



**BUSH HERITAGE**  
AUSTRALIA

**Bush Heritage Australia**

ACN 053 639 115

**Consolidated Financial Statements**

**Year Ended 31 March 2016**

## Directors' report

Your directors present their report for the 12 months ended 31 March 2016.

The following people have served as directors during the year and to the date of this report:

### **Louise Sylvan – President**

*Appointed to the Board in 2009*

Louise is Adjunct Professor, Prevention Research Collaboration, at the University Of Sydney School Of Medicine. She also chairs Energy Consumers Australia and is a non-executive director of the Social Enterprise Finance Australia. Louise also serves on the Advisory Board of Impact Investing Australia and the Economic Development Committee of the NSW Land Council. She has previously served in a number of other senior roles including CEO of the Australian National Preventive Health Agency, Commissioner of the Productivity Commission and Deputy Chair of the Australian Competition and Consumer Commission.

### **Andrew Myer – Vice President**

*Appointed to the Board in 2007, retired in 2016*

Andrew is principal of the AV Myer Group of Companies. He has extensive experience in investment, property development and management, film production and philanthropy. He is a Director and Founder of the Andyinc Foundation, a Director of the Myer Family Investments Pty Ltd, a Trustee of the Sidney Myer Fund and Deputy Chair of the Melbourne International Film Festival.

Andrew served as Bush Heritage Australia Vice-President, Chair of the Marketing and Fundraising Committee, and member of Governance, Aboriginal Engagement, Finance, Audit & Risk and Special Projects Committees. He retired from the Board in 2016 having served three elected terms in office.

### **David Rickards – Treasurer**

*Appointed to the Board in 2006, retired in 2015*

David is the co-founder of Social Enterprise Finance Australia. He previously served as the Executive Director and Global Head of Research at Macquarie Securities.

David served as Bush Heritage Australia Treasurer and Chair of the Finance, Audit and Risk Committee and Gift Fund Committee, and member of the Marketing & Fundraising and Special Projects Committees. David retired from the Board at Bush Heritage's 2015 Annual General Meeting having served three elected terms in office.

### **Nicholas Burton Taylor AM – Treasurer**

*Appointed to the Board in 2013*

Nick has a longstanding commitment to rural communities and has extensive experience in the Australian agricultural sector. He owns Hillgrove Pastoral Pty Ltd and Kenny's Creek Angus, producers of beef and grain. Nick is currently the Chancellor of Southern Cross University, Chair of Country Education Foundation of Australia and of Delta Agribusiness and has served on the Boards of several listed companies, many of which have a rural focus.

### **Phillip Cornwell**

*Appointed to the Board in 2015*

Phillip has been a partner at Allens (a leading commercial law firm) since 1984 where he specialises in project finance and acquisition financing. Phillip also lectures on infrastructure projects and takeover finance for a Sydney University Master of Laws course. Phillip chairs the Allens Pro Bono and Footprint Committees and serves on the Allens Community Engagement Board. He also chairs the board of the Australian Pro Bono Centre and is a director of Suicide Prevention Australia.

### **Chris Grubb**

*Appointed to the Board in 2011*

Chris is currently a non-executive Director of several Asian investment management companies, Chairman of Boardroom Australia and a Trustee of The Australian Museum Foundation. He has previously served as Chairman of ASX-listed companies and was a director of investment bank Jardine Fleming for 22 years as well as serving as a director of other public and not-for-profit organisations. He is a keen birdwatcher and naturalist.

### **Prof Michelle Leishman**

*Appointed to the Board in 2015*

Michelle is a plant ecologist with over 20 years research experience focused on invasive plants, vegetation responses to climate change, restoration ecology and plant conservation. She leads a research group in the Department of Biological Sciences at Macquarie University. Michelle is a member of the Scientific and Conservation Committee of the Royal Botanic Gardens and Domain Trust, Sydney, and of the Australian Flora Foundation Council. She is past Chair of the NSW Scientific Committee and current Head of Department.

### **Leanne Liddle**

*Appointed to the Board in 2009*

Leanne is a passionate scientist and lawyer who has worked in many senior positions within government and non-government organisations. She is employed with the Northern Territory Government at the Department of the Attorney-General and Justice as the Principal Policy Law Officer living in Darwin. Leanne has delivered specialised lectures both nationally and internationally, with a particular focus on restoring and protecting plant and animal species in the Anangu Pitjantjatjara Yankunytjatjara Lands (APY) in South Australia. Leanne is a strong advocate for applying traditional Aboriginal use of fire in unmodified landscapes and ensuring the integrity of indigenous scientific practices.

### **Dr Sue McIntyre**

*Appointed to the Board in 2007, retired in 2015*

Sue is a plant ecologist with over 30 years' research experience in academia and CSIRO focusing on the management of native vegetation. Her published work has been influential academically and has informed policy development and land management for conservation.

Sue served as Chair of the Science and Conservation Committee and member of the Operations and Safety Committee. Sue retired from the Board at Bush Heritage's 2015 Annual General Meeting having served three elected terms in office.

### **Dr Rebecca Nelson**

*Appointed to the Board in 2014*

Rebecca is a lawyer with a strong interest in water management, regulation and policy. She is a Senior Lecturer at the Melbourne Law School at the University of Melbourne, and a Fellow (Non-Resident) of the Woods Institute for the Environment at Stanford University. Rebecca combines this work with independent consulting. In 2014, Rebecca was named the Australian Young Environmental Lawyer of the Year by the Law Council of Australia for her significant contribution to environmental law.

### **Prof Hugh Possingham**

*Appointed to the Board in 2015*

Dr Hugh Possingham, FAA, FNAS, is a Professor of Mathematics and a Professor of Ecology at The University of Queensland and Chair in Conservation Decisions at Imperial College, London. His research interests are in conservation research, decision science for environmental problem solving, reserve system design, ecological modelling and ecology. Hugh will join The Nature Conservancy as Chief Scientist in November 2016, leading the work of more than 600 scientists engaged in conservation efforts impacting 69 countries around the world.

## **Keith Tuffley**

*Appointed to the Board in 2006*

Keith Tuffley is the Managing Partner & CEO of The B Team, a group of global business leaders who are driving a better way of doing business for the wellbeing of people and planet. He is also the Founder & Chairman of NEUW Ventures SA, an impact investing company focused on the creation and financing of new businesses which reduce the human ecological footprint and accelerate the world's transition to a sustainable economic system. Keith has spent over 25 years in finance, investment banking and the capital markets.

## **Company Secretary**

Gerard O'Neill – February 2013 – present

Gerard is Company Secretary and Chief Executive of Bush Heritage Australia. With support from legal advisors, the Company Secretary advises the Board on the appropriate procedures for the conduct of meetings and the affairs of the Company, as required by the Constitution and by charity and company law.

## **Directors' meetings**

Six directors' meetings were held during the financial year. Where the Director was not in office for the whole of the financial year, the number of meetings held during the part-year period of office is shown in the first column. Details of directors' meeting attendance are as follows.

	<b>Directors' meetings held during the period that each Director was in office</b>	<b>Directors' meetings attended</b>
Louise Sylvan	6	6
Andrew Myer (to 18/2/2016)	5	5
David Rickards (to 28/8/2015)	3	3
Nick Burton Taylor	6	5
Phillip Cornwell (from 2/12/2015)	2	2
Chris Grubb	6	6
Michelle Leishman (from 2/6/2015)	5	4
Leanne Liddle	6	4
Sue McIntyre (to 28/8/2015)	3	3
Rebecca Nelson	6	5
Hugh Possingham (from 7/10/2015)	4	3
Keith Tuffley	6	4

The Bush Heritage Constitution (Section 50) permits decisions to be taken by the Board in Written Resolution form. In 2015-16, the Board made one decision using this method.

## **Short and long-term objectives and strategy**

Bush Heritage's long-term objective is to secure and protect Australia's biodiversity and natural landscapes.

In the shorter term, our strategies and objectives are to:

1. double the area secured for conservation, by direct acquisition and partnership, from 3 million to 6 million ha;
2. maintain and improve conservation management outcomes;
3. demonstrate leadership and innovation in nature conservation;
4. increase to 30 000 the number of people we engage with and who support our work;
5. build the financial sustainability and operational capacity of Bush Heritage; and
6. ensure an organisational culture of collaboration and commitment.

## **Principal activities**

Bush Heritage's principal activities, consistent with its Constitution, are to:

- protect and enhance the natural environment for the long term by acquiring and preserving land or water that is of high conservation value or environmental significance;
- obtain funds or other property through donations, bequests, public appeals, special events and sponsorships ;
- work with, provide assistance to, or engage others to protect and enhance the natural environment;
- advise and educate others about how to protect and enhance the natural environment;
- buy or sell for the benefit of the Company any trading credits, sequestration rights or other similar property or interests in land, air, water or carbon; and
- pursue strategic, operational, business and other appropriate relationships with the public and private sector to achieve the objects of the Company.

## **Performance measures**

Bush Heritage recognises the importance of key performance measures to monitor and gauge organisational performance and has adopted the Open Standards for the Practice of Conservation as our core business process. To suit our needs, we have added key activities to support the development and approval of partnerships and land purchases. We have called this adapted version the Bush Heritage Conservation Management Process (CMP).

Bush Heritage has built a body of knowledge of the best ways to identify the conservation values that require protection, plan for how those values will be protected, and then carry out those planned actions. Bush Heritage's CMP is the framework and guidance for managing all our conservation activities.

Science informs our conservation strategies and management actions. By collating and analysing existing information and models, we identify the sites, species, ecosystems and landscapes most in need of protection and conservation actions. Our on-ground management activities (such as fire management, feral animal and weed control) continue to be informed by scientific knowledge, experience and evidence.

We use scientific principles to design and implement our biological survey, ecological monitoring and mapping programs. Baseline knowledge of the species and communities present on our properties is essential if we are to manage them effectively. Monitoring is critical to the evaluation and review of our conservation management actions.

Some of the tools and reporting methods used currently in the organisation, which will be continually reviewed and further integrated into future performance reporting, include:

- Conservation Scorecards, for reporting on conservation outcomes achieved at reserves or with partners;
- IRIS performance metrics for impact investment;
- monthly financial reporting;
- quarterly progress reporting against the key strategic priorities from the Strategic Plan 2012–17;
- quarterly marketing KPI reporting;
- a biennial organisational effectiveness report; and
- annual staff diversity reporting.

### **Members' guarantee**

In accordance with the company's Constitution, each member is liable to contribute a maximum of \$10 in the event that the company is wound up. As at 31 March 2016 the number of members was 71, therefore based on this number the total amount that members of the company would be liable to contribute if the company is wound up is \$710.

### **Auditors' independence**

The Auditors' Declaration of Independence appears on page 18 and forms part of the Directors' Report for the year ended 31 March 2016.

### **Rounding**

The company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the Financial Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 298(2) of the *Corporations Act 2001*:



Louise Sylvan

President

10 June 2016

## Auditor's Independence Declaration to the Directors of Bush Heritage Australia

In relation to our audit of the financial report of Bush Heritage Australia for the financial year ended 31 March 2016, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* or any applicable code of professional conduct.



Ernst & Young



Kester Brown  
Partner  
10 June 2016

## Bush Heritage Australia

### Consolidated Statement of Comprehensive Income

for year ended 31 March 2016

	Notes	2016 \$'000	2015 \$'000
<b>Revenue</b>			
Supporter contributions and grants	3(a)	17,437	16,110
Interest and investment income	3(b)	2,126	1,200
Conservation enterprises income		385	283
Other income		357	133
<b>Total Revenue</b>		<b>20,305</b>	17,726
<b>Expenses</b>			
Conservation management activities	4(a)	9,488	8,420
Conservation communities, events & education	4(b)	2,027	1,835
Fundraising activities	4(c)	1,862	1,217
Investment in new supporters	4(d)	2,988	2,394
Organisational support	4(e)	2,150	1,988
<b>Total Expenses</b>		<b>18,515</b>	15,854
<b>Surplus Before Tax</b>		<b>1,790</b>	1,872
Income tax		-	-
<b>Net Surplus</b>		<b>1,790</b>	1,872
<b>Other Comprehensive Income</b>			
Realisation of net fair value gains previously brought to account		(1,547)	(555)
Net fair value gains/(loss) brought to account during the financial year		(603)	1,300
Income tax on items of other comprehensive income		-	-
Other comprehensive income for the period, net of tax		<b>(2,150)</b>	745
<b>Total comprehensive income for the period</b>		<b>(360)</b>	2,617

*The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes. Any single year surpluses are reinvested into the future expansion of the Company's conservation activities.*

**Bush Heritage Australia**  
**Consolidated Statement of Financial Position**  
as at 31 March 2016

	Notes	2016 \$'000	2015 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	1,395	1,171
Trade and other receivables	7	330	259
Assets held for sale	8	748	196
<b>Total Current Assets</b>		<b>2,473</b>	<b>1,626</b>
<b>Non-Current Assets</b>			
Investments	9	9,283	11,768
Property, plant and equipment	10	34,049	31,095
Intangibles - computer software	11	44	73
<b>Total Non-Current Assets</b>		<b>43,376</b>	<b>42,936</b>
<b>TOTAL ASSETS</b>		<b>45,849</b>	<b>44,562</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	12	781	1,066
Provisions	13	905	775
Interest bearing liabilities	14	475	206
<b>Total Current Liabilities</b>		<b>2,161</b>	<b>2,047</b>
<b>Non-Current Liabilities</b>			
Provisions	13	228	197
Interest bearing liabilities	14	1,813	311
<b>Total Non-Current Liabilities</b>		<b>2,041</b>	<b>508</b>
<b>TOTAL LIABILITIES</b>		<b>4,202</b>	<b>2,555</b>
<b>NET ASSETS</b>		<b>41,647</b>	<b>42,007</b>
<b>EQUITY</b>			
Equity Funds and Reserves	15	41,647	42,007
<b>TOTAL EQUITY</b>		<b>41,647</b>	<b>42,007</b>

*The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.*

## Bush Heritage Australia

### Consolidated Statement of Changes in Equity

for year ended 31 March 2016

	Accumulated Surplus	Equity Funds	Total
Notes	2016 \$'000	2016 \$'000	2016 \$'000
<b>At 1 April 2015</b>	-	42,007	42,007
Surplus for the period	1,790	-	1,790
Other comprehensive income	-	(2,150)	(2,150)
Total comprehensive income for the period	1,790	(2,150)	(360)
Net transfer to Bush Heritage General Fund	(1,290)	1,290	-
Net transfer to Bush Heritage Restricted Fund	(472)	472	-
Net transfer to Midlands Conservation Fund	(28)	28	-
<b>At 31 March 2016</b>	15	41,647	41,647
	2015 \$'000	2015 \$'000	2015 \$'000
<b>At 1 April 2014</b>	-	39,390	39,390
Surplus for the period	1,872	-	1,872
Other comprehensive income	-	745	745
Total comprehensive income for the period	1,872	745	2,617
Net transfer to Bush Heritage General Fund	(2,540)	2,540	-
Net transfer to Bush Heritage Restricted Fund	716	(716)	-
Net transfer to Midlands Conservation Fund	(48)	48	-
<b>At 31 March 2015</b>	15	42,007	42,007

*The above statement of Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

**Bush Heritage Australia**  
**Consolidated Statement of Cash Flows**  
**for year ended 31 March 2016**

	Notes	2016 \$'000	2015 \$'000
<b>Cash flows from operating activities</b>			
Receipts from supporter contributions and other sources		17,552	13,418
Payments to suppliers and employees		(17,578)	(14,390)
Interest paid		(12)	-
Interest and dividends received		51	253
<b>Net cash from/(to) operating activities</b>	<b>16</b>	<b>13</b>	<b>(719)</b>
<b>Cash flows from investing activities</b>			
Purchase of land		(2,619)	(2,150)
Purchase of investments		(700)	(174)
Purchase of buildings, plant and equipment		(587)	(2,720)
Purchase of software		(374)	(32)
Proceeds from sales of land		98	-
Proceeds from the sale of investments		3,036	4,178
Proceeds from the sale of buildings, plant and equipment		16	62
<b>Net cash to investing activities</b>		<b>(1,130)</b>	<b>(836)</b>
<b>Cash flows from financing activities</b>			
Payment of finance lease liabilities		(259)	(213)
Proceeds from borrowings		1,600	-
<b>Net cash from/(to) financing activities</b>		<b>1,341</b>	<b>(213)</b>
Net increase/(decrease) in cash and cash equivalents		224	(1,768)
Cash and cash equivalents at beginning of period		1,171	2,939
<b>Cash and cash equivalents at end of period</b>	<b>16</b>	<b>1,395</b>	<b>1,171</b>

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.*

**Bush Heritage Australia**  
**Notes to the Consolidated Financial Statements**  
**for year ended 31 March 2016**

Note No.	DESCRIPTION
1	Corporate Information
2	Summary of Significant Accounting Policies
3	Revenue
4	Expenses
5	Capital Expenditure not included in the Consolidated Statement of Comprehensive Income
6	Cash and Cash Equivalents
7	Trade and Other Receivables
8	Assets Held for Sale
9	Investments
10	Property, Plant and Equipment
11	Intangibles - Computer Software
12	Trade and Other Payables
13	Provisions
14	Interest Bearing Liabilities
15	Equity Funds and Reserves
16	Reconciliation of Net Surplus to Net Cash Flows from Operating Activities
17	Commitments
18	Related Parties
19	Auditor's Remuneration
20	Director and Executive Disclosures
21	Information relating to Bush Heritage Australia ("Parent Entity")
22	Subsequent Events
23	State and Territory Government Fundraising Legislation Requirements

**Note 1. Corporate Information**

Bush Heritage Australia (ACN 053 639 115) ("the Company") is a company limited by guarantee. Members are nominated and determined in accordance with the constitution. Every member of the Company undertakes to contribute to the property of the Company if the Company is wound up whilst still a member, or within one year after ceasing to be a member, for the payment of the Company's debts and liabilities (contracted before ceasing to be a member) and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors amongst themselves. In any such case each member's contribution will be limited to a maximum of \$10.

Bush Heritage Australia is a company incorporated in Australia, and its registered office address is Level 1, 395 Collins Street, Melbourne Victoria 3000.

The principal activities of Bush Heritage Australia involve the raising of funds to support conservation actions on existing reserves, to purchase additional high conservation value lands, and to work with neighbours and other large landholders to assist the conservation management of their lands. There have been no significant changes to the nature of these activities during the year.

**Note 2. Summary of Significant Accounting Policies**

**(a). Basis of Preparation**

This report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and Regulations 2013, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on the historical cost basis, except for available-for-sale investments which have been measured at market value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated, using the option available to Bush Heritage Australia under ASIC Class Order 98/100. Bush Heritage Australia is an entity to which the class order applies.

The current financial period is the financial year ended 31 March 2016. The comparative period was the financial year ended 31 March 2015.

**(b). Abbreviations**

The following abbreviations have been used in these notes:

ABN	Australian Business Number
AASB	Australian Accounting Standard Board
IFRS	International Financial Reporting Standards
ASIC	Australian Securities & Investments Commission
Bush Heritage	Bush Heritage Australia (ABN 78 053 639 115)
GST	Goods and Services Tax

**(c). Statement of Compliance**

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by Bush Heritage for the annual reporting period ended 31 March 2016. These are outlined below. The impact of these new accounting standards are currently being assessed by management.

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 9	Financial Instruments	<p>AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.</p> <p>AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments.</p> <p><b>Classification and measurement</b></p> <p>AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. There are also some changes made in relation to financial liabilities.</p> <p>The main changes are described below.</p> <p><b>Financial assets</b></p> <p>a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.</p> <p>b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</p> <p><b>Financial liabilities</b></p> <p>Changes introduced by AASB 9 in respect of financial liabilities are limited to the measurement of liabilities designated at fair value through profit or loss (FVPL) using the fair value option.</p> <p>Where the fair value option is used for financial liabilities, the change in fair value is to be accounted for as follows:</p> <ul style="list-style-type: none"> <li>▶ The change attributable to changes in credit risk are presented in other comprehensive income (OCI)</li> <li>▶ The remaining change is presented in profit or loss</li> </ul> <p>AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains or losses attributable to changes in the entity's own credit risk would be recognised in OCI. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount.</p> <p><b>Impairment</b></p> <p>The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely</p>	1-Jan-18	1-Apr-18
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	<p>The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely</p> <p>The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.</p> <p>The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.</p>	1-Jan-16	1-Apr-16
AASB 1057	Application of Australian Accounting Standards	<p>This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. Accordingly, paragraphs 5 and 22 respectively specify the application paragraphs for Standards and Interpretations in general. Differing application paragraphs are set out for individual Standards and Interpretations or grouped where possible.</p> <p>The application paragraphs do not affect requirements in other Standards that specify that certain paragraphs apply only to certain types of entities.</p>	1-Jan-16	1-Apr-16

(c). Statement of Compliance (continued)

AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	<p>The subjects of the principal amendments to the Standards are set out below:</p> <p>AASB 5 Non-current Assets Held for Sale and Discontinued Operations:</p> <ul style="list-style-type: none"> <li>• Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change.</li> </ul> <p>AASB 7 Financial Instruments: Disclosures:</p> <ul style="list-style-type: none"> <li>• Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7.</li> <li>• Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134.</li> </ul> <p>AASB 119 Employee Benefits:</p> <ul style="list-style-type: none"> <li>• Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at</li> </ul>		
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	<p>The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.</p>	1-Jan-16	1-Apr-16
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	<p>The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.</p>	1-Jul-15	1-Apr-16
AASB 16	Leases	<p>The key features of AASB 16 are as follows</p> <p>Lessee accounting</p> <ul style="list-style-type: none"> <li>• Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.</li> <li>• A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities.</li> <li>• Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.</li> <li>• AASB 16 contains disclosure requirements for lessees.</li> </ul> <p>Lessor accounting</p> <ul style="list-style-type: none"> <li>• AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.</li> <li>• AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.</li> </ul> <p>AASB 16 supersedes:</p> <ol style="list-style-type: none"> <li>AASB 117 Leases;</li> <li>Interpretation 4 Determining whether an Arrangement contains a Lease;</li> <li>SIC-15 Operating Leases—Incentives; and</li> <li>SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.</li> </ol> <p>The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 Revenue from Contracts with Customers, has been applied, or is applied at the same date as AASB 16.</p>	1-Jan-19	1-Apr-19
2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	<p>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.</p>	1-Jan-17	1-Apr-17

**(d). Significant Accounting Judgements, Estimates and Assumptions**

*(i) Significant accounting judgements*

*Treatment of leasehold properties and property assets*  
Refer full details under Note 10(b).

*Valuation of property assets*  
The valuation of property assets involves judgement as there is often no active market for the assets. The carrying values of the property assets have been reviewed at balance date. The Directors consider that the property asset values are appropriate at 31 March 2016 and that the assets are not impaired.

*(ii) Significant accounting estimates and assumptions*

*Trade and other receivables*  
All trade debtors were individually reviewed and, if appropriate, provision for bad or doubtful debts has been made for the year ended 31 March 2016.

*Plant and equipment useful lives*  
Estimates are applied for the useful life of depreciable/amortised assets, based on those published by the Australian Taxation Office (Tax Ruling 2000/18C8), adjusted if necessary after considering the asset's planned usage by Bush Heritage.

**(e). Basis of Consolidation**

The consolidated financial statements comprise the financial statements of Bush Heritage Australia and its subsidiary, the Midlands Conservation Fund (MCF) Ltd.

- MCF is a separate public company limited by guarantee, jointly managed by Bush Heritage and the Tasmanian Land Conservancy. MCF has its own Board of Directors and constitutional objectives.
- Under the MCF Constitution, Bush Heritage has the capacity to control MCF and therefore is required by Accounting Standards to consolidate MCF into this consolidated financial statements.
- Under the Accounting Standards, control is said to exist because Bush Heritage has the right to direct the activities of MCF and through that right has the ability to affect the returns it derives from MCF. The returns to Bush Heritage are indirect, non-financial returns that arise because MCF's conservation objectives contribute directly to Bush Heritage's conservation objectives. Under the MCF Constitution, MCF cannot pay financial dividends to Bush Heritage or to any other member.

In preparing the consolidated financial statements, any intercompany balances, transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by Bush Heritage and cease to be consolidated from the date on which control is transferred out of the Group.

**(f). Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. All revenue is stated net of the amount of GST.

*(i) Rendering of Services and Donations Received*

- Revenue from donations, gifts and bequests is recognised upon Bush Heritage receiving the right to entitlement.
- Grant revenue is recognised upon Bush Heritage obtaining control of the contribution or the right to receive the contribution under the funding agreement.
- Revenue from services provided on reserves including service fees and field trips/events is recognised when the services are rendered.

*(ii) Interest Income*

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

*(iii) Dividends*

Dividend revenue is recognised when the right to receive a dividend has been established.

**(g). Leases**

Leases are classified at the inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

*(i) Operating Leases*

The lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

*(ii) Finance Leases*

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to Bush Heritage are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense item in the Statement of Comprehensive Income.

**(h). Cash and Cash Equivalents**

Cash on hand and in banks and short term deposits are stated at nominal value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days, net of any outstanding bank overdrafts.

**(i). Receivables**

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that Bush Heritage will not be able to collect the debts. Bad debts are written off when identified.

Assets held for sale are recognised and measured at the lower of its carrying amount and fair value less costs to sell. Bush Heritage will cease to classify the asset as held for sale if there is sufficient evidence that the asset is no longer available for sale and/or there is no committed plan to sell the asset.

**(j). Taxes**

Bush Heritage is certified as an Income Tax Exempt Charity, and consequently no income tax is reported and accounting for income tax is not applicable. Bush Heritage is also certified as a Deductible Gift Recipient, and accordingly issues tax deductible receipts for donations received over \$2.

Bush Heritage is registered for GST. Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to the Australian Tax Office is included as part of receivables or payables in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Tax Office are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

**(k). Property, Plant and Equipment**

Items costing less than \$1,000 each are expensed during the year of acquisition.

Freehold and leasehold land is stated at cost.

Buildings, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Where an item of property, plant and equipment is acquired at no cost, or for nominal cost, the initial carrying value is its fair value as at the date of acquisition.

The carrying amounts of assets are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying values may be impaired.

An impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

The recoverable amount is the higher of fair value less costs to sell and value in use. For a not-for-profit entity such as Bush Heritage, value in use is the depreciated replacement cost when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where Bush Heritage would, if deprived of the asset, replace its remaining future economic benefits.

The depreciated replacement cost is the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Any gain or loss on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the surplus or deficit in the year the asset is derecognised.

**(l). Intangibles - Computer Software**

Items costing less than \$1,000 each are expensed during the year of acquisition.

Computer software is stated at cost.

Computer software is amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period for the computer software assets is reviewed at least once at each financial year-end. Changes in the expected useful life of the assets are accounted for by changing the amortisation period as appropriate, which is a change in accounting estimate. The amortisation expense is recognised in the Consolidated Statement of Comprehensive Income.

**(m). Depreciation and Amortisation**

Fixed assets and intangibles are depreciated/amortised over their estimated useful lives, commencing in the year of acquisition. Useful life estimates are based on those published by the Australian Taxation Office (Tax Ruling 2000/18C9), adjusted if necessary after considering the asset's planned usage by Bush Heritage. Depreciation is provided on a straight line basis on all property, plant and equipment other than land. Land assets have an unlimited useful life and are not depreciated. Amortisation is provided on a straight line basis on all computer software.

Depreciation periods for major asset classes are as follows:-

Buildings and Infrastructure	20 - 33 years
Plant and Equipment	5 - 20 years

Amortisation periods for major asset classes are as follows:-

Computer Software	3 - 5 years
-------------------	-------------

**(n). Investments and other Financial Assets**

Financial assets within the scope of AASB 9 are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale financial assets or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or been transferred.

Available-for-sale securities are those non-derivative financial assets, principally equity securities that are designated as available-for-sale or are not classified in the above category. After initial recognition, available-for-sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments with no active market, fair values are determined using valuation techniques. Such techniques include: using recent arm's length market transactions; reference to current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use as possible of available supportable market data and keeping judgemental inputs to a minimum.

**(o). Payables**

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to Bush Heritage prior to the end of the financial year that are unpaid and arise when Bush Heritage becomes obliged to make future payments in respect of the purchase of these goods and services.

**(p). Provisions**

Provisions are recognised when Bush Heritage has a legal or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

**(q). Employee Benefits**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

*(i) Wages, salaries and annual leave*

Liabilities arising in respect of salaries, wages and annual leave expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

*(ii) Long Service Leave*

The liability for long service leave is recognised in provisions in the Consolidated Statement of Financial Position, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on federal government bonds with terms to maturity to match, as closely as possible, the estimated future cash outflows.

**(r). Comparatives**

Where necessary, comparatives have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(s). **Property Restoration Costs**

Any property restoration costs expected to be incurred are budgeted for as part of the analysis of potential reserve acquisitions, and subsequently refined in Reserve Management plans. Costs are recognised as they are incurred over the life of the management plan, which is typically five years. Bush Heritage does not have any current legal obligations to restore any land owned at 31 March 2016.

(t). **Financial Risk Management**

Bush Heritage manages exposure to key financial risks in accordance with its risk management policy.

The objective of the policy is to support the delivery of operational targets whilst protecting the future security of the reserves under management. The main risks arising from financial instruments are on short term deposits and investments held as available for sale.

The following financial assets and liabilities were recorded at balance date:

	Note	2016 \$'000	2015 \$'000
<b>Financial Assets</b>			
Cash and cash equivalents	6	1,395	1,171
Trade and other receivables	7	330	259
Investments	9	9,283	11,768
		<u>11,008</u>	<u>13,198</u>
<b>Financial Liabilities</b>			
Trade and other payables	12	781	1,066
Interest bearing liabilities	14	2,288	517
		<u>3,069</u>	<u>1,583</u>
<b>Net Exposure</b>		<u>7,939</u>	<u>11,615</u>

(i) Financial Risk - Sensitivity analysis of exposure to net income is given under the individual notes.

(ii) Price Risk - Equity securities price risk arises from investments in equity securities. To limit this risk, Bush Heritage diversifies its portfolio in accordance with limits set by the Board. The majority of the equity investments are of a high quality and are publicly traded on the ASX. Exceptions may occur where equities are donated to Bush Heritage. The price risk for the listed securities is material in terms of a possible impact on profit or loss or equities and as such a sensitivity analysis has been performed.

(iii) Credit Risk - Trade debtor balances are monitored on an ongoing basis in order to minimise credit risk.

Bush Heritage's maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial asset is the carrying value of those assets as indicated in the Consolidated Statement of Financial Position.

(iv) Liquidity Risk -

Maturity analysis of financial assets and liabilities at 31 March 2016:

	<6 months \$'000	6-12 months \$'000	1-5 Years \$'000	>5 Years \$'000	Total \$'000
<b>Financial Assets</b>					
Cash and cash equivalents	1,395	-	-	-	1,395
Trade and other receivables	330	-	-	-	330
Investments	4,261	-	5,022	-	9,283
	<u>5,986</u>	<u>-</u>	<u>5,022</u>	<u>-</u>	<u>11,008</u>
<b>Financial Liabilities</b>					
Trade and other payables	781	-	-	-	781
Interest bearing liabilities	93	294	1,901	-	2,288
	<u>874</u>	<u>294</u>	<u>1,901</u>	<u>-</u>	<u>3,069</u>
<b>Net Maturity</b>	<u>5,112</u>	<u>(294)</u>	<u>3,121</u>	<u>-</u>	<u>7,939</u>

Maturity analysis of financial assets and liabilities at 31 March 2015:

	<6 months \$'000	6-12 months \$'000	1-5 Years \$'000	>5 Years \$'000	Total \$'000
<b>Financial Assets</b>					
Cash and cash equivalents	1,171	-	-	-	1,171
Trade and other receivables	259	-	-	-	259
Investments	4,552	-	7,216	-	11,768
	<u>5,982</u>	<u>-</u>	<u>7,216</u>	<u>-</u>	<u>13,198</u>
<b>Financial Liabilities</b>					
Trade and other payables	1,066	-	-	-	1,066
Interest bearing liabilities	83	57	377	-	517
	<u>1,149</u>	<u>57</u>	<u>377</u>	<u>-</u>	<u>1,583</u>
<b>Net Maturity</b>	<u>4,833</u>	<u>(57)</u>	<u>6,839</u>	<u>-</u>	<u>11,615</u>

(v) Interest Rate Risk

Bush Heritage's exposure to interest rate risk is set out in the following table:

	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non Interest Bearing \$'000	Total \$'000	Average Interest Rate %
<b>At 31 March 2016</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	551	534	310	1,395	2.3
Trade and other receivables	-	-	330	330	-
Investments	5,163	604	3,516	9,283	4.7
<b>Financial Liabilities</b>					
Trade and other payables	-	-	781	781	-
Interest bearing liabilities	688	1,600	-	2,288	4.7
<b>At 31 March 2015</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	768	112	291	1,171	3.0
Trade and other receivables	-	-	259	259	-
Investments	4,217	1,350	6,201	11,768	5.0
<b>Financial Liabilities</b>					
Trade and other payables	-	-	1,066	1,066	-
Interest bearing liabilities	517	-	-	517	4.4

**Bush Heritage Australia**  
**Notes to the Consolidated Financial Statements**  
**for year ended 31 March 2016**

<b>Note 3. Revenue</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue includes the following major categories:		
Supporter contributions and grants (refer note 3(a))	17,437	16,110
Interest and Investment Income (refer note 3(b))	2,126	1,200
Reserve Income	385	283
Other Income	357	133
<b>Total Revenue</b>	<b>20,305</b>	<b>17,726</b>
<b>(a). Supporter contributions and grants</b>		
Donations and Gifts	13,537	10,984
Grants	167	411
Bequests	3,733	4,715
<b>Total Supporter Contributions and Grants</b>	<b>17,437</b>	<b>16,110</b>
<b>(b). Interest and investment income</b>		
Dividends	365	427
Interest	228	252
Realised Gains	1,533	521
<b>Total Interest and Investment Income</b>	<b>2,126</b>	<b>1,200</b>
<b>Note 4. Expenses</b>		
<b>(a). Conservation management activities</b>		
Conservation management expenses include the following key items:-		
On-reserve costs, including for practical conservation purposes such as fire management, feral animal control, weed control, revegetation, species recovery and protection; expenses related to ecological survey, monitoring and evaluation, cultural values assessment and protection, staff costs, managing conflicting land use proposals and external rights, associated ownership costs such as rates and taxes, expenses associated with operating each reserve's infrastructure, preparing management plans for reserves; organising volunteer support, organising field trips to reserves, building and managing relations with other land owners.		
Development of conservation science, policy and strategy including staff costs; expenses relating to assessment of potential new reserves and partnerships; and expenses relating to development and maintenance of landscape scale plans and partnerships.		
Supporting land management partnerships including staff costs, expenses associated with preparing management plans, and expenses associated with conservation actions such as fire management, feral animal control, weed control, revegetation, species recovery and protection; and expenses related to ecological survey, monitoring and evaluation and cultural values assessment and protection.		
<b>(b). Conservation communities, events &amp; education</b>		
Covers expenses associated with building conservation communities, including via online and newsletter communications, media engagement and the management of the website, bequestor and other events, management of the supporter database, customer service and other conservation-related communications.		
<b>(c). Fundraising activities</b>		
Covers expenses incurred in establishing the case for and then asking existing supporters for donations and gifts to support Bush Heritage's conservation activities. Includes fundraising staff, the bequests program and other associated costs.		
<b>(d). Investment in new supporters</b>		
Covers the cost of recruiting new financial supporters to ensure the ongoing viability of Bush Heritage's conservation activities.		
<b>(e). Organisational support</b>		
Covers activities that ensure the Company is viable and well-operated. This includes in the areas of governance and compliance, finance, information technology, employee development, worker safety and day to day administration of Bush Heritage. All Bush Heritage Board Directors provide their time on a pro bono basis, however some costs are incurred in travel and communications expenses to facilitate meetings of the Board.		
<b>(f). Remuneration Expense</b>		
	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and Wages	6,664	5,978
Superannuation	607	550
Workers Compensation Insurance	72	104
<b>Total Remuneration Expense</b>	<b>7,343</b>	<b>6,632</b>
The relevant portion of remuneration expense is included in all expense category line items in the Consolidated Statement of Comprehensive Income. Salaries and Wages include salaries, wages, salary sacrifice fringe benefits, annual leave and long service leave.		
<b>(g). Depreciation and Amortisation</b>		
	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Depreciation of Property, Plant and Equipment:		
Reserve Plant and Equipment	519	422
Reserve Buildings and Infrastructure	340	273
Office Plant and Equipment	167	89
<b>Total Depreciation</b>	<b>1,026</b>	<b>784</b>
Amortisation of Intangibles:		
Computer Software	29	28
<b>Total Depreciation and Amortisation</b>	<b>1,055</b>	<b>812</b>
<b>(h). Other Expenses</b>		
	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Operating Lease - Minimum Lease Payments	197	194
	<b>197</b>	<b>194</b>

**Note 5. Capital Expenditure not included in the Consolidated Statement of Comprehensive Income**

In addition to the operating expenses recognised in the Consolidated Statement of Comprehensive Income, Bush Heritage directs donated funds toward items of capital expenditure, the most significant of which being the purchase of freehold and leasehold properties for the establishment of Bush Heritage's conservation reserves. Plant and equipment is also purchased by Bush Heritage for use in its conservation operations, which represents further capital expenditure not included in the Consolidated Statement of Comprehensive Income.

**Note 6. Cash and Cash Equivalents**

	2016 \$'000	2015 \$'000
Cash at bank	844	403
Short term deposits	551	768
<b>Total Cash and Cash Equivalents</b>	<b>1,395</b>	<b>1,171</b>

Interest rate risk exposure on average daily balances on short term deposits held would have had the following effect on net income:

(a) Increase of 50 basis points (0.5%) - Increase Net Income by	6	10
(b) Decrease of 50 basis points (0.5%) - (Decrease) Net Income by	(6)	(10)

**(a). Assets Pledged as Security**

Cash Deposit Account Funds	534	768
----------------------------	-----	-----

Short term deposits are funds held as security over the corporate credit card facility and two bank guarantees, covering office lease rental commitments and fortnightly payments for an outsourced payroll.

**Note 7. Trade and Other Receivables**

	2016 \$'000	2015 \$'000
Trade Debtors	38	71
Other receivables and prepayments	292	188
<b>Total Trade and Other Receivables</b>	<b>330</b>	<b>259</b>

Trade debtors are non interest bearing and are normally settled within 30 days and therefore it is not material to perform an age analysis. Trade debtor balances are monitored on an ongoing basis in order to minimise credit risk.

Other receivables and prepayments includes accrued interest on term deposits and prepaid expenses.

**Note 8. Asset Held for Sale**

	2016 \$'000	2015 \$'000
Freehold properties	748	196
<b>Total Assets Held for Sale</b>	<b>748</b>	<b>196</b>

Assets held for sale represent two properties in respect of which it has been determined that they will be sold in accordance with Clause 5.1(f) of the Bush Heritage Constitution.

**Note 9. Investments**

	2016 \$'000	2015 \$'000
--	----------------	----------------

**(a). Investments held by company**

Bush Heritage Australia		
- Bush Heritage Capital Fund	5,787	6,118
- Other Investments	50	2,159
	5,837	8,277
Midlands Conservation Fund	3,446	3,491
<b>Total Investments</b>	<b>9,283</b>	<b>11,768</b>

**(b). Investments held by type**

Fixed Interest	1,792	726
Property Trusts	202	782
Shares Australian	2,895	3,412
Shares International	1,366	1,141
Term Deposits	2,302	4,841
Other	726	866
<b>Total Investments</b>	<b>9,283</b>	<b>11,768</b>

**(c). Reconciliation of Movement in Investments**

Opening balance	11,768	11,059
Additions	1,805	3,549
Disposals	(2,140)	(3,565)
Realisation of net fair value gains previously brought to account	(1,547)	(555)
Net fair value gains/(loss) brought to account during the financial year	(603)	1,300
<b>Closing balance</b>	<b>9,283</b>	<b>11,768</b>

Bush Heritage actively raises funds in addition to the purchase price and operating costs of our conservation reserves in order to create an endowment for the long term financial security and independence of the properties we manage. This fundamental strategy has led to the creation of the significant investment portfolio currently held.

The Bush Heritage Capital Fund was established by Board Resolution on 27 February 2015, with the opening balance being drawn from Bush Heritage's existing investment portfolio. The Capital Fund has been established with the aim of further enhancing the long term financial security of our properties. Investments of the Capital Fund are professionally managed by an external manager, overseen by the Capital Fund Investment Committee of the Bush Heritage Board and subject to the Capital Fund Charter. The equity in the Capital Fund is included within the Bush Heritage General Fund in Note 15.

Investments held in the Midlands Conservation Fund are directly overseen by the Midlands Conservation Fund Board of Directors and as at 31 March 2016 are entirely held in term deposits placed with Australian banks or in Australian managed investment funds.

The interest rate risk exposure on variable interest rate investments (cash balances) held would have had the following effect on net income:

(a) Increase of 50 basis points (0.5%) - Increase Net Income by	18	20
(b) Decrease of 50 basis points (0.5%) - (Decrease) Net Income by	(18)	(20)

**Note 10. Property, Plant and Equipment**

	Freehold Land \$'000	Leasehold Land \$'000	Buildings and Infrastructure \$'000	Office Plant and Equipment \$'000	Reserve Plant and Equipment \$'000	Capital Work in Progress \$'000	Total \$'000
<b>2016</b>							
<b>At 1 April 2015</b> net of accumulated depreciation and impairment	7,629	16,531	4,724	697	1,466	48	31,095
Additions	180	2,439	250	81	577	456	3,983
Disposals	-	-	-	-	(3)	-	(3)
Transfers	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	(340)	(167)	(519)	-	(1,026)
<b>At 31 March 2016</b> net of accumulated depreciation and impairment	7,809	18,970	4,634	611	1,521	504	34,049
<b>2015</b>							
<b>At 1 April 2014</b> net of accumulated depreciation and impairment	7,229	14,781	3,481	103	1,066	32	26,692
Additions	400	1,750	1,387	695	962	16	5,210
Disposals	-	-	(16)	(4)	-	-	(20)
Transfers	-	-	145	(8)	(140)	-	(3)
Depreciation charge for the year	-	-	(273)	(89)	(422)	-	(784)
<b>At 31 March 2015</b> net of accumulated depreciation and impairment	7,629	16,531	4,724	697	1,466	48	31,095

(a). Freehold Land	2016 \$'000	2015 \$'000
Brogo Reserve, NSW	172	172
Burrin Burrin Reserve, NSW	102	102
Chereninup Creek Reserve, WA	145	145
Coalmine Creek Reserve, Tas	22	22
Currumbin Reserve, Qld	111	111
Dalyenong - Lille Block	115	115
Drys Bluff Reserve, Tas	173	173
Fan Palms Reserve, Daintree, Qld	88	88
Friendly Beaches Reserve, Coles Bay, Tas	255	255
Goonderoo Reserve, Qld	173	173
Kojonup Reserve, WA	85	85
Liffey Reserve, Tas	103	103
Monjebup Reserve, WA	222	222
Monjebup North, WA	761	761
Monjebup Creek Reserve, WA	400	400
"Nameless" Sylvan Reserve, NSW	550	550
Nardoo Hills, Vic - Donaldson Block	98	98
Nardoo Hills, Vic - Judith Eardley Reserve	105	105
Nardoo Hills, Vic - Patterson Block	95	95
Nardoo Hills, Vic - Spring Paddock	127	127
Nardoo Hills, Vic - Nardoo 5 (i)	180	-
Oura Oura Reserve - Tas	255	255
Peniup Reserve, WA	293	293
Reedy Creek Reserve, Qld	1,300	1,300
Scottsdale Reserve, NSW	1,440	1,440
South Esk Pine Reserve, Coles Bay, Tas	29	29
Tarcutta Hills Reserve, NSW	314	314
Yarrabee Wesfarmers Reserve, WA	96	96
<b>Total Freehold Land</b>	<b>7,809</b>	<b>7,629</b>

(i) Purchased in September 2015 as an addition to the Nardoo Hills Reserve.

(b). Leasehold Land		
Bon Bon Reserve, SA	1,694	1,694
Booloomatta Reserve, SA	1,288	1,288
Carnarvon Station Reserve, Qld	1,500	1,500
Charles Darwin Reserve, WA	251	251
Cravens Peak Reserve, Qld	2,486	2,486
Edgbaston Reserve, Qld	1,760	1,760
Ethabuka Reserve, Qld	1,302	1,302
Eurardy Reserve, WA	877	877
Hamelin Station Reserve, WA	1,750	1,750
Naree Station Reserve, NSW (i)	878	878
Pullen Pullen Reserve, Qld	2,439	-
Yourka Reserve, Qld	2,745	2,745
<b>Total Leasehold Land</b>	<b>18,970</b>	<b>16,531</b>

Bush Heritage's leasehold properties in Queensland are, pursuant to the Land Act (Qld) 1994, treated as "Term Leases". Each lease has its own expiry date. The Carnarvon Reserve lease expires first, 31/03/2017, Yourka 30/09/2025, Ethabuka 30/06/2031, Cravens Peak 30/06/2032, Edgbaston 10/06/2038 and Pullen Pullen 30/10/2045. Each lease contains a covenant that the existing lessee will, on or before the expiry date, be offered a new Term Lease for a maximum of a further 50 years. Bush Heritage's leasehold properties in South Australia are fixed term leases, both of 42 years duration. The Bon Bon pastoral lease expires 2032 and the Booloomatta lease (being for conservation purposes) expires 2038. Bush Heritage's leasehold properties in Western Australia are all fixed term leases. Eurardy Reserve pastoral lease will expire 19/08/2062 and Hamelin Station will expire 31/05/2063. Charles Darwin Reserve pastoral lease expires 24/05/2064.

(i) Pursuant to the Western Lands Act (NSW) 1901 the legal status of the ongoing leasehold title to Naree Station Reserve equates to freehold.

The Directors' view on the longevity of leasehold land is consistent with the views of other large owners of leasehold lands, such as pastoral companies.

Bush Heritage Australia  
Notes to the Consolidated Financial Statements  
for year ended 31 March 2016

<b>Note 11. Intangibles - Computer Software</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at the start of the period	73	67
net of accumulated amortisation and impairment		
Additions	-	32
Disposals	-	(1)
Transfer	-	3
Amortisation charge for the year	(29)	(28)
Balance at the end of the period, net of accumulated amortisation and impairment	<u>44</u>	<u>73</u>
Cost	383	383
Accumulated amortisation and impairment	(339)	(310)
	<u>44</u>	<u>73</u>

<b>Note 12. Trade and Other Payables</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade Creditors	659	816
Payroll Related Accruals	79	165
GST Payable	(129)	(135)
Other Accrued Expenses	172	220
<b>Total Trade and Other Payables</b>	<u>781</u>	<u>1,066</u>

Trade creditors are non interest bearing and are normally settled within 30 days. Payroll related accruals includes salaries and wages relating to the portion of the pay period overlapping the end of the financial year and employee superannuation. Superannuation is paid to each employee's choice of superannuation fund.

**Note 13. Provisions**

	Annual Leave \$'000	Long Service Leave \$'000	Other \$'000	Total \$'000
At 1 April 2015	464	482	26	972
Additional provisions raised during the year	241	123	-	364
Amounts used or paid out	(177)	-	(26)	(203)
At 31 March 2016	<u>528</u>	<u>605</u>	<u>0</u>	<u>1,133</u>

<b>At 31 March 2016</b>				
Current	528	377	-	905
Non-current	-	228	-	228
	<u>528</u>	<u>605</u>	<u>-</u>	<u>1,133</u>

<b>At 31 March 2015</b>				
Current	464	285	26	775
Non-current	-	197	-	197
	<u>464</u>	<u>482</u>	<u>26</u>	<u>972</u>

<b>Note 14. Interest Bearing Liabilities</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Finance Leases</b>		
Repayable within one year	312	223
Repayable after one year but not more than five years	436	333
Total minimum lease payments	748	556
Less amounts representing finance charges	(60)	(39)
Present value of minimum lease payments	<u>688</u>	<u>517</u>
<b>Loans</b>		
Repayable within one year	184	-
Repayable after one year but not more than five years	1,416	-
Total loan payments	1,600	-
<b>Total Interest Bearing Liabilities</b>	<u>2,288</u>	<u>517</u>
<b>Included in the financial statements as:</b>		
Current	475	206
Non-current	1,813	311
	<u>2,288</u>	<u>517</u>

Bush Heritage has 13 finance leased vehicles with a carrying amount of \$646,661 (2015: \$476,749). Interest on each lease is fixed. These lease contracts expire within one to four years. At the end of the term, ownership is retained by Bush Heritage if all obligations under the contract have been met.

During the financial year, Bush Heritage drew down 2 loans as follows:

- (i) in February 2016 a \$1,500,000 loan with National Australia Bank for the purposes of acquiring the Pullen Pullen, Queensland property. An amount of \$84,000 is repayable in January 2017 with the balance due in December 2020. Interest is charged on the loan at variable rates.
- (ii) in August 2015 a \$100,000 loan with Trust for Nature for costs associated with acquiring the Nardoo 5, Victoria property. The total loan balance is due in February 2017. Interest is charged on the loan at variable rates.

<b>Note 15. Equity Funds and Reserves</b>	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Bush Heritage General Fund (i)</b>		
Balance at the start of the period	34,444	31,904
Net transfer to Bush Heritage General Fund	1,290	2,540
Balance at the end of the period	<u>35,734</u>	<u>34,444</u>
<b>Bush Heritage Restricted Fund (ii)</b>		
Balance at the start of the period	1,867	2,582
Additional restricted funds received	3,991	2,380
Restricted funds expended or acquitted	(3,519)	(3,095)
Balance at the end of the period	<u>2,339</u>	<u>1,867</u>
<b>Midlands Conservation Fund (iii)</b>		
Balance at the start of the period	3,616	3,567
Net surplus attributable to Midlands Conservation Fund	28	49
Balance at the end of the period	<u>3,644</u>	<u>3,616</u>
<b>Net Unrealised Gains / (Losses) Reserve (iv)</b>		
Balance at the start of the period	2,080	1,335
Realisation of net fair value gains previously brought to account	(1,547)	(555)
Net fair value gains/(loss) brought to account during the financial year	(603)	1,300
Balance at the end of the period	<u>(70)</u>	<u>2,080</u>
<b>Total Equity Funds and Reserves</b>	<u>41,647</u>	<u>42,007</u>

(i) The balance of Bush Heritage General Fund represents the accumulated supporter contributions and other net earnings that Bush Heritage Australia has received since inception which have been applied to the acquisition of land and other capital assets for conservation purposes.

(ii) The Bush Heritage Restricted Funds Reserve represents funds received by Bush Heritage that have been tied by the company to specific future conservation-related purposes and which are yet to be applied to those purposes as at the date of these financial statements.

(iii) The Midlands Conservation Fund (MCF) is held separately within MCF Ltd as a capital fund, the earnings from which are to provide for annual stewardship payments to landholders for long term protection and management of the Tasmanian Midlands.

(iv) The Net Unrealised Gains / (Losses) Reserve records net movements in the investment portfolio arising from ongoing revaluations of the portfolio assets to market values.

**Note 16. Reconciliation of Net Surplus/(Deficit) to Net Cash Flows from Operating Activities**

	Note	2016 \$'000	2015 \$'000
<b>Operating Surplus/(Deficit)</b>		<b>1,790</b>	<b>1,872</b>
Depreciation and Amortisation	4(g)	1,055	812
Finance Lease Charges		25	23
Net Investment Income Reinvested		(543)	(386)
Gain on Sale of Property, Plant and Equipment		(16)	(80)
Gain on Sale of Investments		(1,533)	(490)
Lease Incentive		148	120
Non-cash Donations Received		(650)	(3,092)
<b>Changes in Assets and Liabilities</b>			
Increase/(Decrease) in Trade and Other Payables		(352)	365
Increase/(Decrease) in Provisions		161	138
Decrease/(Increase) in Trade and Other Receivables		(71)	(1)
<b>Net Cash from Operating Activities</b>		<b>13</b>	<b>(719)</b>
<b>Reconciliation to Statement of Cash Flows</b>			
Cash at bank		844	403
Short term deposits		551	768
<b>Total Cash and Cash Equivalents at End of Period</b>		<b>1,395</b>	<b>1,171</b>

For the purposes of the Statement of Cash Flows, cash and cash equivalents are comprised of cash at bank and short term deposits.

**Note 17. Commitments**

<b>(a). Lease Commitments</b>		2016 \$'000	2015 \$'000
Future minimum rentals payable under non cancellable operating leases as at 31 March 2016 are as follows:			
Not Later than One Year		210	197
Later Than One Year and Not Later Than Five Years		525	721
<b>Total Lease Commitments</b>		<b>735</b>	<b>918</b>

Lease commitments relate to the following 2 leases of office premises:

- (i) Melbourne, Victoria - commenced in November 2014 and terminates in November 2019, with a further optional term to November 2022. Subject to fixed annual increases; and
- (ii) Bungalow, Queensland - commenced in April 2016 and terminates in April 2017, with a further optional term to April 2018.

**(b). Capital Expenditure Commitments**

Not Later than One Year		636	-
Later Than One Year and Not Later Than Five Years		-	-
		<b>636</b>	<b>-</b>

Capital expenditure commitments relate to the acquisition of customer relationship management software.

**Note 18. Related Parties**

**Director's Transactions**

Other than donations received from Directors and minor expense reimbursements made to Directors, during the financial year no transactions were conducted with parties related to any Directors' interests (2015: Nil). Should such transactions occur, they would be conducted on terms no more favourable than those which it is reasonable to expect Bush Heritage would adopt in dealing with the related party at arm's length in similar circumstances.

**Key Management Personnel Transactions**

During the financial year no transactions were conducted with parties related to any Key Management Personnel interests (2015: Nil). Should such transactions occur, they would be conducted on terms no more favourable than those which it is reasonable to expect Bush Heritage would adopt in dealing with the related party at arm's length in similar circumstances.

**Subsidiary**

The Midlands Conservation Fund (MCF) Ltd is a subsidiary of Bush Heritage. Refer to Note 2(e).

**Other Related Party Transactions**

No other related party transactions were conducted during the financial year.

<b>Note 19. Auditor's Remuneration</b>		2016 \$'000	2015 \$'000
Amounts received or due and receivable by Ernst & Young for:			
Audit of the financial report		38	37
		<b>38</b>	<b>37</b>

**Note 20. Director and Executive Disclosures**

**(a). Directors**

The names of persons who were directors of Bush Heritage at any time during the year are as follows:

Louise Sylvan	President
Andrew Myer	Vice President, retired 18 Feb 2016
David Rickards	Treasurer, retired 28 Aug 2015
Nick Burton Taylor	Treasurer from 28 Aug 2015
Chris Grubb	
Leanne Liddle	
Sue McIntyre	Retired 28 Aug 2015
Rebecca Nelson	
Keith Tuffley	
Michelle Leishman	Appointed 2 June 2015
Hugh Possingham	Appointed 7 Oct 2015
Phillip Cornwell	Appointed 2 Dec 2015

<b>(b). Compensation of Key Management Personnel</b>		2016 \$'000	2015 \$'000
<b>Executives</b>			
Short Term Employee Benefits		693	676
Post Employment Benefits		64	64
<b>Total Compensation</b>		<b>757</b>	<b>740</b>

Key management personnel (KMP) comprises our Board of Directors (all of whom provide their services on a pro-bono basis) and members of the senior management team with central oversight responsibilities (this includes 4 full time management positions (2015: 4)).

**Directors**

The Directors of Bush Heritage Australia provide their services on a pro bono basis and as a consequence receive no financial compensation.

Note 21. Information relating to Bush Heritage Australia ("Parent Entity")	2016	2015
	\$'000	\$'000
Current assets	2,263	1,508
Total assets	42,192	40,952
Current liabilities	2,150	2,053
Total liabilities	4,191	2,561
General fund	35,734	34,444
Restricted fund	2,339	1,867
Net unrealised gains reserve	(72)	2,080
	<u>38,001</u>	<u>38,391</u>
Surplus of the parent entity	1,762	1,824
Total comprehensive income of the parent entity	(390)	2,569

Refer to Note 17(b) for capital expenditure commitments of the parent entity.

**Note 22. Subsequent Events**

No matter or circumstances has arisen since the end of the financial year which is not otherwise dealt with in this Report or in the Financial Statements, that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial periods.

**Note 23. State and Territory Government Fundraising Legislation Requirements**

As a national organisation, Bush Heritage Australia conducts fundraising operations in all states and territories. Several State and Territory governments have specific licensing and reporting requirements aimed at informing and protecting the interests of donors. Bush Heritage holds the following licences:

Australian Capital Territory	Charitable Collections Act 2003, Charitable Collections Licence No. L19000280
New South Wales	Charitable Fundraising Act 1991, Charitable Fundraising Authority 17412
Queensland	Collections Act 1966, Certificate of Sanction No. CP 4954
Tasmania	Collections for Charities Act 2001, Approval 10/02/09 F1A-320
Victoria	Fundraising Act 1998, Registration Number 9971.15
South Australia	Collections for Charitable Purposes Act 1939, Licence not required
Western Australia	Charitable Collections Act 1946, Licence No: 21446

There are no applicable fundraising licensing requirements in the Northern Territory.

**Declaration consistent with the Charitable Fundraising Act 1991 (NSW)**

We, Louise Sylvan and Nick Burton Taylor, being directors of Bush Heritage Australia, declare that the company is the holder of an authority under the Charitable Fundraising Act 1991 (NSW), registration number CFN 17412.

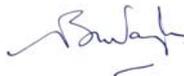
We further declare that in our opinion:

- a) the consolidated statement of comprehensive income gives a true and fair view of all income and expenditure of the organisation with respect to fundraising appeals;
- b) the consolidated statement of financial position gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals conducted by the organisation;
- c) the provisions of the Act, the regulations under the Act and the conditions attached to the authority have been complied with by the organisation;
- d) The internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals; and
- e) the forms of fundraising appeals conducted in NSW during the period ended 31 March 2016 were:
  - (i) direct mail
  - (ii) printed inserts in selected magazines
  - (iii) organised functions for supporters by invitation only
  - (iv) applications to philanthropic foundations
  - (v) telephone contact with Bush Heritage supporters
  - (vi) face to face recruitment of donors
  - (vii) donations via workplace 'giving' programs

On behalf of the Board of Directors



Louise Sylvan  
President



Nick Burton Taylor  
Treasurer

Cairns,  
10 June 2016

**Directors' Declaration**

In accordance with a resolution of the directors of Bush Heritage Australia, we state that in the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 March 2016 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Regulation 2013;
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Louise Sylvan  
President

Cairns,  
10 June 2016



Nick Burton Taylor  
Treasurer

## Independent auditor's report to the members of Bush Heritage Australia

### Report on the financial report

We have audited the accompanying financial report of Bush Heritage Australia and its controlled entity (the 'registered entity'), which comprises the consolidated statement of financial position as at 31 March 2016, the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' responsibility for the financial report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

### Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the preparation of the financial report that gives a true and fair view 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 registered entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Independence

In conducting our audit we have complied with the independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*. We have given to the directors of the registered entity a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

## Opinion

In our opinion:

- a. the financial report of Bush Heritage Australia is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
  - i giving a true and fair view of the registered entity's financial position as at 31 March 2016 and of its performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Regulation 2013*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.



Ernst & Young



Kester Brown

Partner  
Melbourne  
10 June 2016