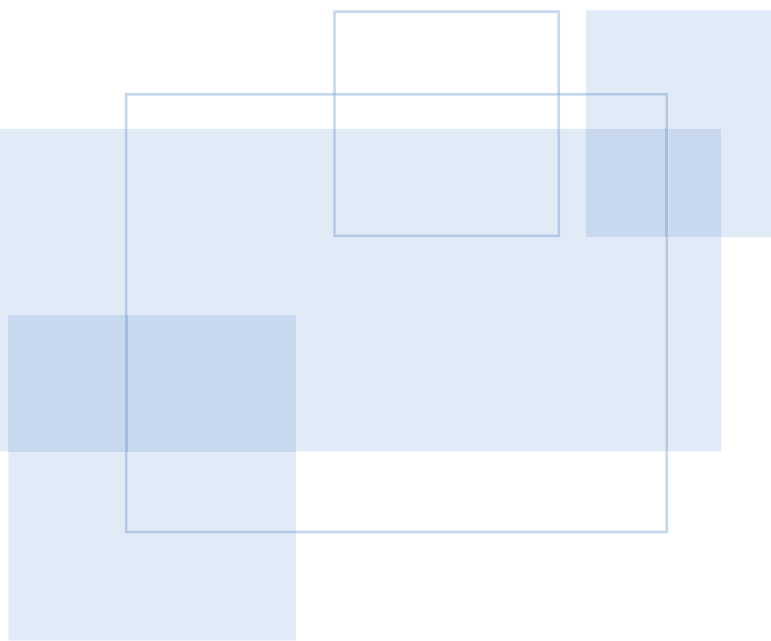


# Newstead House— Board of Trustees Report



## Constitution

The Board of Trustees of Newstead House is constituted under the *Newstead House Trust Act 1939*.

## Objectives, functions and powers

The Board is required to govern, manage and control Newstead House, Brisbane.

## Structure and organisation

The Board operates out of Newstead House, Breakfast Creek Road, PO Box 3121, Newstead, Queensland 4006.

## Membership

At 30 June 2010 membership comprised Ms Kirsti Simpson, Chair, representing the Queensland Government, Mr Stephen Sheaffe representing the Royal Historical Society of Queensland and Mrs Helen Gregory representing the Brisbane City Council.

## Staff

At 30 June 2010, staff comprised Mr David Gibson (director and secretary to the Board).

## Review of progress in achieving statutory obligations

With both the State of Queensland and the municipality of Brisbane having Sesquicentenary celebrations in 2009, the year under review saw Newstead House provide leadership in creating opportunities for a 'grass roots' celebration of this important anniversary.

Initiatives included outside broadcasts, special programs on the Sesquicentaries on 4MBS 103.7 FM, the traditional twilight observance of Proclamation Day and, in association with *Friends of Newstead Inc.*, the public celebration of the little known fact that on 10 July 1859, the steamship *Clarence* arrived in the port of Brisbane with news of the creation of a new colony to be known as Queensland.

Our public program of tours of the homestead continues; independently and, in partnership with the Moreton Bay Environmental Education Centre, a schools program seeks to nourish young minds. Newstead House is also a popular destination for groups of older visitors.

A special relationship has been forged with the Brisbane City Council to ensure that both Newstead House and Newstead Park [the remnant of the original Newstead Estate] are better understood in an historical, social and recreational context courtesy of elements such as the 'Talking Tree' 'Brisbane Blooms' storyboards, the Alice through the Looking Glass Playspace, a host of historically significant memorials and the Sunday concert series when Newstead House plays host to an afternoon of free music through the Brisbane City Council's *Bands in Parks* initiative.

A second reprint of the *Breakfast Creek Heritage Precinct* brochure has been made possible through the generosity of local Brisbane City Councillor David McLachlan. This is an initiative of the Board and management of Newstead House with the aim of lifting the profile of the Precinct.

Newstead House has also been a major contributor to the work of *Brisbane's Living Heritage Network*, the peak body for the promotion of the cultural landscape of South East Queensland. The homestead hosted a photographic exhibition to coincide with Proclamation Day activities and was a substantial contributor to the publication '150 Things in which to experience the Cultural Landscape of South East Queensland'.

Newstead House also worked closely with the Department of Public Works and the Department of the Environment and Resource Management to create the innovative 'Colonial Brisbane Heritage Walk', whereby an animated commentary can be downloaded from the internet into any MP3 player.

As a place of public historical endeavour since 1939, Newstead House continues to respond to public expectations on the occasion of special anniversaries such as Queensland Day, Proclamation Day, Heritage Week, International Museums Day and Museums Alight.

The Board met formally on 10 September 2009, 22 October 2009, 16 December 2009, 11 February 2010 and 25 May 2010. Trustees receive no remuneration.

## Review of operations

Working with officers of the Department of the Environment and Resource Management and the Department of Public Works, the provision of Equal Access at Newstead House remains the Board's most pressing concern. A proposal to have a lift built within the shell of the former Annex has been identified as the most appropriate response and the Board acknowledges the assistance of the aforementioned departments in seeking to realize this goal.

The Board also continues to seek out funding for urgent tasks including the repainting of the exterior of the homestead, resolution to the ongoing battle with white ants, gutter replacement, security shop repairs and shop refurbishment.

*The Friends of Newstead Inc.* continue to assist the Board in the public presentation of Newstead House as a significant element of the State's history and without the efforts of a small band of volunteers, who act as *docents* Monday to Thursday and Sundays and public holidays, the doors to Newstead House would have closed a long time ago.

This year's Drover's Award, given by the Newstead House Trust for exemplary service to Newstead House, was presented to *Friends* member Joy Lloyd, a member of both the weekday and Sunday and public holidays roster.

## Review of financial goals

Funding from the Queensland Government amounted to an operational grant of \$100 000.00 in year 2009–2010.

This level of financial support is acknowledged with appreciation, as is the level of assistance given to the Board by senior officers within the Department of Environment and Resource Management.

## Proposed forward operations

The year ahead will be a time of change with the resignation of the Board Secretary effective 16 July 2010 and the retirement of a majority of our long-time volunteers providing an opportunity for a review of the ways Newstead House responds to its constituency.

Board meetings will continue to establish ways in which Newstead can be more efficient at 'the business of its History' and Trustees are mindful of their responsibilities to attract a new generation of Friends of Newstead House who share the Vision of its founders, Barbara Gibson, Arch Guymer and Clem Jones.

Kirsti Simpson  
Chair  
Board of Trustees of Newstead House

# The Board of Trustees of Newstead House

## Financial Statements 2009-10

### Contents

	Page No.
Statement of Comprehensive Income	45
Statement of Financial Position	46
Statement of Changes in Equity	47
Statement of Cash Flows	48
Notes to and Forming Part of the Financial Statements	49
Management Certificate	59

### **General Information**

These financial statements cover The Board of Trustees of Newstead House.

The Board of Trustees of Newstead House is constituted under the *Newstead House Trust Act 1939*.

Newstead House is located at Newstead Park, Corner Breakfast Creek Road and Newstead Avenue, Newstead Queensland 4006.

A description of the nature of the Board's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Board's financial statements please call (07) 3224 7524, email [kim.davis@derm.qld.gov.au](mailto:kim.davis@derm.qld.gov.au) or visit the website of the Department of Environment and Resource Management. The financial statement for the Board can be found

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>Income from Continuing Operations</b>			
Grant from State Government		183,400	200,000
Admission fees		19,754	17,879
Function fees		4,012	9,292
Tour fees		3,526	3,708
Donations		2,821	53,782
Other		99	310
<b>Total Income from Continuing Operations</b>		<u><b>213,612</b></u>	<u><b>284,970</b></u>
<b>Expenses from Continuing Operations</b>			
Employee expenses	2	89,780	87,678
Supplies and services	3	25,048	24,883
Building expenses	4	24,459	36,784
Depreciation		8,015	7,150
<b>Total Expenses from Continuing Operations</b>		<u><b>147,302</b></u>	<u><b>156,495</b></u>
<b>Operating Result from Continuing Operations</b>	5	<u><b>66,310</b></u>	<u><b>128,475</b></u>
<b>Other Comprehensive Income</b>			
Increase (decrease) in asset revaluation surplus	8	95,151	(57,062)
<b>Total Other Comprehensive Income</b>		<u><b>95,151</b></u>	<u><b>(57,062)</b></u>
<b>Total Comprehensive Income</b>		<u><b>161,461</b></u>	<u><b>71,413</b></u>

*The accompanying notes form part of these statements.*

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>Current Assets</b>			
Cash and cash equivalents	6	176,129	94,573
Prepayments		527	-
Receivables		82	380
<b>Total Current Assets</b>		<u><b>176,738</b></u>	<u><b>94,953</b></u>
<b>Non Current Assets</b>			
Property, plant and equipment	7	1,975,750	1,887,096
<b>Total Non Current Assets</b>		<u><b>1,975,750</b></u>	<u><b>1,887,096</b></u>
<b>Total Assets</b>		<u><b>2,152,488</b></u>	<u><b>1,982,049</b></u>
<b>Current Liabilities</b>			
Payables		4,943	4,953
Unearned revenue		-	1,130
Accrued employee benefits		69,636	47,773
<b>Total Current Liabilities</b>		<u><b>74,579</b></u>	<u><b>53,856</b></u>
<b>Non Current Liabilities</b>			
Accrued employee benefits		-	11,745
<b>Total Non Current Liabilities</b>		<u><b>-</b></u>	<u><b>11,745</b></u>
<b>Total Liabilities</b>		<u><b>74,579</b></u>	<u><b>65,601</b></u>
<b>Net Assets</b>		<u><b>2,077,909</b></u>	<u><b>1,916,448</b></u>
<b>Equity</b>			
Asset revaluation surplus	8	1,943,786	1,848,635
Accumulated surplus		134,123	67,813
<b>Total Equity</b>		<u><b>2,077,909</b></u>	<u><b>1,916,448</b></u>

*The accompanying notes form part of these statements.*

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Accumulated Surplus		Asset Revaluation Surplus (Note 8)		Total	
	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$
<b>Balance as at 1 July</b>	67,813	(60,662)	1,848,635	1,905,697	1,916,448	1,845,035
Operating results from continuing operations	66,310	128,475	-	-	66,310	128,475
<i>Total Other Comprehensive Income</i>						
- Increase/(decrease) in asset revaluation surplus	-	-	95,151	(57,062)	95,151	(57,062)
<b>Balance as at 30 June</b>	<b>134,123</b>	<b>67,813</b>	<b>1,943,786</b>	<b>1,848,635</b>	<b>2,077,909</b>	<b>1,916,448</b>

*The accompanying notes form part of these statements.*

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Inflows:			
Grant from State Government		183,400	200,000
Admission fees		19,672	17,879
Function fees		3,261	7,792
Tour fees		3,526	3,708
Donations		2,821	53,782
Other		99	310
GST input tax credits from ATO		4,439	10,640
GST collected from customers		3,023	3,136
Outflows:			
Employee expenses		(80,189)	(80,635)
Supplies and services		(25,047)	(24,883)
Building expenses		(24,459)	(36,784)
GST paid to suppliers		(4,639)	(10,366)
GST remitted to ATO		(2,833)	(3,345)
<b>Net cash provided by (used in) operating activities</b>	<b>5</b>	<b>83,074</b>	<b>141,234</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Outflows:			
Payments for property, plant and equipment		(1,518)	(49,824)
<b>Net cash provided by (used in) investing activities</b>		<b>(1,518)</b>	<b>(49,824)</b>
<b>Net increase (decrease) in cash held</b>		<b>81,556</b>	<b>91,410</b>
Cash at beginning of the financial year		94,573	3,163
<b>Cash at end of the financial year</b>	<b>6</b>	<b>176,129</b>	<b>94,573</b>

*The accompanying notes form part of these statements*

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Objectives and Principal Activities of the Board**

The objective of the Board is to govern, manage and control Newstead House, the oldest surviving residence in Brisbane.

The Board is primarily funded for the services it delivers through grant funding from the State Government. It also provides the following on a fee for service basis:

- Admission to Newstead House;
- Tours of Newstead House; and
- Functions.

**Note 1 Summary of Significant Accounting Policies**

**(a) Statement of Compliance**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations as well as the Treasurer's Minimum Reporting Requirements for the year ending 30 June 2010, and other authoritative pronouncements.

Except where stated, the historical cost convention is used.

The accounting policies adopted by the Board are materially consistent with those for the previous year.

**(b) The Reporting Entity**

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Board.

**(c) Revenue**

Revenue from the sale of goods/services is recognised upon the delivery of goods to customers. This involves either invoicing for related goods/services and/or the recognition of accrued revenue.

All revenue is stated net of the amount of Goods and Services Tax (GST).

User charges and fees are recognised as revenue when invoices for the related services are issued. Deposits received in advance for functions yet to take place as at 30 June 2010 are treated as unearned.

**(d) Grants and Contributions**

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Board obtains control over them. Where grants are received that are reciprocal in nature, revenue is accrued over the term of the funding arrangements.

Contributed assets are recognised at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

**(e) Cash and Cash Equivalents**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as at 30 June as well as deposits at call with financial institutions.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(f) Receivables**

Trade debtors are recognised at the amounts due at the time of sale or service delivery. Settlement on these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts have been written-off as at 30 June.

**(g) Acquisition of Assets**

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in preparing the asset to be ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Assets acquired at non cost or for nominal consideration are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

**(h) Property, Plant and Equipment**

Plant and equipment are included in the accounts at cost less accumulated depreciation. The threshold for the capitalisation of plant and equipment is \$1,000.

Buildings are included in the accounts at fair value. The threshold for the capitalisation of buildings is \$10,000.

Land is included in the accounts at fair value. The threshold for the capitalisation of land is \$1.

Assets that are donated to the heritage collection are included in the accounts at a value as assessed by a registered valuer. In 2010, an independent valuation of the heritage collection was performed by Hind's Antiques Pty Ltd. The valuation of these assets is based on fair value. The threshold for recognition of assets in the heritage collection is \$1,000.

Items with a lesser value than the class capitalisation thresholds are expensed in the year of acquisition.

**(i) Depreciation of Property, Plant and Equipment**

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the Board.

Depreciation is not charged on buildings due to their historical significance.

Depreciation is not charged on land as it has an unlimited useful life.

For each class of depreciable asset the following depreciation rates were used:

<b>Class</b>	<b>Rate %</b>
Plant and Equipment:	
Computer	27%
Fittings	7.5%
Fire Alarms and Detectors	5%
Telephone System	5%
Other Equipment	2.5% to 20%

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(j) Revaluations of Non-Current Physical Assets**

Land, buildings and the heritage collection are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment* and Queensland Treasury's *Non-Current Asset Accounting Policies for the Queensland Public Sector*.

The valuation of land is based on fair value principles taking into consideration there is no open market for the land with its current zoning and use. The valuation of Newstead House and the Resource Centre is based on replacement cost as no ready market exists for similar heritage assets. These assets measured at fair value are comprehensively revalued at least every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

The last comprehensive valuation of Newstead House, the Resource Centre and underlying land was conducted in the 2006-07 year. In years where comprehensive revaluations are not conducted, an interim valuation is applied using an appropriate index for buildings and an index provided by registered valuers for land.

Revaluation of heritage assets is conducted annually on the basis of fair value.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Only those assets, considered material to the value of their class to which they belong, are comprehensively revalued.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

**(k) Impairment of Non-Current Assets**

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Board determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Refer also Note 1(j).

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(l) Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

**(m) Financial Instruments**

*Recognition*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Board becomes party to the contractual provisions of the financial instrument.

*Classification*

Financial instruments are classified and measured as follows:  
Cash and cash equivalents - held at fair value through profit and loss  
Receivables - held at amortised cost  
Payables - held at amortised cost

The Board does not enter transactions for speculative purposes, or for hedging. It holds no financial assets classified as at fair value through profit and loss or classified as held to maturity.

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the Board are included in Note 11.

**(n) Employee Benefits**

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

*Wages, Salaries, Annual Leave and Sick Leave*

Liabilities for wages, salaries and annual leave, are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date and include related on-costs.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

*Long Service Leave*

A liability for long service leave is recognised, and is measured by the use of a shorthand method derived by the Queensland State Actuary. The result of this method does not differ materially from that which would be arrived at, should a calculation of the present value of expected future payments to be made in respect of services provided by employees up to balance date. The method used incorporates consideration of expected future wage and salary levels and workforce statistical history of employee departure and length of service.

*Superannuation*

Employer superannuation contributions are paid to QSuper, the superannuation plan for Queensland government employees, at rates determined by the State Actuary.

No liability is recognised for accruing superannuation benefits in these statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

**(o) Taxation**

The Board is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). As such, GST credits receivable from/payable to the Australian Taxation Office are recognised and accrued.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(p) Insurance**

The Board's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the Board pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

**(q) Issuance of Financial Statements**

The financial statements are authorised for issue by the Chairperson and the Director of the Board of Trustees of Newstead House at the date of signing the Management Certificate.

**(r) Judgements**

The Board has made no judgements that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**(s) Comparatives**

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

**(t) New and Revised Accounting Standards**

No Australian accounting standard and interpretation issued or amended and applicable for the first time in the 2009-10 financial year have an effect on the Board during this period. The Board did not voluntarily change any of its accounting policies during 2009-10.

The Board is not permitted to early adopt a new accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the Board has not applied any Australian accounting standards and interpretations that have been issued but are not yet effective. The Board applies standards and interpretations in accordance with their respective commencement dates.

The Board complied with the revised AASB 101 *Presentation of Financial Statements* as from 2009-10. This revised standard does not have any measurement or recognition implications. Pursuant to the change of terminology used in the revised AASB 101, the Balance Sheet is now re-named to the Statement of Financial Position, and the Cash Flow Statement has now been re-named to Statement of Cash Flows. The former Income Statement has been replaced by a Statement of Comprehensive Income. In line with the new concept of 'comprehensive income', the bottom of this new statement contains certain transactions that previously were detailed in the Statement of Changes in Equity (refer to the items under the sub-heading "Other Comprehensive Income" in the new Statement of Comprehensive Income). The Statement of Changes in Equity now only includes details of transactions with owners in their capacity as owners, in addition to the total comprehensive income for the relevant components of equity.

AASB 9 *Financial Instruments* and AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 (AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12)* become effective from reporting periods beginning on or after 1 January 2013. The main impacts of these standards are that they will change the requirements for classification, measurement and disclosures associated with financial assets. The impact and materiality of these changes are yet to be determined.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the Board, or have no material impact on the Board.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2 Employee Expenses</b>		
Salaries	78,803	73,384
Employer superannuation contributions	8,353	8,346
Guide allowances	2,624	5,948
<b>Total</b>	<b>89,780</b>	<b>87,678</b>

	<b>2010</b>	<b>2009</b>
Number of Employees	1	1
Also refer note 1(n) Employee Benefits for further information.		

**Note 3 Supplies and Services**

Electricity	4,300	3,854
Audit Fees	4,039	4,500
Telephone	3,176	3,262
Advertising	2,829	149
Projects	2,246	1,895
Stationery and printing	1,662	3,218
Functions	270	289
Other	6,526	7,716
<b>Total</b>	<b>25,048</b>	<b>24,883</b>

**Note 4 Building Expenses**

Insurance	10,478	11,250
Security	7,936	8,886
Cleaning	3,772	2,856
Maintenance	3,197	7,098
Rates	(978)	6,129
Equipment purchases	54	565
<b>Total</b>	<b>24,459</b>	<b>36,784</b>

**Note 5 Reconciliation of Operating Result to Net Cash Provided by (Used in) Operating Activities**

Operating Surplus/(Deficit)	66,310	128,475
Depreciation expense	8,015	7,150
Loss on sale of property, plant and equipment	-	-
Change in assets and liabilities:		
Increase/(Decrease) in accrued employee benefits	9,591	7,042
(Increase)/Decrease in receivables	298	(313)
Increase/(Decrease) in payables	(10)	-
Increase/(Decrease) in unearned revenue	(1,130)	(1,120)
<b>Net cash provided by (used in) operating activities</b>	<b>83,074</b>	<b>141,234</b>

**Note 6 Cash and Cash Equivalents**

Imprest accounts	171	182
Cash at bank	175,958	94,391
<b>Total</b>	<b>176,129</b>	<b>94,573</b>

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 7 Property, Plant and Equipment**

	2010		2009	
	\$	\$	\$	\$
Land		272,712		259,726
Buildings - Heritage		1,149,264		1,084,212
Buildings - Other		224,588		211,875
Heritage collection		262,050		257,650
Plant and Equipment (at cost)	125,482		123,964	
Accumulated Depreciation	(58,346)		(50,331)	
		<u>1,975,750</u>		<u>1,887,096</u>

Only those portions of land on which Newstead House and the accompanying Resource Centre are sited are recorded in the accounts of the Board of Trustees of Newstead House. The balance comprising Newstead Park is controlled by the Brisbane City Council.

Land and buildings were comprehensively revalued during the 2006-07 year using "fair value" principles. The valuations were updated in the 2009-10 year using appropriate indices – refer Note 1(j).

The assets which make up the heritage collection were comprehensively revalued in 2009-10 using "fair value" principles.

Plant and equipment is valued at cost.

**Property, Plant and Equipment Reconciliation**

	Land	Buildings - Heritage	Buildings - Other	Heritage Collection	Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2009	259,726	1,084,212	211,875	257,650	73,633	1,887,096
Acquisitions	-	-	-	-	1,518	1,518
Disposals	-	-	-	-	-	-
Revaluation Increments	12,986	65,052	12,713	4,400	-	95,151
Depreciation	-	-	-	-	(8,015)	(8,015)
<b>Carrying amount at 30 June 2010</b>	<b>272,712</b>	<b>1,149,264</b>	<b>224,588</b>	<b>262,050</b>	<b>67,136</b>	<b>1,975,750</b>

	Land	Buildings - Heritage	Buildings - Other	Heritage Collection	Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2008	286,925	1,089,661	212,940	281,000	30,959	1,901,485
Acquisitions	-	-	-	-	49,824	49,824
Disposals	-	-	-	-	-	-
Revaluation Increments	(27,199)	(5,449)	(1,065)	(23,350)	-	(57,063)
Depreciation	-	-	-	-	(7,150)	(7,150)
<b>Carrying amount at 30 June 2009</b>	<b>259,726</b>	<b>1,084,212</b>	<b>211,875</b>	<b>257,650</b>	<b>73,633</b>	<b>1,887,096</b>

The Board has plant and equipment with an original cost of \$26,320 (eight assets) with a written down value of zero still being used in the provision of services.

	2010	2009
	\$	\$
<b>Note 8</b>		
<b>Asset Revaluation Surplus by Class</b>		
Balance 1 July	1,848,635	1,905,697
Increments/(Decrements)		
Land	12,986	(27,199)
Buildings - Heritage	65,052	(5,449)
Buildings - Other	12,713	(1,065)
Heritage collection	4,400	(23,350)
<b>Balance 30 June</b>	<b>1,943,786</b>	<b>1,848,635</b>

The asset revaluation reserve represents the net effect of upward and downward revaluations of assets to fair value.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 9 Contingencies**

As at 30 June 2010 there was one contingent liability which relates to a personal injury claim. As the Board is insured through the Queensland Government Insurance Fund the total exposure is the policy excess of \$2,000 (2009 \$nil).

There are no contingent assets of a significant nature as at 30 June 2010 (2009 \$nil).

**Note 10 Commitments for Expenditure**

There were no commitments of a significant nature as at 30 June 2010 (2009 \$nil).

**Note 11 Financial Instruments**

**(a) Categorisation of Financial Instruments**

The Board has the following categories of financial assets and financial liabilities:

Category	Note	2010 \$	2009 \$
Financial Assets			
Cash and cash equivalents	6	176,129	94,573
Receivables		82	380
<b>Total</b>		<b>176,211</b>	<b>94,953</b>
Financial Liabilities			
Payables		4,943	4,953
<b>Total</b>		<b>4,943</b>	<b>4,953</b>

**(b) Financial Risk Management**

The Board's activities expose it to a variety of financial risks - credit risk, liquidity risk and market risk.

The Board measures risk exposure using a variety of methods as follows -

Risk Exposure	Measurement method
Credit Risk	Ageing analysis, earnings at risk
Liquidity Risk	Sensitivity analysis
Market Risk	Interest rate sensitivity analysis

**(c) Credit Risk Exposure**

Credit risk exposure refers to the situation where the Board may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

The following table represents the Board's maximum exposure to credit risk based on contractual amounts net of any allowances:

Maximum Exposure to Credit Risk			
Category	Note	2010 \$	2009 \$
<b>Financial Assets</b>			
Cash and cash equivalents	6	176,129	94,573
Receivables		82	380
<b>Total</b>		<b>176,211</b>	<b>94,953</b>

No collateral is held as security relating to financial assets held by the Board. No credit enhancements relate to the financial assets held by the Board.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

**Note 11 Financial Instruments (continued)**

**(c) Credit Risk Exposure (continued)**

The Board manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the Board monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

The method for calculating any provision for impairment is based on past experience, current and expected changes in economic conditions and changes in client credit ratings.

There is no impairment loss for the current year (2009 - \$nil).

No financial assets have had their terms renegotiated so as to prevent them from ageing past due or impaired, and are stated at the carrying amounts as indicated.

The Board has no financial assets that are past due but not impaired or impaired financial assets.

**(d) Liquidity Risk**

Liquidity risk refers to the situation where the Board may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Board is exposed to liquidity risk in respect of its payables.

The Board manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Board has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following table sets out the liquidity risk of financial liabilities held by the Board. It represents the contractual maturity of financial liabilities, calculated based on cash flows relating to the liabilities at balance date.

	2010 Payable in			Total \$
	< 1year \$	1-5 years \$	> 5 years \$	
<b>Financial Liabilities</b>				
Payables	4,943	-	-	4,943
<b>Total</b>	<b>4,943</b>	<b>-</b>	<b>-</b>	<b>4,943</b>

	2009 Payable in			Total \$
	< 1year \$	1-5 years \$	> 5 years \$	
<b>Financial Liabilities</b>				
Payables	4,953	-	-	4,953
<b>Total</b>	<b>4,953</b>	<b>-</b>	<b>-</b>	<b>4,953</b>

**(e) Market Risk**

The Board does not trade in foreign currency and is not materially exposed to commodity price changes.

**(f) Interest Rate Sensitivity Analysis**

The Board has no interest bearing financial assets.

**THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2009-10**

***(g) Fair Value***

The Board does not recognise any financial assets or financial liabilities at fair value.

The fair value of cash, cash equivalents, receivables and payables is assumed to approximate the value of the original transaction, less any provision for impairment.

## CERTIFICATE OF THE BOARD OF TRUSTEES OF NEWSTEAD HOUSE

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of The Board of Trustees of Newstead House for the financial year ended 30 June 2010 and of the financial position of the Board at the end of that year.

C. Burgin  
Director

K. Simpson  
Chairperson

31 Aug 2010  
Date:

31 Aug 2010  
Date:



## INDEPENDENT AUDITOR'S REPORT

To The Board of Trustees of Newstead House

### Report on the Financial Report

I have audited the accompanying financial report of The Board of Trustees of Newstead House which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the Chairperson and Director.

#### *The Board's Responsibility for the Financial Report*

The Board is responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Independence*

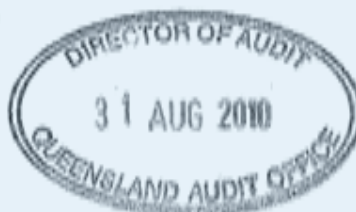
The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

### *Auditor's Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of The Board of Trustees of Newstead House for the financial year 1 July 2009 to 30 June 2010 and of the financial position as at the end of that year.



M T BOOTH FCPA  
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office  
Brisbane

