



2020 - 2021

ANNUAL REPORT

PREPARED BY THE
BOARD OF TRUSTEES OF
NEWSTEAD HOUSE

WWW.NEWSTEADHOUSE.COM.AU

Public availability

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August 2021

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31 August 2021

The Honourable Meaghan Scanlon MP
Minister for the Environment and the Great Barrier Reef
Minister for Science and Youth Affairs
1 William Street
Brisbane Qld 4000

Dear Minister

I am pleased to submit for presentation to the Parliament, the Annual Report 2020–21 and financial statements for the Board of Trustees of Newstead House.

This report is prepared on the basis of the current administrative arrangements for this agency applying for the whole of the 2020–21 financial year. That is, it reflects the structure, operations and performance of the agency as it now exists.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found in Appendix 2 of this Report.

Yours sincerely



Claire Moore
Chair
The Board of Trustees of Newstead House

From the Board

We are honoured to share in this exciting, and also a little sad time for Newstead House. The COVID impact has seen Newstead House closed, or with limited access for the year, and many people have missed the opportunity to visit and experience the history of the families who have lived here.

The education programs have continued, and the special joy of young people learning about life in the past, creates memories for the future. So many weddings have been celebrated here from 1880, until the last in June 2021, and again the memories will be there for generations. We want those memories to be celebrated.

The exciting news is that the State Government has provided significant funding in the budget to complete necessary conservation works on Newstead House. We acknowledge the support from Minister Meaghan Scanlon and the local member, Minister Grace Grace, as well as the strong support from Brisbane City Council, and local Councillor Vicki Howard.

The sad news is that Newstead House will be closed to the public while this work is completed, probably until 2023. During this time, the Brisbane City Council is constructing a green bridge across the river from Kingsford Smith Drive, so the precinct will be impacted by this project. There will be regular information provided to the community about the progress of the work, with updates on our history and the wonderful collection which will be carefully stored waiting for the reopening.

Our Board has membership from the State Government, the Brisbane City Council and the Royal Historical Society of Queensland. We want to thank the members of the previous Boards for their stewardship of this wonderful House. Also, the care, support and knowledge of staff members of the Department of Environment and Science, and the extraordinary staff and volunteers at Newstead House.

We look forward to opening the doors of Newstead House to the community, and continuing the creation of memories.

About Newstead House

Newstead House is Queensland's oldest standing residence and is held on trust for the people of Queensland. Newstead House and the Tramways Substation No. 5 (former) (the Substation) are located within 6 hectares of gardens which are owned and maintained by the Brisbane City Council (BCC). The operations of Newstead House are managed by the Board of Trustees of Newstead House (the Board). The Board is established under the *Newstead House Trust Act 1939* (the Act).

Under section 3(2) of the Act, the Board consist of three members:

- a representative of State government nominated by the Minister (the Chairperson);
- a representative of Brisbane City Council (BCC) nominated by the BCC; and
- a representative of the Royal Historical Society of Queensland (RHSQ) nominated by the RHSQ.

The Chairperson and Board members are appointed on a part-time basis and are not remunerated for their associated work. The Board does not control substantial State revenue allocations and its functions are not of whole-of-Government interest.

Two staff members are employed by the Board to assist with the running of Newstead House.

Our vision

To be recognised as a leading cultural and heritage precinct in South East Queensland, loved by all.

Our mission

To ensure the protection and conservation of Newstead House and to share our stories. Through innovative public programming, education programs and activations for museum visitors we aim to create lively experiences ensuring that Newstead House embodies an environment of creativity, vitality and sustainability.

Our values

Storytellers	we are avid storytellers and value sharing our history in immersive ways
Creative	we are innovative and bold, striving to provide engaging visitor experiences
Collaborative	we value partnerships and look for opportunities to build connections
Leadership	we lead the way in house museum management and demonstrate this through our approach to all that we do

Our operating environment

The past financial year has continued to be one of significant change for everyone and Newstead House has been no exception. COVID-19 has seen the house museum open to the public on a limited basis throughout 2020-21.

Newstead House will be closed during the 2021-22 financial year whilst we move forward with a major conservation project which will see this magnificent property preserved for future generations to embrace.

The challenges facing Newstead House and other historic house museums in general in the 21st century include issues such as:

- increasing financial and human resourcing needs;
- ongoing maintenance and conservation of assets;
- ongoing collection maintenance and management;
- increasing storage requirements;
- demands for new approaches to interpretation and visitor experiences;
- declining volunteer numbers.

Since 2011 the Board has worked proactively to effectively respond to the challenges facing the organisation. During the past year, the Board has been working closely with key stakeholders including the Department of Environment and Science to explore alternative operational models that would result in the organisation transitioning to a more self-reliant arrangement and this work is ongoing.

Our partnership with Moreton Bay Environment Education Centre, a campus of Education Queensland, to deliver our education program has been successfully implemented and the quality and quantity of that partnership continues to grow from strength to strength.

The implementation of the strategic review identified a number of outstanding issues and tensions associated with the transition of the organisation to a more contemporary operation .

In the past, a spirit of volunteerism was part of many community organisations and the House relied on that for many years for its preservation and operation. That dedication of supporters needs to be acknowledged and thanked, but it does not address the future concerns to ensure the preservation and viability of the House with which the Board is charged. Community expectations change, the competition for patronage has increased, the immediacy of social media and the level of technical competence, regulatory compliance and standard of service delivery that is now required and expected, place demands which simply could not continue to be met under the present arrangements.

The House like many historical, educational and cultural venues has had a challenging year. The impacts of COVID-19 have been significant for the House and its operations. As an organisation it is now important the House and its stories are preserved as we start to explore and consider opportunities to engage with audiences and unlock our history.

Objectives

Newstead House has continued to implement the recommendations set out in the 2013 strategic management report. Key objectives for Newstead House include:

1. Invigorate and expand our public programming;
2. Engage with, welcome and celebrate diverse visitor groups and increase visitor numbers;
3. Strive to become a thriving and sustainable organisation.

Our team

Newstead House Board of Trustees

The Board is a body corporate established under section 3(1) of the Act and it is responsible for the governance, management and control of Newstead House.

The current Board commenced on 2 November 2020 and is comprised of the following three members:

- Ms Claire Moore, Chair and Queensland Government representative,
- Cr Tracy Davis, member and Brisbane City Council representative,
- Mr Dean Prangley, member and Royal Historical Society of Queensland representative.

The Board comprised Dr Daniel Morgan as Chair and Queensland Government representative and Cr Vicki Howard as member and Brisbane City Council representative for the period 1 July 2020 to 1 November 2020. There was no appointed representative of the Royal Historical Society of Queensland for this period.

All members are eligible to be appointed for a period not exceeding three years and members are eligible for re-appointment. The appointments are made by the Governor in Council.

Newstead House Board of Trustees Remuneration

Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Daniel Morgan	3	N/A	N/A	N/A
Chair	Claire Moore	6	N/A	N/A	N/A
Member	Vicki Howard	3	N/A	N/A	N/A
Member	Tracy Davis	5	N/A	N/A	N/A
Member	Dean Prangley	6	N/A	N/A	N/A
No. scheduled meetings/sessions	11 (2 meetings were cancelled)				
Total out of pocket expenses	Nil				

2020-21 achievements

During 2020-21 Newstead House opened as a house museum on a limited basis due to the continuing impacts of the COVID-19 pandemic.

Our commitment to learning ensured our educational programs continued to be delivered through our partnership with Moreton Bay Environmental Education Centre. Signature programs for primary school – Connect with Heritage and Colonial Brisbane, and our secondary school program The War Years: Americans at Newstead House saw an increase in student numbers. During the 2020-21 period we offered a new Young Writers extension program to align with the 2021 Book Week theme of ‘Old Worlds, New Worlds, Other Worlds’. Budding authors experience time in Newstead House with an award-winning author in preparation for writing their short stories.

Creating special memories and celebrating important moments has always been part of Newstead House’s history. Throughout 2020-21 we continued the tradition of delivering weddings and special events when compliant with COVID-19 restrictions.

Funding provided by the Lord Mayor’s Historical Organisation Assistance Program enabled further work to be undertaken on the Newstead House communications strategy, a critical objective for this period. A continued partnership with Queensland University of Technology through their Capstone initiative enabled concept work on the new website, the development of augmented reality experiences and the creation of a digital library. This work is integral to the sustainability of Newstead House and will ensure an enhanced experience for our visitors.

At the heart of our operation is the conservation of this magnificent home and the heritage collection. Throughout the 2020-21 period investigative work continued to be undertaken in preparation for the restoration project.

Managing Newstead House

Newstead House operates principally as a house museum which is open to the public. Our commitment to sustainability through public engagement and learning has seen Newstead House offer education tours, bespoke public programming activations and be available for external hire as an event venue.

Newstead House is owned and managed by the Board of Trustees and is administered in accordance with the provisions of the Act. The day to day running of Newstead House is carried out by the two paid employees engaged by the Board, Ms Kim Davis, Acting Manager & Ms Jennifer Garcia, Communications and Programming Manager. They are assisted by a dedicated group of volunteers and from time to time by casual staff.

The Board have responsibility to oversee the management of Newstead House and the adjacent Newstead Sub-station. The surrounding parkland, Newstead Park, is owned and managed by the Brisbane City Council.

Reviewing our governance arrangements

The current operating model and governance structure of the Board do not reflect a contemporary approach to best management practices. The Board continues to work closely with the Department of Environment and Science to explore options to determine the best future management arrangements for the organisation.

Risk management

There is currently no risk management committee to manage strategic and operational risks facing Newstead House. The Board may consider the establishment of a committee following the organisation review. The Board is committed to managing risk.

- Visitor safety – staff and volunteers ensure that our visitors are monitored and aware of any known risks through verbal communication and signage where appropriate;
- Volunteer safety – all volunteers participate in induction training. This session provides information on workplace health and safety;
- Fire – fire systems are tested monthly with an annual fire audit undertaken.
- Extreme weather events, storms and flooding etc. – this is managed through regular maintenance to ensure this risk is minimised;
- Vandalism and wilful damage – Protective Services provides security services to Newstead House. This is done through alarm monitoring and security officers for events.

Information management

Newstead House strives to deliver effective management of the house collections, effective communication with the community in an efficient and cost-effective manner. The following outlines some information strategies and technologies Newstead House is using to manage information.

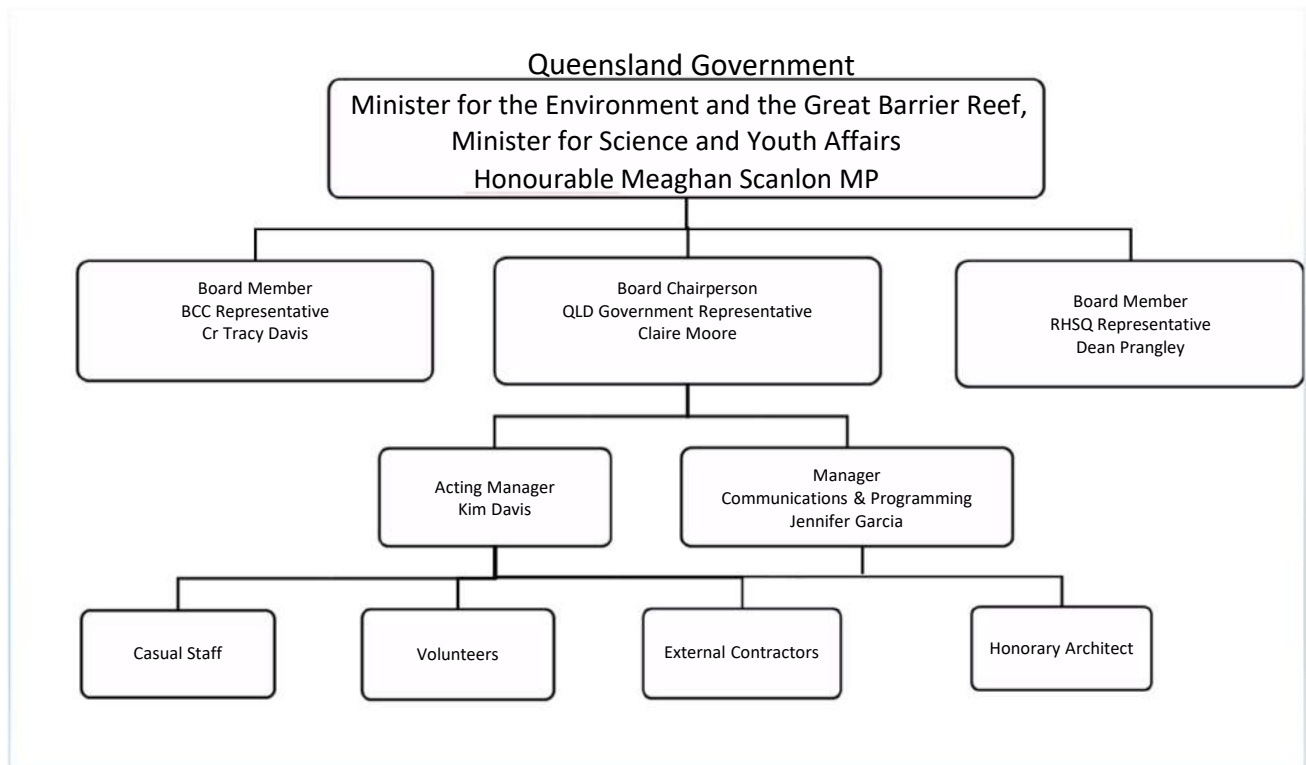
- collections policy and eHive database is used to manage the Newstead House's vast collection. The eHive database allows for the online storage of information which greatly enhances the security and accessibility of our collection records.
- financial information is managed by an accountant. The accounting software used is Xero, which allows for the storage of documentation securely online.
- recording of visitor number is done manually at present. This information is then transferred to an electronic format to enable reporting.
- public programming and events are managed using a manual calendar system. This will be moved to an online system which will greatly improve the flow of information.
- Public records are stored and retained in accordance with Queensland State Archives Retention and Disposal Schedule.

People management

The Board has employed two staff members, a contract Acting Manager, and a full-time Communications and Programming Manager.

Volunteer numbers are low and Newstead House has implemented a proactive campaign to try and recruit new volunteers. As part of this process orientation training is provided to all new volunteers. In addition to formal training, new volunteers are mentored by staff and experienced members of our volunteer team.

The organisational structure, people and the future management is subject to the ongoing organisational review. The current organisational chart is as follows:



Our contribution

Newstead House contributes to the Queensland Government’s objectives for the community, which are:

- Safeguarding our health
- Supporting jobs
- Backing small business
- Making it for Queensland
- Building Queensland
- Growing our regions
- Investing in skills
- Backing our frontline services
- Protecting the environment.

The Board’s strategic focus contributes to the government’s objective of protecting the environment. The team works tirelessly to present, care for and protect Newstead House and the Substation, two important elements of Queensland’s built environment. Through the successful delivery of education programs, public and cultural events and house tours the Board in turn contributes to creating jobs, delivering quality frontline services and building communities.

Contact us

Newstead House is approximately 10 minutes drive from Brisbane's CBD.

Brisbane City Council buses pass the entrance to Newstead Park. Alight at Stop 12 inbound and outbound. Bus timetable information available from [Translink](#) 13 12 30.

[River City Cruises](#) also cruise to Newstead House daily.

Limited parking is available in Newstead Park.

Location

Newstead Park
Cnr Breakfast Creek Rd & Newstead Ave
Newstead, Brisbane
Queensland 4006

Contact details

Website: www.newsteadhouse.com.au

Telephone: 07 3216 1846


Email: enquiries@newsteadhouse.com.au

Social media

 www.facebook.com/Newstead House Brisbane

 www.instagram.com/newsteadhouse

 <https://www.twitter.com/newsteadhouse>

 www.youtube.com/user/channel/newsteadhouse

 <https://www.linkedin.com/company/newsteadhouse>

Our financials

Financial summary

The 2020-21 financial year has seen a decrease in revenue largely due to the ongoing COVID-19 pandemic. The house was for the most part closed to the public throughout the financial year.

House visitation for 2020-21 was impacted through all its activities due to COVID-19. Due to the delay in the commencement of the conservation project, a limited number of function bookings were accepted during the period. The education program was also able to be facilitated and welcomed 1,584 students. This was an increase of 31% on the 1,210 students participating in the education program in 2019-20.

Funding from State Government increased in 2020-21 due to additional grant funding from the Department of Environment and Science to assist with operations during this difficult period. Other grant funding included the second milestone of Lord Mayor's Triennial program. Other revenue increased in 2020-21 through COVID-19 related assistance from the federal government including cash flow booster payments and JobKeeper.

Employee costs decreased in 2020-21 largely due to the impacts of COVID-19 resulting in a reduction in management services due to the limited opening of the house. Building expenses increased in 2020-21 as essential repairs were undertaken due to the delays in the conservation project. The decrease in supplies and services is mainly due to a reduction in expenditure on programming activities, functions and events. In general, expenses in this category reduced due to the closure of the house.

The Board recognised a movement due to the revaluation of non-current assets in 2020-21. A property price index was applied using the Australian Bureau of Statistics residential property price index for Brisbane. The Board only applies an index when the residential property price index is above the recognition threshold of 5%. A comprehensive valuation is conducted at least every five years and is due in the 2021-22 financial year. Given the unique nature of Newstead House and Sub-station No. 5 it is believed that this valuation approach is the most appropriate.

The heritage collection was not comprehensively valued in 2020-21. This class of asset has experienced minimal movement over the past five years and as such it was deemed appropriate that comprehensive valuations be conducted every five years with the next valuation due in 2024.

The increase in unearned revenue is due to funding from the Department of Environment and Science for the collection project which will be undertaken over the next year.

Employee benefits relate to leave that has accrued but not been taken or in the case of long service leave, a future commitment. An adjustment to the calculation rate for long service leave resulted in an increase in the non-current leave entitlements.

Glossary

Term / Acronym	Definition
The Board	The Board of Trustees of Newstead House
The Act	Newstead House Trust Act 1939
Newstead House	Brisbane's oldest surviving residential building
BCC	Brisbane City Council
The Substation	Former Tramways Substation No.5
RHSQ	Royal Historical Society of Queensland

Appendix 1 – Other reporting

External scrutiny

During the reporting period, there were no significant external audits or reviews of Newstead House.

Consultancies

During the reporting period, the Board of Trustees and employees of Newstead House engaged the professional services of Indoor Environmental Consulting & Labs to conduct air quality testing in the house cellars.

Overseas travel

During the reporting period, the Board of Trustees and employees of Newstead House have not travelled overseas.

Queensland language services policy

During the reporting period, the Board of Trustees and employees of Newstead House have not engaged interpreter services.

Appendix 2 – Compliance checklist

Summary of requirement	Basis for requirement	Annual report reference	
Letter of compliance	<ul style="list-style-type: none"> • A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	Yes Page 1
Accessibility	<ul style="list-style-type: none"> • Table of contents • Glossary 	ARRs – section 9.1	Yes Yes
	<ul style="list-style-type: none"> • Public availability 	ARRs – section 9.2	Yes
	<ul style="list-style-type: none"> • Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Yes
	<ul style="list-style-type: none"> • Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	Yes
	<ul style="list-style-type: none"> • Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Not applicable
General information	<ul style="list-style-type: none"> • Introductory Information 	ARRs – section 10.1	Page 2
	<ul style="list-style-type: none"> • Machinery of Government changes 	ARRs – section 10.2, 31 and 32	Not applicable
	<ul style="list-style-type: none"> • Agency role and main functions 	ARRs – section 10.2	Page 3
	<ul style="list-style-type: none"> • Operating environment 	ARRs – section 10.3	Page 3
Non-financial performance	<ul style="list-style-type: none"> • Government’s objectives for the community 	ARRs – section 11.1	Page 8
	<ul style="list-style-type: none"> • Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	Not applicable
	<ul style="list-style-type: none"> • Agency objectives and performance indicators 	ARRs – section 11.3	Page 4
	<ul style="list-style-type: none"> • Agency service areas and service standards 	ARRs – section 11.4	Not applicable
Financial performance	<ul style="list-style-type: none"> • Summary of financial performance 	ARRs – section 12.1	Page 10
Governance – management and structure	<ul style="list-style-type: none"> • Organisational structure 	ARRs – section 13.1	Page 8
	<ul style="list-style-type: none"> • Executive management 	ARRs – section 13.2	Page 5
	<ul style="list-style-type: none"> • Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	Not applicable
	<ul style="list-style-type: none"> • Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Not applicable
	<ul style="list-style-type: none"> • Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	Not applicable
	<ul style="list-style-type: none"> • Queensland public service values 	ARRs – section 13.6	Not applicable

Summary of requirement	Basis for requirement	Annual report reference	
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	Page 7
	• Audit committee	ARRs – section 14.2	Not Applicable
	• Internal audit	ARRs – section 14.3	Not Applicable
	• External scrutiny	ARRs – section 14.4	Page 12
	• Information systems and recordkeeping	ARRs – section 14.5	Page 7
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	Not applicable
	• Early retirement, redundancy and retrenchment	Directive No.4/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Not applicable
Open Data	• Statement advising publication of information	ARRs – section 16	Yes
	• Consultancies	ARRs – section 33.1	Page 12 https://data.qld.gov.au
	• Overseas travel	ARRs – section 33.2	Page 12 https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 33.3	Page 12 https://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Appendix 3
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Appendix 3

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

Appendix 3 – Financial Statements

The following pages contain the audited financial statements for the Board of Trustees of Newstead House and the Independent Auditor’s Report for the 2020-21 financial year.

The Board of Trustees of Newstead House

ABN 59107372156

Annual Report - 30 June 2021

The Board of Trustees of Newstead House

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General information

The financial statements cover The Board of Trustees of Newstead House. The financial statements are presented in Australian dollars, which is The Board of Trustees of Newstead House's functional and presentation currency.

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

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

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

For information in relation to the financial statements for The Board of Trustees of Newstead House please email manager@newsteadhouse.com.au.

**The Board of Trustees of Newstead House
Statement of comprehensive income
For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
Revenue			
Grants from State Government		195,576	177,108
Other Grants and Subsidies		10,000	33,903
Programming, admission and tour fees		9,875	36,589
Function fees		12,600	33,361
Donations		-	1,794
Other		-	731
Proceeds from insurance		-	25,000
Federal Government Assistance	4	32,400	21,500
Total revenue		<u>260,451</u>	<u>329,986</u>
Expenses			
Employee expenses	5	(174,507)	(210,512)
Supplies and services	6	(29,412)	(38,966)
Building expenses	7	(52,952)	(46,554)
Depreciation		(34,043)	(35,230)
Total expenses		<u>(290,914)</u>	<u>(331,262)</u>
Deficit for the year		(30,463)	(1,276)
Other comprehensive income			
Increase in asset revaluation surplus		<u>139,132</u>	-
Other comprehensive income for the year		<u>139,132</u>	-
Total comprehensive income for the year		<u><u>108,669</u></u>	<u><u>(1,276)</u></u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

**The Board of Trustees of Newstead House
Statement of financial position
As at 30 June 2021**

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and Cash Equivalents	8	459,235	30,349
Trade and other receivables		2,647	30,500
Inventories		5,523	5,833
Security deposits paid		200	200
Tax Asset		-	710
Other	9	1,182	650
Total current assets		<u>468,787</u>	<u>68,242</u>
Non-current assets			
Property, plant and equipment	10	1,775,209	1,670,119
Total non-current assets		<u>1,775,209</u>	<u>1,670,119</u>
Total assets		<u>2,243,996</u>	<u>1,738,361</u>
Liabilities			
Current liabilities			
Trade and other payables		5,889	19,641
Employee benefits		11,886	13,888
Tax liabilities		37,470	1,814
Unearned revenue		363,636	-
Other	11	11,213	4,345
Total current liabilities		<u>430,094</u>	<u>39,688</u>
Non-current liabilities			
Employee benefits	12	15,450	8,890
Total non-current liabilities		<u>15,450</u>	<u>8,890</u>
Total liabilities		<u>445,544</u>	<u>48,578</u>
Net assets		<u>1,798,452</u>	<u>1,689,783</u>
Equity			
Asset revaluation surplus		1,728,981	1,589,849
Accumulated surplus		69,471	99,934
Total equity		<u>1,798,452</u>	<u>1,689,783</u>

The above statement of financial position should be read in conjunction with the accompanying notes

**The Board of Trustees of Newstead House
Statement of changes in equity
For the year ended 30 June 2021**

	Asset Revaluation Surplus \$	Retained profits \$	Total equity \$
Balance at 1 July 2019	1,589,849	101,210	1,691,059
Deficit for the year	-	(1,276)	(1,276)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(1,276)	(1,276)
Balance at 30 June 2020	<u>1,589,849</u>	<u>99,934</u>	<u>1,689,783</u>

	Asset Revaluation Surplus \$	Retained profits \$	Total equity \$
Balance at 1 July 2020	1,589,849	99,934	1,689,783
Deficit for the year	-	(30,463)	(30,463)
Other comprehensive income for the year	139,132	-	139,132
Total comprehensive income for the year	139,132	(30,463)	108,669
Balance at 30 June 2021	<u>1,728,981</u>	<u>69,471</u>	<u>1,798,452</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

**The Board of Trustees of Newstead House
Statement of cash flows
For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Grants from Government		569,212	195,708
Other Grants and Subsidies		10,000	15,303
Admission and Tour fees		7,451	38,389
Function fees		12,600	15,742
Donations		-	1,794
Other		49,974	16,736
GST paid		35,423	1,496
		<u>684,660</u>	<u>285,168</u>
Employee expenses		(169,340)	(181,925)
Supplies and services		(34,924)	(39,279)
Building expenses		(51,510)	(46,906)
		<u>428,886</u>	<u>17,058</u>
Cash flows from investing activities			
Payments for property, plant and equipment		-	(7,591)
		<u>-</u>	<u>(7,591)</u>
Cash flows from financing activities			
Net cash provided by financing activities		-	-
		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		428,886	9,467
Cash and cash equivalents at the beginning of the financial year		30,349	20,882
		<u>428,886</u>	<u>30,349</u>
Cash and cash equivalents at the end of the financial year	8	<u><u>459,235</u></u>	<u><u>30,349</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021

Note 1. Objectives and Principal Activities of the Board

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

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

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

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Board has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019*, the Queensland Treasury's Minimum Reporting Requirements for the year ended 30 June 2021, and other Authoritative pronouncements.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Board of Trustees' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Going Concern

As at 30 June 2021 the Board had a net asset position of \$1,798,452 (30 June 2020: \$1,689,783). For the year ended 30 June 2021 it incurred an operating deficit of \$30,463 (30 June 2020: \$1,276). The operations of Newstead House have been impacted due to the COVID-19 Pandemic and will be reduced with planned renovation projects due to commence in 2021-22. The board's ability to continue as a going concern is dependent on the Board receiving grant funding from the Department of Environment and Science and reducing expenditure where possible.

The Board has demonstrated a strong history of securing additional funding from the Department and given the circumstances will request assistance to cover any operating shortfalls.

Accordingly management believe that the Board will be able to pay its debts as and when they fall due for a period of at least 12 months from the date of the financial statements.

Note 2. Significant accounting policies (continued)

Revenue recognition

The Board of Trustees recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Board of Trustees is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Board of Trustees: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Grants, contributions, donations and gifts

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

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

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

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

Acquisition of Assets

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

Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition in accordance with *AASB 116 Property, Plant and Equipment*.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Board of Trustees' normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Board of Trustees' normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The collectability of receivables is assessed periodically with provision being made for impairment.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Revaluations of Non-Current Physical Assets

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

The valuation of land is based on fair value principles taking into consideration there is no open market for the land with its current zoning and use. The valuation of Newstead House and the Resource Centre is based on replacement cost as no ready market exists for similar heritage assets.

Independent valuations were performed as at 30 June 2017 by qualified valuers from G.D. Trivett & Associates of Bowen Hills for Newstead House, the Resource Centre and underlying land in accordance with the methods stated above.

Non-current physical assets measured at fair value are comprehensively revalued at least every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

An index was applied as at 30 June 2021 using an appropriate indice. A comprehensive valuation will be undertaken in the 2021-22 financial year.

Revaluation of heritage assets was conducted as at 30 June 2019 by Hinds antiques. The next comprehensive valuation for the heritage collection is due 30 June 2024.

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

Note 2. Significant accounting policies (continued)

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

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

Impairment of Non-Current Assets

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

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

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

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

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 5 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the asset revaluation surplus in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Assets that are donated to the heritage collection are included in the accounts at a value as assessed by a registered valuer. In 2019, an independent valuation of the heritage collection was performed by Hind's Antiques Pty Ltd. The valuation of these assets is based on fair value. The threshold for recognition of assets in the heritage collection is \$1,000.

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

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land and historical buildings) at the depreciation rates as follows:

Plant and Equipment:

Computers	27%
Fittings	7.5%
Fire Alarms and Detectors	5%
Telephone System	5%
Other Equipment	2.5% to 20%

Buildings:

Lift	10%
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021

Note 2. Significant accounting policies (continued)

Trade and other payables

These amounts represent liabilities for goods and services provided to the Board of Trustees prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Trust Balance

The Board may from time to time undertake certain trustee transactions in relation to security deposits required when holding a function at Newstead House.

Financial Instruments

Recognition

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

Classification

Financial instruments are classified and measured as follows:

Cash and cash equivalents - held at fair value through profit and loss

Receivables - held at amortised cost

Payables - held at amortised cost

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

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

Employee benefits

Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits.

Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses. The Board is not subject to payroll tax.

Wages, Salaries, Annual Leave and Sick Leave

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

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

Long Service Leave

A liability for long service leave has been recognised as per employee entitlements given the length of service of the current employees.

Superannuation

Employer superannuation contributions are paid to a superannuation fund nominated by the employee.

Key Management Personnel and Remuneration

Key management personnel and remuneration disclosures are made in accordance with FRR3C.4 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to the notes to the financial statements for the disclosures on key management personnel and remuneration.

Insurance

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

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 2. Significant accounting policies (continued)

Issuance of Financial Statements

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

Judgements

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

Comparatives

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

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the house based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the incorporated association operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the incorporated association unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 4. Federal Government Assistance

	2021	2020
	\$	\$
JobKeeper	24,900	9,000
Cashflow Booster	7,500	12,500
	<u>32,400</u>	<u>21,500</u>

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 5. Employee expenses

	2021	2020
	\$	\$
Salaries and related costs	88,756	102,086
Contractor Payments	85,751	108,426
	<u>174,507</u>	<u>210,512</u>
Number of Employees	2	2

In 2020-21 the number of employees comprised 2 full-time staff members (inclusive of 1 un-salaried Manager employed as a contractor) with no employees being engaged on a casual basis. Also refer to the Employee Benefits note for further information.

Note 6. Supplies and services

	2021	2020
	\$	\$
Electricity	2,475	5,240
Audit Fees	5,000	5,723
Telephone	3,539	3,530
Advertising and Marketing	-	965
Stationery and printing	1,201	2,609
Minor equipment purchases	87	108
Functions and Events	218	4,059
Other	16,892	16,732
	<u>29,412</u>	<u>38,966</u>

Note 7. Building expenses

	2021	2020
	\$	\$
Insurance	14,041	11,943
Fire and Security	10,710	10,006
Cleaning	11,359	12,227
Maintenance	12,421	7,987
Rates	4,421	4,391
	<u>52,952</u>	<u>46,554</u>

Note 8. Current assets - Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank	<u>459,235</u>	<u>30,349</u>

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 9. Current assets - Other

	2021 \$	2020 \$
Prepayments	<u>1,182</u>	<u>650</u>

Note 10. Non-current assets - property, plant and equipment

	2021 \$	2020 \$
Land	<u>274,522</u>	<u>248,886</u>
Buildings - Heritage	1,352,994	1,253,236
Less: Accumulated depreciation	<u>(236,576)</u>	<u>(208,105)</u>
	1,116,418	1,045,131
Plant and equipment - at cost	168,142	168,142
Less: Accumulated depreciation	<u>(138,386)</u>	<u>(132,815)</u>
	29,756	35,327
Buildings - Other	<u>147,113</u>	<u>133,375</u>
Heritage collection	<u>207,400</u>	<u>207,400</u>
	<u>1,775,209</u>	<u>1,670,119</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land \$	Buildings - Heritage \$	Buildings - Other \$	Heritage Collection \$	Plant and Equipment \$	Total \$
Balance at 1 July 2019	248,886	1,073,604	133,375	207,400	31,243	1,694,508
Additions	-	-	-	-	10,842	10,842
Depreciation expense	-	(28,473)	-	-	(6,758)	(35,231)
Balance at 30 June 2020	248,886	1,045,131	133,375	207,400	35,327	1,670,119
Revaluation increments	25,636	99,758	13,738	-	-	139,132
Depreciation expense	-	(28,471)	-	-	(5,571)	(34,042)
Balance at 30 June 2021	<u>274,522</u>	<u>1,116,418</u>	<u>147,113</u>	<u>207,400</u>	<u>29,756</u>	<u>1,775,209</u>

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 10. Non-current assets - property, plant and equipment (continued)

Valuations of land and buildings

The basis of the valuation of land and buildings is fair value. The land and buildings were last comprehensively revalued in the 2016-17 financial year based on independent assessments by G.D. Trivett & Associates Pty Ltd, being a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. In years where a comprehensive valuation was not undertaken, a property price index was applied using the Australian Bureau of Statistics residential property price index for Brisbane.

Commencing in 2019-20, the Board now only applies an index when the residential property price index is above the recognition threshold of 5%. In 2019-20, no index was applied to land and buildings for this reason. In 2020-21 an index of 10.3% was applied to land and buildings.

A comprehensive valuation is required to be performed no later than 30 June 2022. It was approved at the July 2021 Board meeting that a comprehensive valuation be undertaken prior to the conservation works commencing. Another comprehensive valuation will be undertaken on completion of the works.

Given the unique nature of Newstead House and Sub-station No. 5 it is believed that this valuation approach is the most appropriate for these assets.

Valuation timeframes for Newstead House, Sub-station No.5 and land are as follows:

- 30 June 2017 (Year 0) - Comprehensive valuation
- 30 June 2018 (Year 1) - Index applied based on residential property prices for Brisbane
- 30 June 2019 (Year 2) - Index applied based on residential property prices for Brisbane
- 30 June 2020 (Year 3) - No index applied
- 30 June 2021 (Year 4) - Index of 10.3% applied
- 30 June 2022 (Year 5) - Comprehensive valuation due

The residential property price increase for the period from March 2019 to March 2021 recorded a 10.3% increase for Brisbane. (Source: Australian Bureau of Statistics, Residential Property Price Indexes: Eight Capital Cities March 2021)

Queensland Treasury's Non-current Asset Policies for the Queensland Public Sector issued in June 2021 provides guidance in relation to the valuation of assets. NCAP 3 states the following:

Specific appraisals are required:

- to the extent that it has been more than five years since the individual asset has been subject to a specific appraisal; OR
- indicators exist that the asset class has experienced a significant and volatile change in value (refer above) since the last revaluation (regardless of how recent that was, and regardless of whether it was a specific appraisal or indexation), in which case all assets in that class must be revalued.

Indexation should be undertaken:

- to the extent that the individual asset has been subject to specific appraisal within the previous five years; AND
- where the cumulative percentage change in the relevant index has been more than 5% since the last revaluation (either by specific appraisal or indexation); AND
- where indicators do not exist that the asset class has experienced a significant and volatile change in value (refer above) since the last revaluation (either by specific appraisal or indexation).

Significant and Volatile Change in Fair Value – Requirement for Specific Appraisal In terms of AASB 116, it is Queensland Treasury policy that a 'significant' change in value has occurred when there are indicators to suggest that the value of the asset class has changed by 20% or more. (In the absence of a definition of 'significant' in the accounting standards, this policy position is based on the concept of 'significant influence' in accordance with AASB 128 Investment in Associates which provides that if an investor holds 20% or more of the voting power of the investee, it is presumed that the investor has 'significant influence', unless otherwise demonstrated not to be the case.)

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

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 10. Non-current assets - property, plant and equipment (continued)

Valuation of Heritage Collection

The assets which make up the heritage collection were comprehensively revalued in 2018-19 using "fair value" principles. Since the 2018-19 revaluation, the increase in the value of assets in the heritage collection has been through indexation. The next comprehensive valuation for the heritage collection is due to be undertaken in 2024.

Note 11. Current liabilities - other

	2021	2020
	\$	\$
Accrued expenses	<u>11,213</u>	<u>4,345</u>

Note 12. Non-current liabilities - employee benefits

	2021	2020
	\$	\$
Employee benefits	<u>15,450</u>	<u>8,890</u>

Note 13. Financial instruments

Categorisation of Financial Instruments

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

Category	2021	2020
	\$	\$
Financial Assets		
Cash and cash equivalents	459,235	30,349
Receivables	2,647	30,500
Total	<u>461,882</u>	<u>60,849</u>
Financial Liabilities		
Payables	<u>2,222</u>	<u>15,984</u>

Financial Risk Management

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

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 13. Financial instruments (continued)

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

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

Credit Risk Exposure

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

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

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

Maximum Exposure to Credit Risk	2021	2020
	\$	\$
Category:		
Financial Assets		
Cash and cash receivables	459,235	30,349
Receivables	2,647	30,500
	<u>461,882</u>	<u>60,849</u>

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

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

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

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

There is no impairment loss for the current year (2020 - \$nil).

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

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

Liquidity Risk

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

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

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 13. Financial instruments (continued)

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

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

Remaining contractual maturities

The following tables detail the incorporated association's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2021				
Non-derivatives				
Payables	2,222	-	-	2,222
Total non-derivatives	2,222	-	-	2,222
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2020				
Non-derivatives				
Payables	15,984	-	-	15,984
Total non-derivatives	15,984	-	-	15,984

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Market Risk

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

Interest Rate Sensitivity Analysis

The Board has no interest bearing financial assets.

Fair Value

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

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

**The Board of Trustees of Newstead House
Notes to the financial statements
30 June 2021**

Note 14. Key management personnel disclosures

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Board, directly or indirectly.

Those persons having authority and responsibility for planning, directing and controlling the activities of the Board are:

- Manager

Compensation

The aggregate compensation made to key management personnel is set out below:

	2021 \$	2020 \$
Short-term employee benefits	<u>72,381</u>	<u>81,665</u>

Board members did not receive any payments in the 2020-21 financial year.

Note 15. Contingencies

There are no contingent liabilities of a significant nature as at 30 June 2021 (2020 \$nil).

There are no contingent assets of a significant nature as at 30 June 2021 (2020 \$nil).

Note 16. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 14.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 17. Economic Dependency

The continuing operation of the entity is dependent on the grant provided by the state government.

Note 18. Events after the reporting period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

**The Board of Trustees of Newstead House
Management Certificate
30 June 2021**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of The Board of Trustees of Newstead House for the financial year ended 30 June 2021 and of the financial position of the Board at the end of that year; and

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Kim Davis
BBus(Accy, Banking & Finance)
GradCertMgt
Acting Manager



Claire Moore
Chairperson

Date: 31/8/2021

Date: 31/8/2021

The Board of Trustees of Newstead House

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Board of Trustees of Newstead House (the entity) which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the management certificate.

In our opinion, the accompanying financial report of the entity, is in accordance with the *Financial Accountability Act 2009 and Financial and Performance Management Standard 2019*, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the board had a net operating deficit of \$30,463 for the year ended 30 June 2021. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Board's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ACCOUNTANTS & ADVISORS

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Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Financial Report

The Trustees of the Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Financial Accountability Act 2009 and Financial and Performance Management Standard 2009* and for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible for assessing the ability of the entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

William Buck

William Buck (Qld)

ABN: 21 559 713 106

M. Monaghan

M J Monaghan

Director

Brisbane 31 August 2021

The Board of Trustees of Newstead House

ABN 59107372156

Budget vs Actual Comparison - 30 June 2021

**The Board of Trustees of Newstead House
Budget vs actual comparison
30 June 2021**

Statement of comprehensive income

	Note	2021 \$ Budget	2021 \$ Actual	\$ Variance	% Variance
Revenue					
Grants from State Government	1	150,000	195,576	45,576	30%
Other Grants and Subsidies	2	-	10,000	10,000	100%
Programming, admission and tour fees	3	-	9,875	9,875	100%
Function fees	4	-	12,600	12,600	100%
Proceeds from insurance	5	10,000	-	(10,000)	(100%)
Federal Government Assistance		32,400	32,400	-	-
Total revenue		<u>192,400</u>	<u>260,451</u>	<u>68,051</u>	
Expenses					
Employee expenses	6	(180,000)	(174,507)	5,493	(3%)
Supplies and services	7	(58,268)	(29,412)	28,856	(50%)
Building expenses	8	(27,585)	(52,952)	(25,367)	92%
Depreciation		(33,768)	(34,043)	(275)	1%
Total expenses		<u>(299,621)</u>	<u>(\$290,914)</u>	<u>8,707</u>	<u>(2.9%)</u>
Deficit from continuing operations		(107,221)	(30,463)	76,758	(72%)
Deficit for the year		(107,221)	(30,463)	76,758	(72%)
Other comprehensive income					
Increase (decrease) in asset revaluation surplus	9	-	139,132	139,132	-
Other comprehensive income for the year		-	139,132	139,132	
Total comprehensive income for the year		<u>(107,221)</u>	<u>108,668</u>	<u>215,889</u>	

**The Board of Trustees of Newstead House
Budget vs actual comparison
30 June 2021**

Statement of financial position

		2021 \$ Budget	2021 \$ Actual	\$ Variance	% Variance
	Note				
Assets					
Current assets					
Cash and Cash Equivalents	10	10,000	459,235	449,235	4492%
Trade and other receivables	11	-	2,647	-	-
Inventories		5,500	5,523	23	-
Security deposits paid		200	200	-	-
Other		1,100	1,182	82	7%
Total current assets		<u>16,800</u>	<u>468,786</u>	<u>449,339</u>	
Non-current assets					
Property, plant and equipment	12	1,670,000	1,775,209	105,209	6%
Total non-current assets		<u>1,670,000</u>	<u>1,775,209</u>	<u>105,209</u>	
Total assets		<u>1,686,800</u>	<u>2,243,995</u>	<u>557,195</u>	
Liabilities					
Current liabilities					
Trade and other payables		5,000	5,889	889	18%
Employee benefits	13	10,000	11,886	1,886	19%
Tax liabilities	14	1,500	37,469	35,969	2398%
Unearned revenue	15	-	363,636	363,636	100%
Other	16	8,000	11,213	3,213	40%
Total current liabilities		<u>24,500</u>	<u>430,094</u>	<u>405,594</u>	1655%
Non-current liabilities					
Employee benefits	17	10,500	15,450	4,950	47%
Total non-current liabilities		<u>10,500</u>	<u>15,450</u>	<u>4,950</u>	
Total liabilities		<u>35,000</u>	<u>445,544</u>	<u>410,544</u>	1173%
Net assets		<u>1,651,800</u>	<u>1,798,451</u>	<u>145,651</u>	9%
Equity					
Asset revaluation surplus		1,590,000	1,728,981	138,981	9%
Opening accumulated surplus		99,934	99,934	-	-
Accumulated surplus/(accumulated deficits)		(38,134)	(30,463)	7,671	(20%)
Total equity		<u>1,651,800</u>	<u>1,798,452</u>	<u>146,652</u>	9%

**The Board of Trustees of Newstead House
Budget vs actual comparison
30 June 2021**

Statement of cash flows

	2021	2021		
	\$	\$	\$	%
	Budget	Actual	Variance	Variance
Cash flows from operating activities				
Grants from Government	150,000	569,212	419,212	279%
Other Grants and Subsidies	-	10,000	10,000	-
Admission and Tour fees	-	7,451	7,451	-
Function fees	-	12,600	12,600	-
Other	67,400	49,974	(17,426)	(26%)
GST paid	(1,000)	35,423	36,423	(3642%)
Employee expenses	(173,500)	(169,340)	4,160	(2%)
Supplies and services	(54,000)	(34,924)	19,076	(35%)
Building expenses	(38,000)	(51,510)	(13,510)	(36%)
Net cash provided by/(used in) operating activities	<u>(49,100)</u>	<u>428,886</u>	<u>477,986</u>	<u>(973%)</u>
Cash flows from investing activities				
Payments for property, plant and equipment	-	-	-	
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>	
Cash flows from financing activities				
Net cash provided by financing activities	<u>-</u>	<u>-</u>	<u>-</u>	
Net increase/(decrease) in cash and cash equivalents	(49,100)	428,886	477,986	(973%)
Cash and cash equivalents at the beginning of the financial year	30,349	30,349	-	-
Cash and cash equivalents at the end of the financial year	<u>(18,751)</u>	<u>459,235</u>	<u>477,986</u>	<u>(2549%)</u>

Notes to variances

1. Grants from State Government - Additional funding provided by Department of Environment and Science due to impacts of COVID-19 pandemic. It was also planned that renovations would have commenced and as such no bookings had been accepted past 31 July 2020.

2. Other grants and subsidies - Grant for Milestone 3 of Brisbane City Council Lord Mayor's Heritage Triennial Funding received earlier than anticipated.

3. Programming, admission and tours - No revenue was forecast due to anticipated museum closure for restorations works. Due to delays with the restoration project, bookings for education programs were accepted.

4. Functions - No revenue was forecast due to anticipated museum closure for restorations works. Due to delays with the restoration project, a small number of function bookings were accepted.

5. Other revenue - Proceeds from insurance less than anticipated due to income earned from house opening for functions and education program. Negative expenditure relates to actual proceed received in 2020-21 in settlement of insurance claim being less than estimate recognised when accrued in 2019-20 financial year.

6. Employee expenses – Variance relates to a reduction in the level of payments for management services due to the COVID-19 pandemic.

7. Supplies and services - It was planned to undertake conservation work on collection items, however, this was delayed due to the uncertainty surrounding museum operations for the year.

8. Building expenses - The original budget reflected a significant reduction to the normal building expenses as it was planned that the house would be closed for most of the year to undertake conservation works.

The Board of Trustees of Newstead House
Budget vs actual comparison
30 June 2021

9. Increase in Asset Revaluation Surplus - Unanticipated increase in property prices impacted the land and buildings valuation significantly.
10. Cash and cash equivalents - Variance mainly relates to grant funds received from Department of Environment and Science for collection project. Also delays experienced in the repair of collection items.
11. Receivables were not anticipated due to the planned closure of the house for renovations.
12. Unanticipated increase in property prices impacted the land and buildings valuation significantly.
13. Increase in current employee benefits liability due to lower than anticipated recreation leave taken throughout year.
14. Increase in tax liabilities relates to GST on grant funds received from Department of Environment and Science.
15. Variance in unearned revenue relates to grant funds for collection project due to work not commencing until 2021-22 financial year.
16. Increase in other liabilities relates to recognition of accrued expense for air quality testing undertaken in cellar.
17. Non-current employee benefits liability relates to the recognition of long service leave. Following further investigation, the Board approved recognition at the rate of 1.3 weeks for each year of service. This rate was applied on a pro-rata basis for part-time service. The initial calculation was based on the industry rate of 0.86667 weeks for each year of service.