

The WR Johnston Trust Financial Statements For The Year Ended 30 June 2019

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2019

Trustee's Declaration

The W.R. JOHNSTON TRUST is a charitable Trust created under the terms of a Deed of Trust dated 1st June 1987.


The Trustees have determined that the W.R. JOHNSTON TRUST is a non-reporting entity and the attached financial statements for the year ended 30 June, 2019 have therefore been prepared as a special purpose report for use by the Trustees. As the Trust is a non-reporting entity there is no requirement for the financial statements to comply with accounting standards or other mandatory professional reporting requirements.

The financial statements have been prepared by the Trustees with the objective of providing financial information which will give a true and fair view of the affairs of the Trust as at 30 June, 2019 and of the results of its operations for the year ended on that date.

The financial statements and notes, set out on pages 2 to 11, present fairly the Trust's financial position as at 30 JUNE 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.

The Trustees have formed the opinion that, at the date of this report, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Dated the day of , 2019




Peter Roy Watts
Trustee

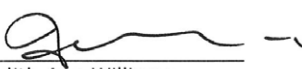


Graeme Leslie Blackman
Trustee


Peter John Walsh
Trustee



Jane Louise Scott
Trustee



Judith Ann Williams
Trustee



Geoffrey Robert Edwards
Trustee

2019

Comprehensive Income Statement for the year ended 30 June 2019

	2019	2018
	\$	\$
INCOME		
Museum Income	171,434	192,382
Rental Income	91,495	89,616
Investment Income	217,982	269,560
The Friends Income	39,225	35,360
Fundraising Income	53,137	37,080
Other Income	10,046	-
TOTAL INCOME	583,319	623,998
EXPENSES		
Museum Expenses	199,966	210,762
Rental Expenses	27,256	19,425
Investment Expenses	18,422	18,075
Administrative Expenses	474,136	468,884
The Friends Expenses	32,892	35,301
Fundraising Expenses	7,886	6,815
Other Expenses	-	8,219
TOTAL EXPENSES	760,559	767,481
NET SURPLUS/(DEFICIT) FOR THE YEAR	(177,240)	(143,483)
Revenue Reserves at closing of prior year	3,535,535	3,679,018
REVENUE RESERVES AT END OF THE YEAR	3,358,294	3,535,535

2019

Statement of Financial Position as at 30 June 2019

		2019 \$	2018 \$
TRUST FUNDS			
Corpus of Trust		3,550,412	3,550,412
The Nina Stanton 18th Century Porcelain Bequest Fund		299,696	298,030
Alwynne Jona Bequest		50,672	50,522
Revenue Reserves		3,358,294	3,535,535
Asset Revaluation Reserve		883,927	883,927
TOTAL TRUST FUNDS		8,143,001	8,318,426
Represented By:			
CURRENT ASSETS			
Cash			
Cash at Bank & On Hand		64,283	520,749
The Friends Petty Cash Float		200	200
Alwynne Jona Bequest		49,565	31,522
The Nina Stanton Bequest Term Deposit		76,059	74,393
The 25th Anniversary Porcelain Fund Term Deposit		-	17,562
Total Cash		190,107	644,427
Inventory			
Goods for Resale		20,191	19,224
Total Inventory		20,191	19,224
Receivables			
Debtors	4	17,702	13,019
GST Account		4,476	5,425
Total Receivables		22,178	18,444
Other			
Prepayments		5,033	37,277
Total Other		5,033	37,277
TOTAL CURRENT ASSETS		237,508	719,371
NON CURRENT ASSETS			
Property, Plant & Equipment	5	5,417,049	5,449,395
Future Planning		19,084	-
		5,436,133	5,449,395
Investments			
Unrealised Capital Gain		508,263	545,821
Fixed Income & Similar Investments		489,969	-
Shares in Listed Companies and Trusts - at cost (Market Value - \$2,076,725; 2018 - \$2,236,429)		1,568,462	1,690,607
Total Investments		2,566,694	2,236,429
TOTAL NON CURRENT ASSETS		8,002,828	7,685,823
TOTAL ASSETS		8,240,336	8,405,194
CURRENT LIABILITIES			
Trade Creditors		27,466	9,272
Sundry Creditors		4,082	2,820
Accrued Audit Fees		5,500	5,500
Deposit Received		3,546	-
The Friends of Johnston Collection Holding Account	3	6,392	59
PAYG Withholding Tax Payable		3,828	2,920
Provision for Annual Leave		20,192	25,506
Provision for Long Service Leave		26,330	36,319
TOTAL CURRENT LIABILITIES		97,335	82,396
NON CURRENT LIABILITIES			
Capital Lease - Sharp Copier MX-2640N		-	4,373
TOTAL NON CURRENT LIABILITIES		-	4,373
TOTAL LIABILITIES		97,335	86,769
NET ASSETS		8,143,001	8,318,426



Statement of Cash Flow as at 30 June 2019

	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	307,244	239,774
Rental & Investment Income	301,358	282,466
Payments to suppliers and employees	<u>(642,704)</u>	<u>(670,254)</u>
Net cash provided by (used in) operating activities	1(a) (34,103)	(148,013)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to Museum Collection	(4,621)	(56,296)
Acquisition of property, plant and equipment	(17,689)	(5,017)
Proceeds from Shares	<u>122,145</u>	<u>227,876</u>
Net cash provided by (used in) investing activities	72,309	155,489
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Bequests / Donations	1,816	2,126
Repayment of borrowings	<u>(4,373)</u>	<u>(3,498)</u>
Net cash provided by (used in) financing activities	(2,557)	(1,372)
OTHER ACTIVITIES		
Net increase (decreases) in cash held	35,649	6,104
Cash and cash equivalents at beginning of financial year	644,427	638,323
Cash and cash equivalents at end of financial year	1 <u>680,076</u>	<u>644,427</u>
Note 1 Cash and Cash Equivalents		
Cash at Bank & On Hand	603,817	552,271
The Friends Petty Cash Float	200	200
The Nina Stanton Bequest Term Deposit	76,059	74,393
The 25th Anniversary Porcelain Fund Term Deposit	<u>-</u>	<u>17,562</u>
Total Cash	<u>680,076</u>	<u>644,427</u>

Notes to the Financial Statements for the year ended 30 June 2019

Note 1.(a) – Reconciliation of Cash Flow from Operations with Surplus after Income Tax

Net income (loss) for the period	(177,240)	(143,483)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	63,097	63,827
Net unrealised (gain)/ loss on Shares	37,559	(39,209)
Changes in assets and liabilities		
(increase)/decrease in receivables	(3,734)	(2,980)
(increase)/decrease in other assets	32,244	(1,050)
(increase)/decrease in inventories	(967)	(4,100)
Increase/(decrease) in payables	14,939	(21,017)
	<u>(34,103)</u>	<u>(148,013)</u>

Note 2 – Information and Summary of Significant Accounting Policies

The trustees have determined that the trust is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the terms of the trust deed.

These financial statements have been prepared in accordance with following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1054	Australian Additional Disclosures

The financial report is prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. Except where noted, the accounting policies have been consistently applied.

The Trustees resolved in 2015-16 that freehold land and buildings and museum collections acquired by the Trust should be recognised at their current valuations. This has continued to be the practice and applied in the financial statements for 2019-20 as the accounting policy for the measurement of freehold land and buildings and museum collections acquired by the Trust.

Revaluation adjustments are recorded directly through equity as part of revaluation reserve. Previously freehold land and buildings were recognised and measured at cost.

Revenue Recognition

Museum income is recognized when received. Rental income is recognized when received. Investment income is recognized as it accrues.



Notes to the Financial Statements for the year ended 30 June 2019

Note 3 – The Friends of Johnston Collection Holding Account

	2019 \$	2018 \$
Opening Balance	59	-
Add Income earned by Friends during year	39,225	35,360
Less Expenses incurred by Friends during year	<u>(32,892)</u>	<u>(35,301)</u>
Closing Balance	<u>6,392</u>	<u>59</u>

Note 4 – Debtors

Dividend Imputation Credits Refundable	17,625	10,711
Other Debtor	76	-
Sales Collection Account	<u>-</u>	<u>2,308</u>
Total Debtors	<u>17,702</u>	<u>13,019</u>

2019

Notes to the Financial Statements for the year ended 30 June 2019

Note 5 - Property, Plant & Equipment	2019	2018
	\$	\$
Motor Vehicles		
At Cost	48,791	48,791
less Accumulated Depreciation	<u>(48,791)</u>	<u>(48,791)</u>
	-	-
Furniture & Fittings		
At Cost	448,062	441,852
less Accumulated Depreciation	<u>(330,448)</u>	<u>(280,708)</u>
	117,614	161,144
Computer Software		
At Cost	53,053	41,574
less Accumulated Depreciation	<u>(39,271)</u>	<u>(29,593)</u>
	13,781	11,981
Website Development		
At Cost	20,961	12,519
less Accumulated Depreciation	<u>(5,165)</u>	<u>(1,486)</u>
	15,796	11,033
Additions to Museum Collection		
At Cost	<u>466,376</u>	<u>461,755</u>
	466,376	461,755
Freehold Land and Buildings		
- 152 Hotham Street		
Stage 1 Redevelopment Cost	<u>1,088,346</u>	<u>1,088,346</u>
	1,088,346	1,088,346
- 150 Hotham Street		
At Cost	582,840	582,840
Capital Improvements	111,824	111,824
Revaluation	1,005,809	1,005,809
Stage 1A Redevelopment Cost	<u>84,140</u>	<u>84,140</u>
	1,784,613	1,784,613
- 148 Hotham Street		
At Cost	2,051,882	2,051,882
Capital Improvements	523	523
Revaluation	<u>(121,882)</u>	<u>(121,882)</u>
	1,930,523	1,930,523
Total Property, Plant & Equipment	<u>5,417,049</u>	<u>5,449,395</u>

Note 6 - Trust Funds

The value of the Trust Corpus does not include any amount in respect of the two freehold properties and Museum Collection which were bequeathed to the Trust by Mr. William R. Johnston. It is the policy of the Trust Corpus to disclose the current market value of the two freehold properties and Museum Collection which were bequeathed by Mr. William R. Johnston, but not to recognise these assets. At last valuation, the values of these assets were as follows:

- 152 Hotham Street (valuation at 14th March 2014)	\$1,610,000
- 154-156 Hotham Street (valuation at 14th March 2014)	\$3,080,000
- Museum Collection (valuation at 24th July 2012)	\$8,885,445

Income Statement for the year ended 30 June 2019

	2019 \$	2018 \$
MUSEUM OPERATIONS		
MUSEUM INCOME		
House Tours	67,149	81,252
Lecture - Program	19,737	22,560
Melbourne Food & Wine Festival	4,473	7,320
Sale of Cards & Other Goods	67,362	71,388
Donations Received	12,714	9,863
Fundraising	53,137	37,080
The Friends of TJC	39,225	35,360
TOTAL MUSEUM INCOME	263,795	264,822
PUBLIC PROGRAM EXPENSES		
Advertising	13,264	17,134
Catering	1,710	2,752
Computer Maintenance	17,107	17,385
Cost of Sales - Cards & Other Goods	44,207	41,727
Courtesy Van	7,893	4,050
House Tours	16,659	29,492
Lecture Program Costs	8,705	8,848
Melbourne Food & Wine Festival	2,892	6,555
Merchant Fee	894	-
Online Booking System	6,628	5,587
Photography	2,945	3,600
Postage & Couriers	749	1,008
Printing & Stationery	13,996	15,141
Volunteer Guides Expenses	6,419	8,616
TOTAL PUBLIC PROGRAM EXPENSES	144,069	161,895
COLLECTION EXPENSES		
Acquisitions - Collection	640	-
Acquisitions - Library	29	23
Collection Database System	21,686	487
Conservation & Repairs	207	891
MAP (accreditation) Fees	409	128
Removal/Storage	369	347
TOTAL COLLECTION EXPENSES	23,340	1,876
BUILDINGS & GROUNDS EXPENSES		
Cleaning	4,021	3,297
Collection Property Maintenance	1,067	1,178
Garden	2,586	2,364
Gas & Electricity	11,897	11,098
Rates & Taxes	5,923	19,395
Repairs & Maintenance	3,621	6,353
Security	3,441	3,306
TOTAL BUILDING & GROUNDS EXPENSES	32,557	46,991



Income Statement for the year ended 30 June 2019

	2019	2018
	\$	\$
ADMINISTRATION EXPENSES		
Audit Fees	5,000	5,000
Awards Application	59	-
Bank Charges	1,364	1,734
Company Secretarial Fee	263	429
Depreciation	62,223	63,827
Donations	-	130
FBT Expense	1,055	274
General/Travelling Expenses	1,885	1,761
Insurance	32,043	31,358
Legal Fees	6,897	2,150
License and Permit	555	1,689
Marketing - Annual Report	-	180
Operating Lease - Sharp Copier	225	-
Professional Development	5,372	3,110
Provision for Annual Leave	21,845	22,203
Provision for Long Service Leave	4,157	7,830
Quarantine/Customs Fees	60	-
Recruitment	1,069	-
Salaries	280,135	280,174
Subscriptions	4,216	4,136
Superannuation	28,364	28,534
Telephone	7,238	6,672
Trustee Expenses	6,714	4,570
Work Health & Safety	183	-
Workcover	3,217	3,123
TOTAL ADMINISTRATION EXPENSES	474,136	468,884
THE FRIENDS OF TJC EXPENSES		
Support of Johnston Collection	22,665	23,424
Events & Catering	8,530	10,761
General	972	434
Subscriptions	60	-
Printing & Stationery	155	78
Postage	510	604
TOTAL THE FRIENDS OF TJC EXPENSES	32,892	35,301
FUNDRAISING EXPENSES		
Cocktails Party - Catering	4,864	5,032
Cocktails Party - General	497	595
Opening Door - General	1,932	765
Opening Door - Marketing	593	423
TOTAL FUNDRAISING EXPENSES	7,886	6,815
TOTAL MUSEUM EXPENSES	714,881	721,762
TOTAL MUSEUM OPERATIONS SURPLUS / (DEFICIT)	(451,086)	(456,940)
RENTAL INCOME		
Rental Income	91,495	89,616
Rental Expenses	(27,256)	(19,425)
NET RENTAL INCOME	64,239	70,191
INVESTMENT INCOME		
Dividends Received	82,417	73,065
Dividend Imputation Credit Refund	17,626	10,711
Realised Capital Gain/(Loss)	180,018	232,705
Unrealised Capital Gain/(Loss)	(63,793)	(48,712)
Interest Received	1,714	1,791
Investment Expenses	(18,422)	(18,075)
TOTAL INVESTMENT INCOME	199,560	251,485
NET OPERATING SURPLUS / (DEFICIT)	(187,286)	(135,264)

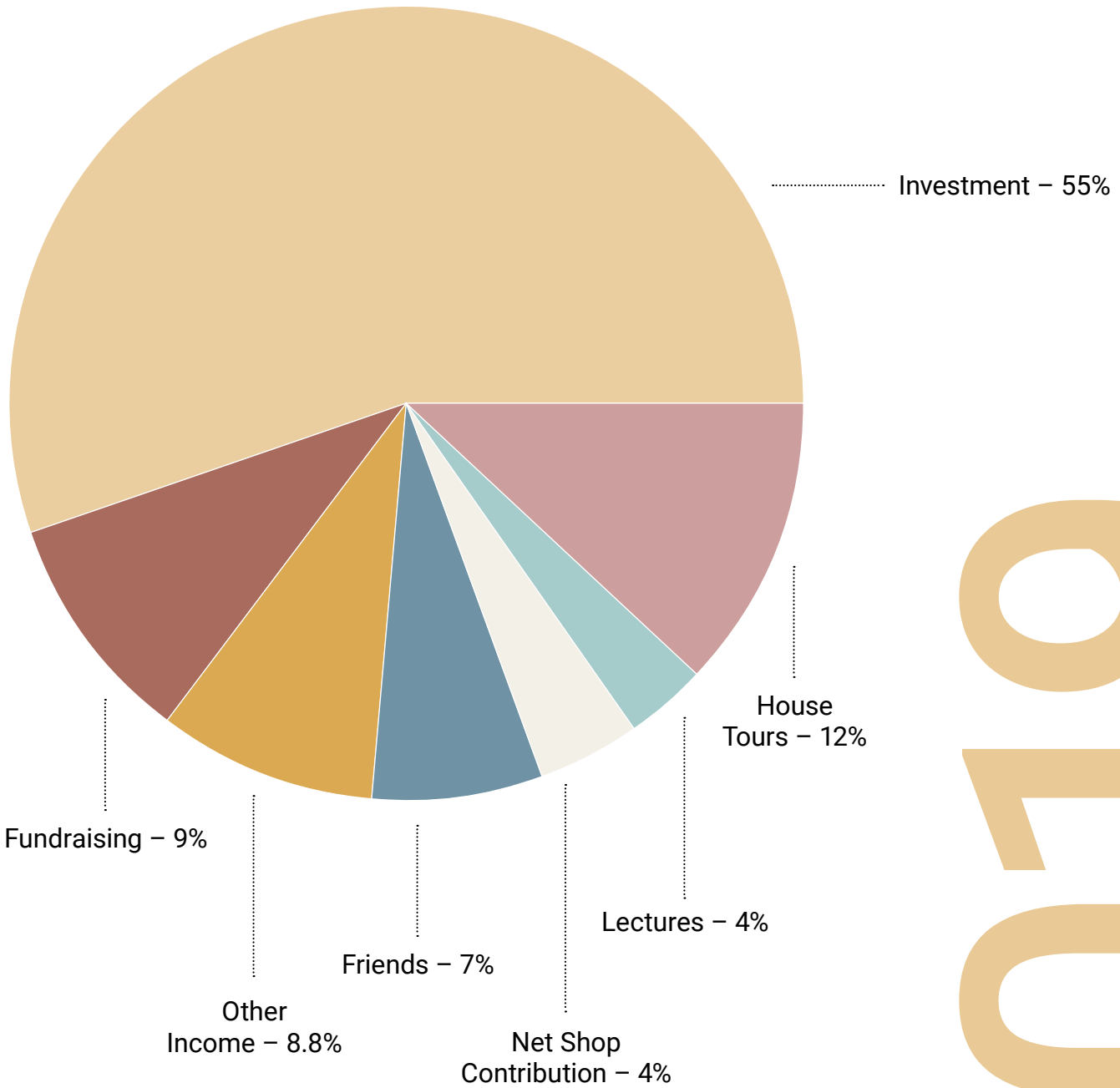


Income Statement for the year ended 30 June 2019

	2019 \$	2018 \$
OTHER INCOME/(EXPENSES)		
Transfer of The Friends Deficit (Surplus) from/(to) Holding Account	(6,333)	(59)
Discount Taken	1,000	158
Grant Income	27,500	10,000
Grant Expense	(14,400)	(16,510)
Investment Taxes - CS	(1,714)	(1,808)
Other Income/ (Expense)	3,993	-
TOTAL OTHER INCOME/(EXPENSES)	<u>10,046</u>	<u>(8,219)</u>
NET SURPLUS / (DEFICIT) FOR THE YEAR	(177,240)	(143,483)
Revenue Reserves at closing of last year	3,535,535	3,679,018
REVENUE RESERVES AT END OF THE YEAR	<u>3,358,294</u>	<u>3,535,535</u>

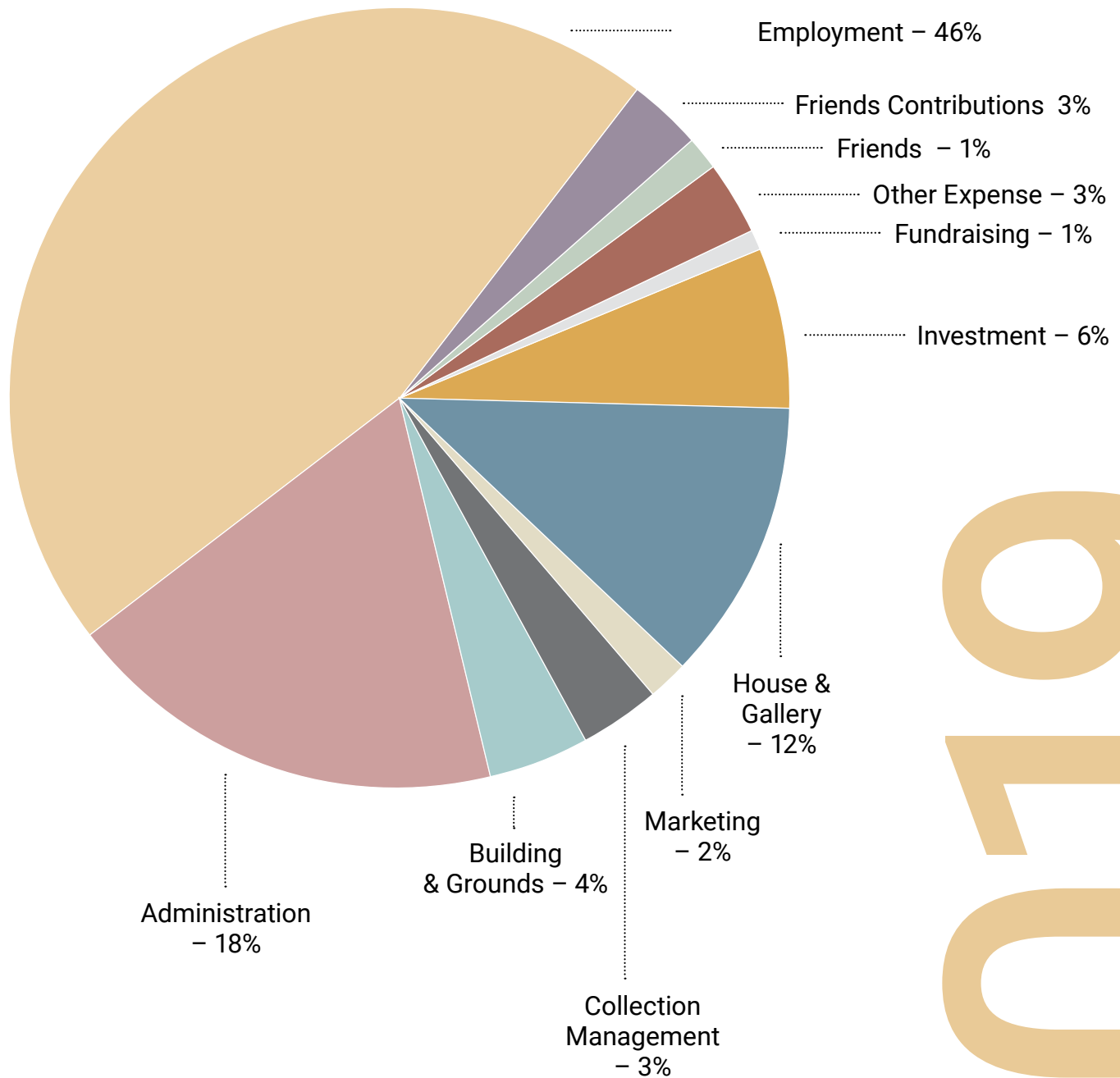
2019

Revenue



2021

Expenses



2022