	242

JAMES ALEXANDER CHARTERED ACCOUNTANT
 Chartered Accountant
 179 Martyn Street, Cairns, QLD 4870

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
GENERAL		
Income		
- Small Publications	1,209	389
- Photocopied Information	-	899
- Photographs	3,640	1,692
	4,849	2,980
Less Cost of Goods Sold		
- Publications	7,265	5,421
- Bulletins	1,578	1,893
- Photographs	23,650	22,900
- Publications	2,901	660
	35,394	30,874
- Publications	4,721	7,265
- Bulletins	1,818	1,578
- Photographs	24,250	23,650
	4,805	(1,619)
Gross Profit from Trading	44	4,599
Expenditure		
Advertising	15,895	259
Auditor's Fee	520	490
Bank Charges	58	75
Photocopying	-	444
Cleaning	247	3,377
Computer Expenses	7,635	-
Consultancy Fees	100,220	-
Conservation	6,321	-
Depreciation	4,073	5,462
Staff Amenities	852	434
Entertainment Expenses	437	1,600
Filing Fees	-	47
Grants - Expenditure	7,793	1,375
Hire of Plant & Equipment	1,107	-
Insurance	3,028	3,220
- Rental expense for sub-lease	1,561	800
Legal Costs	6,510	-
Memberships	1,037	850
Postage	876	894
Stationery	2,261	4,321
Reimbursements	-	12,392
Repairs & Maintenance	4,660	269
Relocation Expenses	-	2,460
Staff Training & Welfare	17,981	-
Sundry Expenses	478	2,866
Superannuation Contributions	5,864	-
Telephone	2,258	2,529
Wages	48,665	-
Work cover	294	-
	240,809	44,163

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Other Income		
Interest Received	4,563	4,098
Recoveries	-	10,581
Other Society Income	24,682	28,732
Government Grants	223,834	-
	<u>253,079</u>	<u>43,411</u>
Profit before Income Tax	<u>12,314</u>	<u>3,847</u>

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
MUSEUM		
Expenditure		
Administration Costs	-	10,000
Bank Charges	-	0
Grant Refunded to the Department	-	19,770
- Rental expense for sub-lease	-	2,106
Printing & Stationery	-	102
Repairs & Maintenance	-	200
Sundry Expenses	-	442
Telephone	-	172
	-	32,792
Other Income		
Other Society Income	-	38,582
	-	38,582
Profit before Income Tax	-	5,790

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
MUSEUM SHOP		
Less Cost of Goods Sold		
- Museum Shop	-	2,100
	-	2,100
	-	2,100
Gross Profit from Trading	-	(2,100)
Profit before Income Tax	-	(2,100)

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Balance Sheet
As at 30 June 2015

	2015	2014
	\$	\$
Share Capital and Reserves		
Paid Up Capital		
Asset Revaluation Reserve	15,050	15,050
Unappropriated Profit	221,163	208,849
Total Share Capital and Reserves	<u>236,213</u>	<u>223,899</u>
Represented by:		
Current Assets		
Cash on Hand		
- Historical	50	-
- Museum	-	300
Petty Cash Imprest		
- Historical Society	100	200
Cash at Bank		
- General 070740	-	3,673
- Museum 071647	873	23,122
Cash at Bank	65,178	10,399
Cash at Bank	5,124	0
Cash at Bank	-	425
Cash at Bank	871	-
Short-term Deposits - Cairns Penny Bank	95,545	93,262
Trade Debtors	296,265	36,791
Stock on Hand		
- Publications	4,721	7,265
- Bulletins	1,618	1,578
- Photographs	24,250	23,650
Provision for GST	-	879
	<u>494,595</u>	<u>201,544</u>
Non-Current Assets		
Resources	10,549	12,465
Less Accumulated Depreciation	4,418	5,914
	<u>6,131</u>	<u>6,551</u>
Equipment - Office & General	7,594	8,512
Less Accumulated Depreciation	5,632	6,262
	<u>1,962</u>	<u>2,250</u>
Museum	10,649	10,649
Less Accumulated Depreciation	7,051	6,252
	<u>3,598</u>	<u>4,397</u>
Computer Equipment	18,080	18,702
Less Accumulated Depreciation	12,705	10,978
	<u>5,375</u>	<u>7,724</u>

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
ABN 81 832 219 957
Balance Sheet
As at 30 June 2015

	2015	2014
	\$	\$
Equipment - Audio Visual	4,378	4,378
Less Accumulated Depreciation	<u>3,213</u>	<u>2,945</u>
	1,165	1,433
Total Assets	<u>18,231</u>	<u>22,355</u>
	<u>512,826</u>	<u>223,899</u>
Current Liabilities		
Other Creditors		-
- Group Tax	1,396	-
Provision for GST	20,427	-
Income in Advance	<u>254,790</u>	-
	276,613	-
Total Liabilities	<u>276,613</u>	-
Net Assets	<u>236,213</u>	<u>223,899</u>

The accompanying notes form part of these financial statements.

THE HISTORICAL SOCIETY CAIRNS NORTH QUEENSLAND INC
1 October 2014 to 30 June 2015
Depreciation Schedule
For the Year Ended 30 June 2015

Asset	Cost Price	Cost Limit	Opening W.D.V 01/07/2014	Additions Disposals	Gain/Loss on Disposal	Capital Gains	--- Depreciation --- Rate	Accum Deprec 30/06/2015	Closing W.D.V 30/06/2015
RESOURCES									
Rare Books and Maps	1,508		1,508				0.0% DV	0	1,508
Library Books (2009)	1,282		536				10.0% PC	97	439
Library Books 2008	1,079		323				10.0% PC	81	242
Library Books	1,209		241				10.0% PC	61	150
Parliamentary Reports	2,603		2,600				0.0% DV	0	2,600
Microfilm/CDs	1,225		242				10.0% PC	92	1,076
Library 2005	674		425				5.0% DV	16	409
Library Books 2010	561		276				10.0% PC	43	233
Sub-total	10,348		6,351					420	6,131
EQUIPMENT - OFFICE & GENERAL									
Shelving (2009)	597		237				10.0% PC	40	197
Equipment - Office & General (2009)	607		353				10.0% PC	61	292
Equipment Other 2008	66		23				10.0% PC	7	16
Audio Visual Equipment & Computer	4,900		1,138				15.0% DV	127	3,897
Office Equipment 2008 (Cns Hware)	606		320				10.0% PC	51	259
Desk - Melsera 08/10/09	326		177				10.0% PC	27	150
Desk Drawers - McLeods 12/10/09	56		45				10.0% PC	7	39
Sub-total	7,354		2,292					230	1,552
MUSEUM									
Museum Equipment (2009)	3,350		1,351				10.0% PC	251	1,100
Museum (2009)	2,811		1,076				10.0% PC	166	890
Museum Equipment 2009	1,143		339				10.0% PC	66	252
Museum Equipment 2009	723		212				10.0% PC	55	157
Shelving 2008	1,174		455				10.0% PC	58	378
Wall for Verandah	1,548		954				10.0% PC	123	831
Sub-total	10,549		4,387					739	3,556
COMPUTER EQUIPMENT									
Computer System (Grant Funds)	8,380		628				25.0% DV	117	611
Printer	195		57				25.0% PC	37	60
Computer Hardware	6,345		3,819				25.0% PC	1,187	2,932
2x computer Towers 8315B				2,907			40.0% PC	841	1,099
Computer upgrades 827B				253			40.0% PC	74	173
Sub-total	14,520		4,304	3,160				2,258	5,375
EQUIPMENT - AUDIO VISUAL									
Sharp MXM-2000	4,378		1,433				25.0% DV	288	1,165
Copier with auto feeder + stand									
Subtotal	4,378		1,433					288	1,165
Total	46,000		19,217	3,160				4,073	18,231