


THIS ANNEXURE "A" OF 29 PAGES
REFERRED TO IN FORM 388
"COPY OF FINANCIAL STATEMENTS AND REPORTS"
IS A TRUE COPY OF THE ORIGINAL DOCUMENT

x JM
NAME: 
(Director)
DATE: 24.10.13.

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2013

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

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BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
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DIRECTORS' REPORT

The Directors present their report on the company for the financial year ended 30 June 2013, in accordance with Section 300B of the Corporations Act.

OBJECTIVES OF THE COMPANY - SHORT AND LONG TERM

- *Knowledge gaps objective* – To identify the knowledge needed for the conservation and adaptive governance of the Greater Blue Mountains World Heritage Area and its environs.
- *Research objective* - To define, broker and coordinate interdisciplinary research that addresses identified knowledge gaps.
- *Partnerships and knowledge use objective* - To build and maintain partnerships to actively support the creation, uptake and use of knowledge.
- *Internal governance and capacity objective* - To have an effective organisation with optimal staff, board members and resources.

THE COMPANY'S STRATEGY FOR ACHIEVING THESE OBJECTIVES

Knowledge gaps

- Collectively identify and prioritise policy and management issues relating to the Greater Blue Mountains World Heritage Area (GBMWH) and its region.
- Identify and review knowledge gaps in relation to these policy and management issues.

Research

- Broker, facilitate and monitor, and if appropriate coordinate, interdisciplinary research teams to implement projects to address knowledge gaps.
- Establish and maintain coherent long-term programs.
- Facilitate adequate resourcing of identified projects.

Partnerships

- Initiate, broker and sustain new partnerships as needs are identified.
- Use community engagement processes, including arts and cultural expression, to enable dialogue and meaningful participation of the public in knowledge production and application.

Knowledge use

- Ensure research outcomes are effectively translated into adaptive policy and management for the GBMWH and for relevant more universal application.
- Communicate research outcomes and relevant information to the wider regional community about the issues facing the region, to increase understanding of environmental and management issues, and promote public stewardship of the cultural and natural heritage of the GBMWH.
- Integrate Aboriginal and non-Aboriginal cultural heritage values into policy and management.

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Internal governance and capacity

- Develop and implement a governance framework for the conduct of Board members and staff.
- Ensure all activities are in accordance with a strategic business plan.
- Record, monitor and report on the breadth and depth of the Institute's work, both internally and externally from local to international levels.
- Secure funding to support optimal staffing levels and infrastructure.
- Develop and nurture collaboration between the Institute and its member organisations.

PRINCIPAL ACTIVITIES DURING 2012/13 AND HOW THEY ASSISTED IN ACHIEVING THE INSTITUTE'S OBJECTIVES

The principal activities of the Institute are brokering and facilitating research and community engagement in support of the conservation of the natural environment of the Greater Blue Mountains World Heritage Area (GBMWHIA).

Important for achieving these activities were the Institute's six members: the NSW Office of the Environment and Heritage (OEHL), Blue Mountains City Council (BMCC), Hawkesbury-Nepean Catchment Management Authority (HNCMA), University of NSW (UNSW), University of Western Sydney (UWS) and University of Technology Sydney (UTS).

Summarised below are the principal activities over the past year, in line with objectives.

Objective: To identify knowledge needs in relation to the conservation and adaptive governance of the Greater Blue Mountains World Heritage Area.

Activities that achieved this objective:

- Periodic Forums held with BMWHI members, partners and community to expose stakeholders to research and identify research gaps. Examples:
 - The establishment of the BMWHI Circle Forums the first two of which were held in May 2012 at Mt Tomah and June 2012 at the Australian Museum.
 - Presentation of work of the BMCC LEP for a BM Con Soc meeting at Lawson in April
 - Participation in the BMCC's Community Forum on Governance and Environmental priorities held at Lawson in February.
 - Participation at GBMWHIA Advisory Committee meetings: Phytophthora Report presentation at Feb 2012 meeting, Penrith
- Consultations with agency staff, community members and researchers to identify issues and research needs. Topics and stakeholder consultations included:
 - Presentation to the GBMWHIA Advisory Committee to update on progress and seek input on research priorities
 - Mining impacts research
 - Consultative meetings with BMWHI members

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- Consultative meetings with other partners/collaborators: Botanic Gardens Trust, CSIRO, NSW Industry & Innovation, Blue Mountains Education & Research Trust, BizNET, Blue Mountains Economic Enterprise, Low Carbon Australia, Rural Fire Service, Blue Mountains Conservation Society, Colong Foundation, Mayor Lithgow City Council, Blue Mountains Oberon Lithgow Tourism, Australian Centre for Sustainable Mining Practice (ACSMP), Australian Committee of IUCN etc

Objective: To define, broker and coordinate interdisciplinary research that addresses knowledge gaps relating to the GBMWHIA.

Activities that achieved this objective:

- Projects active during 2012/13 (brokered or implemented by BMWHI)
 - Finalisation of a report on Phytophthora identifying management and community education recommendations.
 - Finalisation of Phytophthora Street Theatre project raising community awareness of the risks of Phytophthora.
 - Establishment of a joint project with HN-CMA and NPWS to assess planting strategies for native revegetation at Capertee National Park
 - The completion of the Community Fire Stories project with RFS, NPWS and BMCC, and very successful screening of documentary and distribution of publication to 2000 people at the Edge Cinema, Katoomba in June 2013.
 - The commencement of the Low Carbon Tourism project with grants from BMLOT and BMCC, and the preliminary approval from the CRC for Low Carbon Living.
 - The undertaking of a report for the BMCC on the potential impact on the World Heritage Area of the proposed changes to the Blue Mountains LEP.
 - The awarding of funding from the Commonwealth Gov to undertake the a Heritage assessment of the remains of the 19th century Bleichert Ropeway connecting the Shale Mines at Ruined Castle with Katoomba .
 - Ongoing research into Dingos/Wild dogs with the funding of a PhD student
- Funding proposals for new research submitted to:
 - CRC for Low Carbon Living
 - Blue Mountains City Council (BMCC)
 - Federal Department of Sustainability Environment, Water, Population and Climate (DSEWPC) Your Community Heritage – Community Fire Stories.
 - Rural Fire Service – Bush Fire Risk Mitigation & Resilience Program (2012/13 and Phase II submitted for 2013/14)
 - In partnership with BMLOT, BMCC & OEH a Tourism Industry Regional Development Grant (TIRF Grant) application was prepared.
 - Federal Department of Sustainability Environment, Water, Population and Climate (DSEWPC) Your Community Heritage - Walk of Connection with NPWS.

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- Further development of projects within our Flagship Programmes:
 - Coping with Climate Change. – Low Carbon Tourism Initiative
 - Establishing an Effective Buffer Zone for GBMWHA. – Concept proposal for researching buffer zone options
 - Healthy Ecosystems Healthy Communities. – Low Carbon Tourism Initiative, Phytophthora Forum.
- Held quarterly Research Sub Committee meetings to guide implementation of the Research Strategy and assist the direction and delivery of relevant, high quality research products and outcomes.

Objective: To build and maintain partnerships to actively support the creation, uptake and use of knowledge.

Activities that achieved this objective:

- Capitalised on the World Heritage status by developing national and international World Heritage partnerships – strengthened links with IUCN/UNESCO state of conservation monitoring.
- Presentation at World Heritage Symposium: Future of Australia's World Heritage, Cairns, Aug 2012
- Investigation into barriers and opportunities to see research findings taken up into policy and management
- Regular liaison with GBMWHA Advisory Committee and attendance at meetings.
- Research partnerships centred on Low Carbon Tourism negotiated with:
 - Low Carbon Living Cooperative Research Centre
 - TAFE NSW
 - Rail Corp
 - Go Get
 - National Biodiesel Ltd
 - University of Melbourne
 - Blue Mountains City Council
 - Blue Mountains Lithgow and Oberon Tourism
 - UNSW
 - Curtin University

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- Partnerships nurtured with BMWHI members and relevant organisations:
 - BM Rural Fire Service (re Fire Stories)
 - NSW Fire & Rescue (re Fire Stories)
 - BM Emergency Services (re Fire Stories)
 - NSW Nature Conservation Council (re Fire Stories and other issues)
 - GBMWHA Advisory Committee
 - Blue Mountains Conservation Society
 - Colong Foundation
 - Australian Centre for Sustainable Mining Practice (ACSMP)
 - Botanic Gardens Trust (BGT)
 - Blue Mountains Education & Research Trust
- New projects brokered for implementation 2013/14:
 - Ongoing Dingo research
 - Community Fire Stories – 1957 Leura Fire Research & Documentary
 - Your Community Heritage – Bleichert Ropeway project
 - Low Carbon Tourism Project.
 - BMCC LEP project
- Maintain up to date quarterly database of projects and activities being coordinated.
- Rebuilding BMWHI website contributing regular updates and news.
- Enhanced communication of BMWHI through engagement with Circle Members and the establishment of expanding of contact data bases.
- Establish of BMWHI Circle Newsletter
- Active participation in public education programmes, interpretation and information dissemination, in collaboration with Institute members where possible:
 - Presentation at Consoc BMCC LEP forum.
 - Presentation to the GBMWHA Advisory Committee
 - Presentation to the BMLot Board Meeting

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Objective: To have an effective organisation with optimal staff, Board members and resources.

Activities that achieved this objective:

- Established a BMWHI Intern Program to undertake social media, communications, community engagement and public awareness tasks
- Monitor the Institute's internal governance, management and operations:
 - Monitored implementation of an Action Plan in accordance with the key objectives in the Strategic Plan.
 - Progress reported quarterly to the Board.
 - Quarterly Board meetings were well attended and Director's actively participated in discussions and decisions.
 - Report to OEH on return on investment
- Held quarterly Finance & Audit Committee and Research Committee meetings.
- Revised Research Committee operating protocols
- Held regular staff meetings.
- Established new accountancy arrangement with Trood Pratt Ltd
- Employed a new Operational Manager (Jacinta Green) and made preparations to move to new office location at 16 Dunmore St, Katoomba.
- Developed new Fundraising strategy involving :
 - BMWHI Circle
 - A fundraising advisory committee
 - The further development Knowledge Hub
 - E-Newsletter and Website upgrade

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DIRECTORS' REPORT

DIRECTORS

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

Dr Rosalie Susan CHAPPLE
Professor Dexter DUNPHY
Mr Jeffrey John FRANCIS
Mr Geoffrey Bruce LUSCOMBE
A/Prof Archibald John MERSON
Ms Jennifer Anne TAIT
Mr Nicholas RIGBY (Appointed 18 October 2012)
Mrs Pauline ROSS (Appointed 18 October 2012)
Dr. Scott MOONEY (Appointed 1 January 2013)

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

INFORMATION ON DIRECTORS

The Directors of the company at the date of this report are set out below, together with details of their qualifications and experiences. All Directors share company responsibilities equally unless otherwise stated:

Professor Dexter DUNPHY

Appointed: 2 November 2010

Qualifications: BA(Hons), M Ed (Hons), Dip Ed (USYD); PhD (Harvard)

Experience: Professor Dunphy is Emeritus Professor in the School of Management at the University of Technology Sydney. His main research and consulting interests are in corporate sustainability, the management of organisational change and human resource management. He has consulted to over 160 private and public sector organisations in Australia and abroad. His consulting includes advising on major organisational transitions, design of human resource strategies and implementing sustainability practices. Professor Dunphy is a member of the Westpac Community Consultative Council, a Senior Associate of the UTS Centre for Corporate Governance, a Patron of the Global Sustainability Institute at RMIT, Adviser to ARIES (The Australian Research Institute in Education for Sustainability) at Macquarie University, a member of the UTS Sustainability Steering Committee and a Director of the Prostate Cancer Foundation of Australia. In 2007 he was awarded an AM in the Order of Australia honours list for service to education, particularly in the fields of organisational change, corporate sustainability and business management, and to the community.

Special Responsibilities: Chairperson of the company
Member of Finance and Audit Committee

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A/Prof. Archibald John MERSON

Appointed: 12 May 2004

Qualifications: MSc, PhD (UNSW)

Experience: A/Prof Merson is the Director of the Institute of Environmental Studies at the University of New South Wales. He is the Co-ordinator of the Graduate Research Program in Environment Policy and Management at UNSW. He is one of the founding Directors of the Blue Mountains World Heritage Institute, and has been a consultant to UNESCO, APEC, IUCN and the Australian Dept of Foreign Affairs.

He was a member of the Australia Indonesia Steering Committee on Science and Technology, and the Australia Korea Forum. He is the author of six books and a wide range of academic papers and research covering issues of Environmental and Development, Adaptive Environmental Policy and Management and Climate Change Adaptation and Mitigation. For his journalistic work he is the recipient of a United Nations Media Peace Prize.

Special Responsibilities: Deputy Chairperson of the company
Chairperson of the Research Committee
Member of Finance and Audit Committee

Dr. Rosalie Susan CHAPPLE

Appointed: 4 August 2008

Qualifications: BSc (Hons); PhD (USyd)

Experience: Dr Chapple was a co-founder of the Blue Mountains World Heritage Institute, and held the positions of Executive Officer 2005-2007 and Company Secretary 2005-2008. In 2008 she took on the roles of Research Director and Acting Executive Director, and is currently Executive Director.

She is also a Trustee of the Aberaldie Foundation. For several years she was a senior manager with the Australian Conservation Training Institute of the Zoological Parks Board of NSW, and continues to teach part-time in environmental studies at the University of NSW. With a research background in animal ecology, she has undertaken various reviews for government and funding corporations addressing aspects of wildlife conservation and management.

Special Responsibilities: Member of Research Committee
Member of Finance and Audit Committee

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Mr Jeffrey John FRANCIS

Appointed: 18 September 2008

Qualifications: BA, GradDip (Urban Studies), GradDip (Env Studies) (Macq), MAICD

Experience: Mr Francis is currently the Director of the Research and Innovation Office at the University of Technology, Sydney (UTS) where he is responsible for supporting the strategic development and management of UTS Research Strengths, research programs, projects and staff. He has had 35 years experience working in large and complex public sector organisations. He is currently the Chair of the Board of Directors of accessUTS Pty Ltd, the University's wholly owned consulting company and previously had 15 years as a Director of a credit union, including two years as Chair.

He is a member of the Australian Institute of Company Directors.

Special Responsibilities: Member of Research Committee
Member of Finance and Audit Committee

Mr Geoffrey Bruce LUSCOMBE

Appointed: 2 February 2010

Qualifications: BSc (Hons)

Experience: Mr Luscombe has held the National Parks and Wildlife Service Blue Mountains Regional Manager position since 1994. Mr Luscombe is a Board member and Treasurer of Blue Mountains Tourism Ltd. Mr Luscombe is also a member of the Tasmanian Wilderness World Heritage Area Consultative Committee and is President of the Wildcare SPRATS volunteer organisation which is working to eradicate coastal weeds from the Tasmanian WHA. Mr Luscombe has extensive protected area management experience including the Gondwana Rainforests of Australia World Heritage Area and Captain Cooks Landing Place at Botany Bay.

Special Responsibilities: Company Secretary since 6 August 2008
Chair of Finance & Audit Committee

Ms Jennifer TAIT

Appointed: 2 April 2009

Qualifications: BSc, FAICD

Experience: Jennifer, with 30 years experience in healthcare and consumer retail, manufacturing and supply chain logistics (international and domestic), is non-executive director of Blue Mountains World Heritage Institute Limited and Kell & Rigby. She is a member for the Lucy Mentoring program sponsored by the NSW Office for Women. In August 2008, Jennifer was judged by AFR Boss Magazine one of Australia's True Leaders. Prior to focusing on her career as NED, she was Chief Operating Officer of Blackmores for four years. Over this time, Blackmores achieved a number of accolades including the prestigious Australian Sustainability Award (Small Company of the Year) and the Hewitt Best Employers Award. Asia Money awarded Blackmores 2007 Best Managed Company in Australia - Small Cap Corporate of the Year.

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Mr Nicholas RIGBY

Appointed: 18 October 2012

Qualifications: BSc (CSU)

Experience: Nick, has led State-wide, landscape and regional scale programs focussed on the management of heritage resources, including natural resource and protected areas. Improved governance and compliance while enhancing responsiveness, and reducing red-tape. Engaged and negotiated with the community and industry to develop partnerships, reconcile conflict, and enhance relationships with government. Worked effectively and productively within a whole of government framework. Successfully interpreted and applied complex legislative frameworks to progress entrenched and chronic issues, and emerging issues without guiding precedent, to find sound, sustainable solutions. Developed and led management programs to mitigate political, financial and corporate risk. Engaged indigenous communities, including contributing to State-wide policy, facilitating involvement in land and natural resource management and negotiating Native Title claims. Led teams within a public sector environment towards continual improvement in the efficient delivery of government business. Operated effectively in high profile, politically sensitive environments subject to significant community, industry and media scrutiny. Managed the change which inevitably follows from the above.

He is the current manager of Environmental Sustainability at Blue Mountains City Council.

Dr Scott MOONEY

Appointed: 1 January 2013

Qualifications: BSc, PhD (UNSW)

Experience: Reconstruction of aspects of past environments and environmental change with a particular focus on human impacts. This includes investigating the fire (pre-) history of the humid environments of eastern Australia, primarily via the use of high resolution (macro-) charcoal analyses. In any explanation of how fire has varied through time both humans and climate must be considered (and potentially any complex inter-relationships between these factors). This means the research has obvious links with the palaeoclimate community, and with archaeology to examine changes in human systems in the prehistory period.

A/Prof. Dr Pauline ROSS

Appointed: 18 October 2012

Qualifications: GDipEd, MSc, PhD (USyd)

Experience: A/Prof Ross is a multi award winning academic known for infusing communication, creativity, inquiry and research into the curriculum and research on the impacts of climate change on marine organisms. Her work has been recognised by pre-eminent national Australian awards for teaching in biology including; 2009 Australian Learning and Teaching Council (ALTC), Australian Award for University Teaching (AAUT) excellence in Biology, a 2008 ALTC citation for an outstanding contribution to student learning from the Australian Learning and Teaching Council (ALTC), a 2007 University of Western Sydney, Vice Chancellors Award for Teaching Excellence, a 2008 Australian Award for Excellence in publication of the textbook, New South Wales Biology (2007) published by MacMillan and four other university and national awards for teaching excellence make her one of Australia's most awarded biology educators. She has held various senior tertiary teaching positions including, UWS Teaching Fellow working with the Pro Vice-Chancellor Education, Assistant Associate Dean in the College of Science and Health and as Associate Head of School (Learning and Teaching) in the School of Science at the University of Western Sydney. She has extensive experience in science curriculum development in Australia and overseas. Her peers state "Pauline is without doubt one of the most creative and thoughtful science educators in the Australian Higher Education sector". Her current nationally funded biology learning and teaching projects include "Vision and Innovation in Biology Education" (VIBENet) funded by the Office of Learning and Teaching with the Universities of Latrobe, Sydney and Tasmania, Teaching Research - Evaluation and Assessment Strategies for Undergraduate Research Experiences (TREASURE) with the Australian National University and Canberra University and two Australian Research Council grants on the impact of Ocean Acidification on Molluscs.

Special Responsibilities: Member of the Research Committee

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DIRECTORS' REPORT

MEETINGS OF DIRECTORS

During the financial year, 4 meetings of directors were held. Attendances by each director were as follows:

Name of Director	Alternate for	Date Appointed/ (Resigned) during the year	Number of Meetings whilst a Director	Number of Meetings Attended
Archibald J. MERSON			4	4
Rosalie S. CHAPPLE			4	3
Jeffrey J. FRANCIS			4	2
Jennifer A. TAIT			4	-
Geoffrey B. LUSCOMBE			4	3
Dexter DUNPHY			4	4
Nicholas I RIGBY		18/10/2012	3	1
Pauline M. ROSS		18/10/2012	3	2
Scott D. MOONEY		1/01/2013	2	1
Rosemary DILLON		(18/10/2012)	1	-
Shelley M. BURGIN		(18/10/2012)	1	-

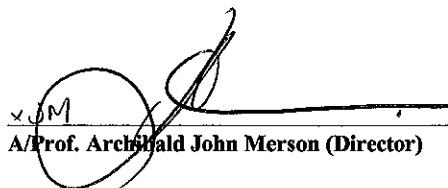
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$70 (2012: \$60).

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 12 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:


 A/Prof. Archibald John Merson (Director)

Dated this 24 day of October 2013



Mitchell & Partners
CHARTERED ACCOUNTANTS

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF BLUE MOUNTAINS WORLD
HERITAGE INSTITUTE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Name of Firm: MITCHELL & PARTNERS
Chartered Accountants

Name of Partner: _____
Steven John DANIELSON

Address: Level 7, 10 Barrack Street, SYDNEY, 2000

Dated this 8th day of October 2013

All mail to: G.P.O. Box 5460 Sydney NSW 2001 Australia

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue	2	222,271.37	200,096.24
Depreciation expense	3	(655.09)	(65.71)
Employee benefits	3	65,430.71	(85,498.15)
Other expenses		<u>(295,634.86)</u>	<u>(69,163.04)</u>
Profit (Loss) before income tax		(8,587.87)	45,369.34
Income Tax Expense		-	-
Profit (Loss) for the year		<u>(8,587.87)</u>	<u>45,369.34</u>
Other comprehensive income:			
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>-</u>	<u>-</u>
Profit (Loss) attributable to members of the entity		<u>(8,587.87)</u>	<u>45,369.34</u>
Total comprehensive income attributable to members of the entity		<u>(8,587.87)</u>	<u>45,369.34</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	112,225.46	153,226.75
Trade and other receivables	6	30,475.00	-
TOTAL CURRENT ASSETS		<u>142,700.46</u>	<u>153,226.75</u>
NON-CURRENT ASSETS			
Plant and Equipment	7	107.31	153.31
TOTAL NON-CURRENT ASSETS		<u>107.31</u>	<u>153.31</u>
TOTAL ASSETS		<u>142,807.77</u>	<u>153,380.06</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	76,141.44	71,320.79
Provisions	9	-	6,805.07
TOTAL CURRENT LIABILITIES		<u>76,141.44</u>	<u>78,125.86</u>
TOTAL LIABILITIES		<u>76,141.44</u>	<u>78,125.86</u>
NET ASSETS		<u>66,666.33</u>	<u>75,254.20</u>
EQUITY			
Retained profits		66,666.33	75,254.20
TOTAL EQUITY		<u>66,666.33</u>	<u>75,254.20</u>

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Retained Earnings	Revaluation Surplus	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 30 June 2009	47,934.23	-	-	47,934.23
Comprehensive income				
Profit (Loss) for the year	(14,156.15)	-	-	(14,156.15)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income	(14,156.15)	-	-	(14,156.15)
Balance at 30 June 2010	33,778.08	-	-	33,778.08
Comprehensive income				
Profit attributable to the entity	(3,893.22)	-	-	(3,893.22)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income	(3,893.22)	-	-	(3,893.22)
Balance at 30 June 2011	29,884.86	-	-	29,884.86
Comprehensive income				
Profit attributable to the entity	45,369.34	-	-	45,369.34
Other comprehensive income for the year	-	-	-	-
Total comprehensive income	45,369.34	-	-	45,369.34
Balance at 30 June 2012	75,254.20	-	-	75,254.20
Comprehensive income				
Profit attributable to the entity	(8,587.87)	-	-	(8,587.87)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income	(8,587.87)	-	-	(8,587.87)
Balance at 30 June 2013	66,666.33	-	-	66,666.33

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members, grantors and others		199,751.41	191,791.76
Interest Received		2,724.98	2,177.90
Payments to suppliers, contractors and employees		<u>(242,868.59)</u>	<u>(135,238.03)</u>
Net cash generated from operating activities	10	<u>(40,392.20)</u>	<u>58,731.63</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant; equipment and motor vehicles		<u>(609.09)</u>	<u>-</u>
Net cash used in investing activities		<u>(609.09)</u>	<u>-</u>
Net increase (decrease) in cash held		(41,001.29)	58,731.63
Cash and cash equivalents at beginning of the financial year		<u>153,226.75</u>	<u>94,495.12</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>112,225.46</u></u>	<u><u>153,226.75</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards (Including Australian Accounting Interpretations) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions.

The financial report is for the entity, Blue Mountains World Heritage Institute Limited as an individual entity. Blue Mountains World Heritage Institute Limited is a company limited by guarantee, incorporated and domiciled in Australia. The financial report is presented in Australian currency.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies adopted by the company have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

(a) Income Tax

Throughout the year the company has maintained its income tax exempt status.

Accordingly, there has been no provision made for income tax on the net result of the company.

(b) Members' Guarantee

The company is limited by guarantee and in the event of the company being wound up, each member or those ceasing to be have been members within one year, undertake to contribute to the assets of the company to an amount not exceeding \$10 each.

At 30 June 2013, the number of members was 7.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF ACCOUNTING POLICIES (cont'd)

(c) Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amount.

(d) Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing basis over their estimated useful lives to the company commencing from the time the asset has been held ready for use.

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Office Equipment	10 - 15%
Computer Equipment	30 - 50%

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) Revenue Recognition

Membership and donations received are recognised in the year to which it relates.

Grant revenue is recognised in the income statement when the company 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.

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

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF ACCOUNTING POLICIES (cont'd)

(g) Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(h) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

	2013	2012
	\$	\$
2 REVENUE		
<i>Revenue from government grants and other grants</i>		
Grants	<u>127,763.82</u>	<u>89,227.27</u>
	127,763.82	89,227.27
<i>Other Revenue</i>		
Contributions	58,100.00	54,800.00
Interest received - other persons	2,724.98	2,177.90
Transfer from public funds	-	11,500.00
Other revenue	33,563.77	30,772.27
Donations received	<u>118.80</u>	<u>11,618.80</u>
Total Revenue	<u><u>222,271.37</u></u>	<u><u>200,096.24</u></u>
3 EXPENSES		
Depreciation of non-current assets	655.09	65.71
<i>Employee benefits</i>		
Salaries & administration personnel	67,182.82	76,633.75
Superannuation Contribution	5,052.96	5,031.15
Provision for Annual Leave	<u>(6,805.07)</u>	<u>3,833.25</u>
	<u><u>65,430.71</u></u>	<u><u>85,498.15</u></u>

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

4 DEALINGS WITH MEMBERS

As part of normal operations, the Institute may receive grants from members or pay for services rendered by members. During the 2013 financial year, a grant of \$50,000 was received from the NSW Office of Environment and Heritage (OEH).

Other relatively minor payments for general services have been made to members throughout the year.

	2013	2012
	\$	\$
5 CASH AND CASH EQUIVALENTS		
Cash on Hand	124.20	124.20
Community Fee Saver Cheque Account	76,229.56	66,064.57
Cash at Bank - BMWH Fund	442.85	8,154.05
Funds on Deposit	35,428.85	78,883.93
Total cash and cash equivalents as stated in the statement of financial position	112,225.46	153,226.75

6 TRADE AND OTHER RECEIVABLES

Current

Trade Debtors	30,475.00	-
Total current trade and other receivables	30,475.00	-

7 PLANT & EQUIPMENT

Office Equipment	22,978.08	22,368.99
Less Accumulated Depreciation	(22,870.77)	(22,215.68)
	107.31	153.31

Movements in Carrying Amounts

Movements in the carrying amount of each class of plant and equipment between the beginning and the end of the current financial year:

	Office Eqt	Total
	\$	\$
Balance at the beginning of the year	153.31	153.31
Additions	609.09	609.09
Depreciation Expense	(655.09)	(655.09)
Carrying amount at end of year	107.31	107.31

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
8 TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	2,529.69	11,254.06
Trade Creditors	3,055.00	190.00
GST Control Account	10,056.75	9,876.73
Grants Received in Advance	60,500.00	50,000.00
	<u>76,141.44</u>	<u>71,320.79</u>
9 PROVISIONS		
Current		
Provision for Employee Entitlements	<u>-</u>	<u>6,805.07</u>
10 CASH FLOW INFORMATION		
Reconciliation of Cashflow from Operations with Profit after Income Tax		
Profit (Loss) after income tax	(8,587.87)	45,369.34
<u>Non-cash flows</u>		
Depreciation	655.09	65.71
Provision for employee entitlements	(6,805.07)	3,833.25
<u>Change in assets and liabilities</u>		
(Increase)/Decrease in trade and other receivables	(30,475.00)	887.91
Increase/(Decrease) in trade and other payables	<u>4,820.65</u>	<u>8,575.42</u>
Cashflow from operations	<u>(40,392.20)</u>	<u>58,731.63</u>
11 AUDITOR'S REMUNERATION		
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	3,000.00	3,000.00
- Other services	-	-
Total Audit Remuneration	<u>3,000.00</u>	<u>3,000.00</u>

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

12 EXPENDITURE COMMITMENTS

Included in revenue are various grants received, the retention of which is conditional on the company making appropriate expenditure and meeting appropriate outcomes relevant to the project for which the monies were granted.

13 SEGMENT REPORTING

The company conducts its activities within and adjoining the Greater Blue Mountains World Heritage area.

14 FINANCIAL INSTRUMENTS

Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The company does not have any derivative instruments at 30 June 2013.

Financial Risks

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

(a) Interest Rate risk

The company's exposure to interest rate risk is the risk that a financial instrument's value and future cash flows will fluctuate as a result of changes in market interest rates.

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

(c) Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meet obligations related to financial liabilities.

The company manages liquidity risk by monitoring forecast cash flows.

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

15 EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in subsequent financial years.

16 ENTITY DETAILS

The registered office and principal place of business of the entity is:
16 Dunmore Street, KATOOMBA, NSW 2780.

17 MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2013, the number of members was 7.

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

DIRECTORS' DECLARATION

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 13 to 23 are in accordance with the Corporations Act 2001:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the entity.

2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:

x JM

A/Prof. Archibald John Merson

Dated this 24th day of October 2013



Mitchell & Partners
CHARTERED ACCOUNTANTS

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To the members of Blue Mountains World Heritage Institute Limited

Report on the Financial Report

We have reviewed the accompanying financial report of Blue Mountains World Heritage Institute Limited (the company), which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415: Review of a Financial Report – Company Limited by Guarantee, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2013 and its
- (ii) complying with the Australian Accounting Standards and Corporations Regulations 2001.

ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report. A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Blue Mountains World Heritage Institute Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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Chartered Accountants

beyond accounting
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scheme approved under the
Professional Standards Legislation

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Blue Mountains World Heritage Institute Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its
- (ii) complying with Australian Accounting Standards and Corporations Regulations 2001.

Name of Firm: MITCHELL & PARTNERS
Chartered Accountants

Name of Partner: _____
Steven John DANIELSON

Address: Level 7, 10 Barrack Street, SYDNEY, 2000

Dated this **day of October 2013**

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

COMBINED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
INCOME		
Contributions Received	58,100.00	54,800.00
	<u>58,100.00</u>	<u>54,800.00</u>
OTHER INCOME		
Grants Received		
- Project Allocations	127,763.82	89,227.27
	<u>127,763.82</u>	<u>89,227.27</u>
Transfer from Public Fund	-	11,500.00
Interest Received	2,724.98	2,177.90
Donations Received	118.80	11,618.80
Other Revenue	33,563.77	30,772.27
Provision for employee entitlements	6,805.07	(3,833.25)
	<u>170,976.44</u>	<u>141,462.99</u>
TOTAL INCOME	<u>229,076.44</u>	<u>196,262.99</u>
EXPENSES		
Auditors' Remuneration	3,000.00	3,000.00
Bank Charges	319.09	169.38
Bookkeeping Expenses	5,584.77	2,646.00
Conferences and Meetings	379.29	6,591.11
Contractors	50,407.76	27,706.38
Depreciation	655.09	65.71
Filing Fees	-	42.00
Fines and Penalties	230.00	-
General Expenses	290.10	-
Insurance	2,253.63	2,233.63
Memberships	236.36	177.27
Printing, Postage and Stationery	406.88	125.61
Project Costs:		
- Research Projects	70,365.05	760.00
- Climate Change Impacts Tourism	6,143.03	-
- Education	11,544.37	370.46
- Scholarship	10,000.00	10,000.00

BLUE MOUNTAINS WORLD HERITAGE INSTITUTE LIMITED
ABN 16 108 583 151

COMBINED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
Salaries and Wages - Permanent	56,143.60	53,796.52
Salaries and Wages - On Charged	11,039.22	22,837.23
Staff Amenities	223.42	187.09
Superannuation Contributions	5,052.96	5,031.15
Telephone and Internet charges	72.72	861.74
Transfer from Public Fund	-	11,500.00
Telephone and Travelling allowance	1,353.82	1,441.00
Travelling Expenses	1,228.61	384.81
Workers Compensation insurance	734.54	966.56
	<u>237,664.31</u>	<u>150,893.65</u>
NET SURPLUS / (DEFICIENCY)	<u>(8,587.87)</u>	<u>45,369.34</u>