

**CAPE YORK NATURAL RESOURCE
MANAGEMENT LTD.**

ABN 89 146 770 167

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
ABN 89 146 770 167

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CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2016.

Responsible Entities

The names of the directors in office at anytime during or since the end of the year are:

David Claude - ceased 10/10/2015
Penny Johnson - retired 19/03/2016
John Charlton
John Giese - retired 5/11/2015
Sandra Woosup
Marilyn Kepple
Shelly Lyon - retired 10/10/2015
Shane Gibson
Emma Jackson
Barry Lyon - commenced 11/10/2015
Pauline Smith - commenced 11/10/2015
Dale Motlop - commenced 27/04/2016
Jodi Hamilton - commenced 27/04/2016
Desmond Tayley - commenced 27/04/2016

unless otherwise stated.

The following person held the position of entity secretary at the end of the financial year:

Robert Frazer

Review of Operations

The profit of the company for the financial year after providing for income tax amounted to \$350,558 (2015: \$244,976).

A review of the operations of the company during the financial year and the results of those operations are as follows:

The results for the financial year reflect the operations of the company with the continuance of the major Programs. Costs are seen as reasonable and essential to the effective operation of the organisation to deliver the NRM programs expected from the grants provided.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the financial were:

The principal activities of the company were the implementation of the Draft Regional NRM plan, and the Regional Investment Strategy.

No significant change in the nature of these activities occurred during the financial year.

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DIRECTORS' REPORT

Events Subsequent to the End of the Reporting Period

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

Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Information on Directors:

David Claudie - ceased 10/10/2015

Experience: Chairperson, Director Indigenous Sector - Zone 2

David Claudie is a Kuuku I'yu Northern Kaanju traditional owner and custodian of the northern Kaanju homelands, Northern Wenlock and Pascoe Rivers. He is the CEO/Chairperson of Chuulangun Aboriginal Corporation, where he supports and facilitates homelands development, sustainable natural resource management and economic development.

David has extensive experience in natural resource management on Cape York. His leadership drove the declaration of the Kaanju Ngaachi Wenlock and Pascoe Rivers Indigenous Protected Area (4 June 2008).

David's current projects include:-

- Cultural heritage surveys and mapping - Kuuku I'yu Northern Kaanju Ngaachi
- Chuulangun Rangers (supported by Working on Country and Land & Sea Indigenous Rangers); and
- Implementation of the Kaanju Homelands IPA Management Plan

David is a member of the Commission for Environmental, Economic and Social Policy (CEESP - IUCN), Cape York Peninsula Regional Advisory Committee (CYPRAC) and was a member of the Steering Committee for the formation of the Cape York Natural Resource Management Ltd. He is the Chairperson for Mangkuma, and also for the Wenlock River Catchment Interim Committee.

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DIRECTORS' REPORT

Penny Johnson - retired 19/03/2016

Experience: Penny is the Deputy Mayor of Cook Shire Council and undertakes the following roles:

- Represent all residents of Cook Shire
- Perform all tasks required of an elected member and Deputy Mayor
- Attend and participate in meetings including ROCCY, FNQROC, NQLGA
- Ongoing local government training(including governance, financial management)
- Represent Shire at Civic and other events where appropriate
- Participate in development of Council budget and policies
- Coordination of NQLGA Annual Conference, host council, Cook Shire
- Executive committee North Qld Local Government Association

Penny is also part of the following committees:

- South Cape York Catchment Management group
- Cape York Local Marine Advisory Committee(Secretary/ Treasurer)
- Northern Gulf Resource Management Group
- Cooktown & District Interagency (Proxy)
- Local Disaster Management Group (Proxy)
- Local Community Support Sub Committee (Proxy)
- Cooktown District Farmers group and related organisations (e.g. AgForce, Land care)

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DIRECTORS' REPORT

John Charlton

Experience: John Charlton has been living on Cape York and operating Cape York Adventures at Seisia since 1996, operating vessels catering for self-drive tourist, fly in tourist, fishing, trips, sightseeing, Thursday and Horn Island day trips and general boat charters.

Born and bred in Sydney, he studied Applied Science, Ecology through Canberra College of Advanced Education in the late 1970s. During the 80s John travelled widely throughout Northern Australia, working in mining, building and commercial fishing industries. John studied wildlife, fire and park management and ecology and is a licensed tradesperson (Carpentry), holds his Coxswain certificate and is a QLD transport Accredited Operator.

John has a passion for Cape York and a desire to contribute to the future of the Cape. Living and working in Far North Queensland, John is aware of the challenges for businesses in the region and is keen to share and offer advice. He has been fortunate to witness the changes of Cape York since 1980, including the improvements of roads, infrastructure, National Parks and the popularity of 4wds and growth of outdoor activities and the demographic of Cape visitors. John is aware the relevance of the traditional owners and the need for development that wont compromise the Cape. John sees the need to work with all walks of life and be prepared to comprise. He is familiar with workings of committees and general governance and working towards achievable goals.

Membership of other organisations include:

- 1998-1999 Queensland Fish Management Zone Advisory Committee,
- 1996 to present Chamber of Commerce type organisations at Seisia, including Bamaga and Thursday Island area,
- 2010-2013 Board member of Cape York Sustainable Futures,
- 2012 to present Board member Cape York Local Tourism Organisation.

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DIRECTORS' REPORT

John Giese - retired 5/11/2015

Experience: Director Community Sector

John Giese was Cape York NRM's Chairperson from December 2012 to February 2014. Additionally, John re-joined the Queensland Water And Land Carers (QWALC) as the Board representative for the Cape York region. Having lived in Cooktown over 40 years, John is renowned within the community for the enormous hours he has volunteered with several groups - including Fire Chief for 12 years.

He is currently involved with:

- Cape York Landcare Group (Executive Committee)
- Cape York Weeds & Feral Animals Inc. (Chair)
- Mitchell River Watershed Management Group
- South Cape York Catchment Group (Chair)
- QWALC (Deputy Chair)

John was founding member of CYWAFAI and is a Life Member of this Group and currently serves as its Chair.

Skills:

- Local Government
- NRM (NHT 1)
- Weeds and Feral Animals & Landcare
- Board and Committee Work
- Business Management
- Financials
- Primary and Tourism industries

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DIRECTORS' REPORT

Sandra Woosup

Experience: Sandra lives in Injinoo and is a director on Angkamuthi Tribal Aboriginal Corporation and the chair of Apudthama Land Trust. She is a coordinator of the Injinoo Indigenous Knowledge Centre. Sandra is a director in the Northern Peninsula Area Justice Group representing the NPA, and is also a shareholder representative for her clan, the Angkamuthi Clan group, on the Ely Bauxite Mine Beneficiaries Trust. Sandra is also a director on the Ely Trust Board of Directors.

Sandra is a mother of five and an active member of her Clan, who believes in working together in unity with all the clan groups of the NPA to build a strong Apudthama Land Trust to manage and protect cultural values and other heritage of the Aboriginal people of the four clan groups. The Angkamuthi, Atambya, Gudang and Yadhaykama are all separate clan groups in their own right, who don't speak for other clans.

Sandra has a passion to see language and culture of the NPA maintained and practiced, as people were deprived from using their language in the past.

Marilyn Kepple

Experience: Marilyn resides within Zone 3 and is currently employed with the Royal Flying Doctor Service in Coen as the Narrative Counsellor/Community Development Consultant, where she develops cultural programs for clients and also interactive reading with children at the Coen kindergarten and school. Her background includes developing cultural training, facilitation, counselling and mediation. Marilyn has completed a Diploma in Narrative Approaches for Aboriginal People and has received appreciation for valued contribution to cultural knowledge from the Cape York Aboriginal Academy. Marilyn is looking forward to the challenge of being on the NRM Board, and hopes to be a voice for the families who live in Zone 3. Marilyn hopes to help wherever she can, looking at holistic approaches to achieve better outcomes for family and community members.

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DIRECTORS' REPORT

Shelly Lyon

Experience: Shelley Lyon has been a ranger with Australia Zoo on the Steve Irwin Wildlife Reserve for six years. She has lived and worked on Cape York for 35 years in Lakefield, Jardine River and Cape Melville National Parks, and in Cooktown for 15 years as an Early Childhood Educator.

Her current memberships include Cape York NRM, the newly formed Wenlock River Catchment Group and a counsellor for the Australian Breastfeeding Association. Shelley was previously a member of the Cooktown Crocodile Management Group, Endeavour River Catchment Group, and the Cooktown and Distance Education Parents and Citizens Associations.

Shelley has extensive conservation experience from 30 years of working in Cape Yorks national parks and private conservation properties with husband Barry, and is a well-known advocate for conservation throughout the Cape York community. All of this has included extensive work with Traditional Owners and indigenous ranger groups. Other skills include: a strong understanding of corporate governance, an ability to work together with a variety of people with diverse ideas and concepts, strong mediation and resolution skills, the ability to communicate effectively and sensitively.

Shelley has formal training as part of her education qualifications, counsellor training and communication courses, and extensive experience as a volunteer, and working with community organisations

As a long term resident of the Cape York area, she loves and understands the importance of representing the whole of Cape York Peninsula, and the unique concerns and issues of the regions diverse landscapes and crucially linked communities.

Shane Gibson

Experience: Shane Gibson resides within Zone 4 at Hopevale. Shane has extensive experience working across a range of roles in his community including policing, community development and youth work. He has a strong volunteering ethic, including current roles as a member of the State Emergency Services and Rural Fire Brigade as Fire Warden for Hopevale. Shane has completed extensive training including Governance, Certificate IV in Community Development, Certificate III in Mental Health First Aid and Public Safety (Police Liaison Officer).

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DIRECTORS' REPORT

Emma Jackson

Experience: Emma arrived to Cape York ten years ago and has since married a Cape York cattleman and brought three children into the world. Originally a psychologist, Emma has since become a teacher and does regular work in Weipa or around Cape York just to stay informed with the educational world, as she teaches her three youngsters at home, as well completing business responsibilities. The Jacksons have been at Wolverton Station for forty-six years with Emma's father-in-law sitting on council before retiring. Emma enjoys participating in committees for the long term benefit of the Cape and has been involved in Cape York Sustainable Futures, Coen Chamber of Commerce and is currently secretary for Cape York Live Export Group. Emma contributed to the establishment of the Cape York NRM organisation through participating in the steering committee with other current board members.

Emma is a qualified personal trainer and health and fitness instructor and has recently completed her first marathon to raise awareness of, and support for Cystic Fibrosis. Currently, Emma is pursuing further studies through the University of Queensland in Agricultural Science, through a scholarship. Emma sees herself committed to the Cape for the next thirty years and intends on working hard to ensure she sees a sustainable future for her children. It is her home, her world, her life and she loves it.

Barry Lyon - commenced 11/10/2015

Experience: Director - Conservation Sector

Barry is the Ranger in Charge of the Steve Irwin Wildlife Reserve in northern Cape York. Formerly a district ranger for southern Cape York with the Queensland Department of Environment, he has worked as Ranger-in-Charge on numerous Cape York National Parks dating back to 1979.

Five years were spent operating Lyon's Bush Guides Service, an eco-tourism business showcasing Cape York's Wildlife and Landscapes to tourists via bush safaris, and guiding film and documentary crews. Barry has written numerous articles for various publications on natural history and outdoor recreational subjects and is a regular contributor to the Western Cape Bulletin.

Barry has been pivotal in the establishment of the Wenlock Catchment Management Group and in Conservation meetings across Cape York.

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DIRECTORS' REPORT

Pauline Smith - commenced 11/10/2015

Experience: Director Indigenous Sector Zone Two

Pauline Smith is a local government Councillor at Mapoon Aboriginal Shire Council, where she has responsibility for various Portfolios, including: Land and Sea Program, DOGIT Trustee, Ely Coordinating Committee and Social Events. She has been a Councillor since 2012.

Prior to this Pauline worked for Mapoon Aboriginal Shire Council as the Finance Officer between 2007 and 2011. She also is a Director for Old Mapoon Aboriginal Corporation, and helped to establish the corporation. Pauline has managed OMAC Indigenous Carbon Farming Initiative with the Mapoon Land and Sea. Pauline is very involved with Mapoon Aboriginal Shire Council's Land and Sea portfolio. She represents Land and Sea at local, regional and state meetings, and advises on Land Sea matters, including Cultural Heritage.

Dale Motlop - commenced 27/04/2016

Experience: Director Indigenous Sector Zone One

Dale has demonstrated a long time commitment to management of land and sea country and is a Senior Ranger in the Apudthama Rangers. Dale is from the Angamuthi Clan and a resident of Injinoo.

Jodi Hamilton - commenced 27/04/2016

Experience: Director Community Sector

Jodi was raised and lives on Lochinvar Station via Coen, and her strong commitment to community is demonstrated via her involvement in organisations such as her local Rural Fire Brigade, Coen Advisory Committee, Coen Kindergarten Association, AGFORCE, Cape York Sustainable Futures and the Cape York Alliance. Jodi completed formal qualification in Law and Commerce at JCU and has practiced as an Accountant. She has also completed a Graduate Diploma in Teaching and Learning with the University of Southern Queensland.

Desmond Tayley - commenced 27/04/2016

Experience: Director of Local Government

Desmond has recently been reappointed as Mayor of Wujal Wujal, and was a Directors of Cape York NRM's inaugural Board (Indigenous Sector Zone 4).

During his term he made significant contribution to its establishment and Board and Operational linkages to the Region's Traditional Owners.

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DIRECTORS' REPORT

Meetings of Directors:

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

	Eligible to attend:	Number attended:
David Claude - ceased 10/10/2015	1	1
Penny Johnson - retired 19/03/2016	4	3
John Charlton	4	3
John Giese - retired 5/11/2015	2	2
Sandra Woosup	4	3
Marilyn Kepple	4	1
Shelly Lyon	1	1
Shane Gibson	4	3
Emma Jackson	4	4
Barry Lyon - commenced 11/10/2015	3	3
Pauline Smith - commenced 11/10/2015	3	3
Dale Motlop - commenced 27/04/2016	1	1
Jodi Hamilton - commenced 27/04/2016	1	1
Desmond Tayley - commenced 27/04/2016	1	-

Members Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

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DIRECTORS' REPORT

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

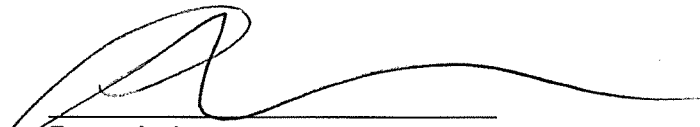
The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is attached to this financial report.

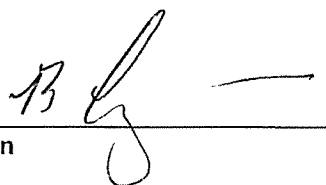
Signed in accordance with a resolution of the board of directors:

Director



Emma Jackson

Director



Barry Lyon

Dated:

14/9/16

**CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012**

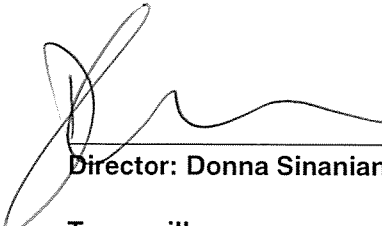
**TO THE DIRECTORS OF
CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been no contraventions of:

- i. the auditor independence requirements of section 60-40 of the Australian Charities Not-for-profit Commission Act 2012 in relation to the audit, and:
- ii. any applicable code of professional conduct in relation to the audit.

Moore Stephens

**Moore Stephens
Chartered Accountants
Level 5, 280 Flinders Street
TOWNSVILLE, QLD, 4810**



Director: Donna Sinanian CA

Townsville

Dated: *14 September 2016*
Moore Stephens (Queensland) Audit Pty Ltd
ABN 62 126 208 179

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	3,894,204	4,298,657
Other income	2	-	4,422
Employee benefits expense		(1,250,217)	(1,114,492)
Depreciation and amortisation expenses		(27,628)	(32,532)
Other expenses		<u>(2,265,801)</u>	<u>(2,911,079)</u>
Surplus before income tax		350,558	244,976
Tax expense		<u>-</u>	<u>-</u>
Surplus for the year		<u><u>350,558</u></u>	<u><u>244,976</u></u>
Surplus attributable to member of the company		<u><u>350,558</u></u>	<u><u>244,976</u></u>

The accompanying notes form part of these financial statements.

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Surplus for the year		350,558	244,976
Other comprehensive income:		_____	_____
Total other comprehensive income for the year		_____ -	_____ -
Total comprehensive income for the year		<u><u>350,558</u></u>	<u><u>244,976</u></u>
Total comprehensive income attributable to member of the company		<u><u>350,558</u></u>	<u><u>244,976</u></u>

The accompanying notes form part of these financial statements.

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,762,347	1,540,697
Trade and other receivables	6	140,857	60,746
Financial assets	7	10,000	10,000
TOTAL CURRENT ASSETS		<u>1,913,204</u>	<u>1,611,443</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>152,354</u>	<u>126,369</u>
TOTAL NON-CURRENT ASSETS		<u>152,354</u>	<u>126,369</u>
TOTAL ASSETS		<u><u>2,065,558</u></u>	<u><u>1,737,812</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	318,510	416,809
Borrowings	10	12,977	-
Provisions	11	<u>91,519</u>	<u>64,829</u>
TOTAL CURRENT LIABILITIES		<u>423,006</u>	<u>481,638</u>
NON-CURRENT LIABILITIES			
Borrowings	10	<u>35,821</u>	<u>-</u>
TOTAL NON-CURRENT LIABILITIES		<u>35,821</u>	<u>-</u>
TOTAL LIABILITIES		<u><u>458,827</u></u>	<u><u>481,638</u></u>
NET ASSETS		<u><u>1,606,731</u></u>	<u><u>1,256,174</u></u>
EQUITY			
Retained surplus		<u>1,606,731</u>	<u>1,256,174</u>
TOTAL EQUITY		<u><u>1,606,731</u></u>	<u><u>1,256,174</u></u>

The accompanying notes form part of these financial statements.

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained Surplus \$	Total \$
Balance at 1 July 2014	1,011,198	1,011,198
Comprehensive income		
Surplus for the year	<u>244,976</u>	<u>244,976</u>
Total comprehensive income for the year attributable to the member of the company	<u>244,976</u>	<u>244,976</u>
Balance at 30 June 2015	<u><u>1,256,174</u></u>	<u><u>1,256,174</u></u>
Balance at 1 July 2015	1,256,174	1,256,174
Comprehensive income		
Surplus for the year	<u>350,557</u>	<u>350,557</u>
Total comprehensive income for the year attributable to the member of the company	<u>350,557</u>	<u>350,557</u>
Balance at 30 June 2016	<u><u>1,606,731</u></u>	<u><u>1,606,731</u></u>

The accompanying notes form part of these financial statements.

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from Customers		3,791,624	4,964,499
Payments to Suppliers and Employees		(3,587,628)	(4,833,761)
Interest Received		22,469	32,673
Net cash provided by operating activities	17	<u>226,465</u>	<u>163,411</u>
Cash flows from investing activities			
Purchase of Property, Plant and Equipment		(53,613)	(97,151)
Proceeds from Sale of Property, Plant and Equipment		-	13,765
Purchase of Investments		-	(10,000)
Net cash provided by (used in) investing activities		<u>(53,613)</u>	<u>(93,386)</u>
Cash flows from financing activities			
Proceeds from Borrowings		55,287	-
Repayment of Borrowings		(6,489)	-
Net cash provided by financing activities		<u>48,798</u>	<u>-</u>
Net increase in cash held		221,650	70,025
Cash and cash equivalents at beginning of financial year		1,540,697	1,470,671
Cash and cash equivalents at end of financial year	17	<u><u>1,762,347</u></u>	<u><u>1,540,696</u></u>

The accompanying notes form part of these financial statements.

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

The financial statements cover Cape York Natural Resource Management Ltd. as an individual entity. Cape York Natural Resource Management Ltd. is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on the date of signing the directors report of the company.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements apply Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profit Commission Act 2012. The company is a not-for-profit entity for financial purposes under Australian Accounting Standards.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

No provision for income tax has been raised as the company operates solely as a not-for-profit company and accordingly is exempt from income tax under Section 50-45 of the Income Tax Assessment Act (1997).

(b) Property, Plant and Equipment

Plant and Equipment

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

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset:	Depreciation Rate
Buildings	2%
Motor vehicles	20 - 50%
Office furniture and equipment	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Impairment of assets

At the end of each reporting period, property, plant and equipment, intangible assets, and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of the asset's future cash flows discounted at the expected rate of return. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash flows and when the entity would, if deprived of the asset, replace its remaining future economic benefit, value in use is determined as the depreciated replacement cost of the asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(d) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the nominal amounts expected to be paid when the liability is settled, plus any related on-costs. Both annual leave and long service leave are recognised within the provisions liability.

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, and salaries are recognised as a part of current trade and other payables in the statement of financial position.

(f) Cash and Cash Equivalents

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

(g) Revenue and Other Income

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the entity obtains controls of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

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

(h) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Rounding of Amounts

Amounts in the financial statements have been rounded off to the nearest dollar.

(k) Critical Accounting Estimates and Judgements

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

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes.

Key Judgements

(i) Provision for long service leave

Note 1(e) and Note 11

(ii) Depreciation

Note 1(b) and Note 8 & 18

(iii) Impairment

Note 1(c)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

		2016 \$	2015 \$
2. REVENUE AND OTHER INCOME			
Interest received	2(a)	22,469	32,673
Consultancy Income		10,700	11,200
Recoveries		604	18,721
Rent Income		11,832	7,700
Other revenue		121,380	75,901
Fund income		3,722,183	4,148,148
Sponsorship		-	4,314
Transaction Import		5,036	-
Total revenue		<u>3,894,204</u>	<u>4,298,657</u>
Other Income			
Gain on disposal of property, plant and equipment		-	4,422
Total other income		<u>-</u>	<u>4,422</u>
(a) Interest received from:			
Banking Institutions		22,469	32,673
3. KEY MANAGEMENT PERSONNEL COMPENSATION			
Short-term benefits		236,080	266,912
Post employment benefits		77,526	48,630
Total compensation		<u>313,606</u>	<u>315,542</u>
4. AUDITOR'S REMUNERATION			
Auditors' remuneration		<u>19,750</u>	<u>32,017</u>
5. CASH AND CASH EQUIVALENTS			
Cheque account		235,628	350,984
Bendigo term deposit		23,591	22,970
Public Fund 1477831496		14,541	11,049
Bendigo Bank		130,273	64,303
Bendigo high interest account		832,529	594,794
Debit Cards 155456759		1,066	-
Retained Earnings 152438933		524,719	496,597
		<u>1,762,347</u>	<u>1,540,697</u>

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
6. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade Receivables	140,857	10,380
Good and services tax	-	45,286
Other Receivables	-	5,080
	<u>140,857</u>	<u>60,746</u>
7. FINANCIAL ASSETS		
CURRENT		
Available-for-sale financial assets	(a) <u>10,000</u>	<u>10,000</u>
(a) Available-for-sale financial assets:		
Shares in unlisted companies	<u>10,000</u>	<u>10,000</u>
Total available-for-sale financial assets	<u>10,000</u>	<u>10,000</u>
8. PROPERTY, PLANT AND EQUIPMENT		
Buildings	30,800	30,800
Less accumulated depreciation	<u>(2,297)</u>	<u>(1,681)</u>
Total land and buildings	<u>28,503</u>	<u>29,119</u>
Motor vehicles	182,330	131,997
Less accumulated depreciation	<u>(66,073)</u>	<u>(40,071)</u>
	<u>116,257</u>	<u>91,926</u>
Office furniture and equipment	12,144	8,864
Less accumulated depreciation	<u>(4,550)</u>	<u>(3,540)</u>
	<u>7,594</u>	<u>5,324</u>
Total plant and equipment	<u>123,851</u>	<u>97,250</u>
Total property, plant and equipment	<u>152,354</u>	<u>126,369</u>
(a) Movements in carrying amounts		
For disclosure on movement in carrying amounts please refer to note 18(a) at the end of this financial report.		

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
9. TRADE AND OTHER PAYABLES		
CURRENT		
Good and services tax	81,295	-
Superannuation Payable	7,440	12,830
Sundry creditors	34,874	12,384
Trade creditors	132,129	346,616
Payroll Liabilities	4,124	4,124
Accruals	39,898	21,149
Withholding taxes payable	18,750	19,706
	<u>318,510</u>	<u>416,809</u>
10. BORROWINGS		
CURRENT		
Hilux 903WDE Loan	<u>12,977</u>	<u>-</u>
NON-CURRENT		
Hilux 903WDE Loan	<u>35,821</u>	<u>-</u>
11. PROVISIONS		
CURRENT		
Provision for annual leave	57,718	49,289
Provision for long service leave	<u>33,801</u>	<u>15,540</u>
	<u>91,519</u>	<u>64,829</u>
12. EVENTS AFTER THE REPORTING PERIOD		
No events subsequent to the balance sheet date were noted requiring adjustment and disclosure in the financial statements.		
13. RELATED PARTY TRANSACTIONS		
Related Parties		
The company's main related parties are as follows:		
(a) Key management personnel		
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel.		

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

- 2016**
\$
- 2015**
\$
- 14. FINANCIAL RISK MANAGEMENT**
- The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 Financial Instruments Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	5	1,762,347	1,540,697
Trade and other receivables	6	140,857	60,746
Financial Assets	7	10,000	10,000
Total Financial Assets		<u>1,913,204</u>	<u>1,611,443</u>

Financial Liabilities

Trade and other payables	9	318,510	416,809
Borrowings	10	48,798	-
Provisions	11	91,519	64,829
Total Financial Liabilities		<u>458,827</u>	<u>481,638</u>

15. COMPANY DETAILS

The registered office and principal place of business of the company is:
 Cape York Natural Resource Management Ltd.
 47-67 Maunds Road
 Atherton QLD 4883

16. MEMBERS GUARANTEE

This company is limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

17. CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	<u>1,762,347</u>	<u>1,540,696</u>
	<u>1,762,347</u>	<u>1,540,696</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
(b) Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	350,557	244,976
Non-cash flows in profit:		
Depreciation	27,628	32,532
Changes in assets and liabilities:		
Increase in Trade and Sundry Debtors	(80,111)	14,010
(Decrease) Increase in Trade Creditors and Accruals	(98,299)	(135,983)
Increase in Provisions	26,690	7,876
	<hr/>	<hr/>
Net cash provided by operating activities	226,465	163,411
	<hr/> <hr/>	<hr/> <hr/>

CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

18. (a) MOVEMENT IN CARRYING AMOUNTS

Movements in carrying amounts for each class of property, plant and equipment.

	Buildings \$	Motor vehicles \$	Office furniture and equipment \$	Total \$
Balance at 1 July 2014	29,735	39,570	6,209	75,514
Additions	-	97,151	3,280	100,431
Disposals	-	(13,765)	-	(13,765)
Depreciation expense	(616)	(31,030)	(1,010)	(32,656)
Carrying amount at 30 June 2015	29,119	91,926	8,479	129,524
Additions	-	50,333	3,280	53,613
Depreciation expense	(616)	(26,002)	(1,010)	(27,628)
Carrying amount at 30 June 2016	28,503	116,257	7,593	152,353

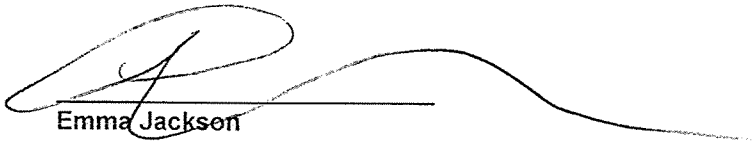
CAPE YORK NATURAL RESOURCE MANAGEMENT LTD.
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DIRECTORS' DECLARATION

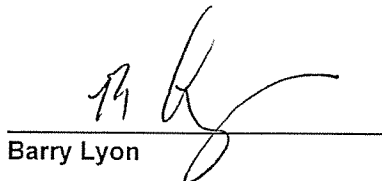
In accordance with a resolution of the directors of Cape York Natural Resource Management Ltd., the directors of the company declare that:

1. The financial statements and notes, as set out on pages 14 to 28 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including
 - a. give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the company.
 - b. comply with Australia Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Act 2012; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director


Emma Jackson

Director


Barry Lyon

Dated:

16/9/16

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF CAPE YORK NATURAL RESOURCE MANAGEMENT LTD
ABN 89 146 770 167**

Report on the Financial Report

We have audited the accompanying financial report of Cape York Natural Resource Management Ltd, which comprises the statement of financial position as at 30 June 2016, the statement of profit and loss, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of Cape York Natural Resource Management Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF CAPE YORK NATURAL RESOURCE MANAGEMENT LTD
ABN 89 146 770 167**

Opinion

In our opinion the financial report of Cape York Natural Resource Management Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- a. giving a true and fair view of the registered entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the period ended on that date; and
- b. complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Moore Stephens

Moore Stephens
Chartered Accountants



Donna Sinanian CA
Director

Dated in Townsville this 14th day of September 2016.