

ANNUAL REPORT 2016-17



**Nursery & Garden Industry
Australia**



Table of Contents

President's Report	3
CEO's Report	4
Directors' Report	5
Auditors' Independence Declaration	8
Income Statement	9
Balance Sheet	9
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Financial Statements	10
Directors' Declaration	13
Auditors' Report	14
Compilation Report	15
Detailed Profit and Loss Statement	15
Contact Information	16

President's Report

The Board continues to address the challenges and opportunities in a rapidly changing trading environment. The landscape supply sector of the industry continues to prosper in most states. The closure of the Masters Hardware chain caused some disruption to members but we appear to have concluded this unfortunate episode without major upheaval. Many of the issues highlighted in my last annual report have been or are being addressed and will assist the decision process for NGIA into the future. The National Board will experience significant changes later this year with three directors, including myself, completing our maximum allowable terms. I will return to this topic later in this report.

Following on from the document presented by Gary Eyles and his committee, we are continuing with the next phase of the structural change process. Assisted by the State Associations we have compiled the terms of reference and selected a working committee from our members. The committee is known as Structural Change Advisory Committee (SCAC) and comprises the following members:

- Glenn Fenton from Nationwide Trees, Victoria, NGIV Life Member and deputy chair of the Structural Review Committee
- Karen Brock from Brocklands Nursery, Tasmania, NGIA Vice President
- Bruce Pike, NGINA Life Member and owner of Combined Nursery that operates in both NSW and Victoria
- Estelle Cornell, owner of the multi award winning Allora Gardens retail garden centre in Darwin
- Peter Jong from Adelaide, NGISA Board member and owner of the award winning Jong's Nursery

This committee has vast experience in many sectors of our industry. They have been asked to produce a roadmap that will detail how the Unity Model will be implemented whilst addressing the delivery of member benefits into the future. I would like to take this opportunity of thanking them for agreeing to take on this complex and onerous task.

During my time on this Board we have been hampered in many quarters because of a lack of reliable industry data. NGIA, in partnership with Down To Earth Research and ACIL Allen Consulting, have been selected by Horticulture Innovation Australia to undertake a targeted program that will extract information from our Industry that can be used to determine a number of factors, including industry size (farm gate sales) and the number of people we employ. This data is crucial when communicating and dealing with government at all levels. Often these are the first questions a politician will ask at the start of a meeting. Hopefully in future we will have some accurate answers to these questions.

I mentioned previously that the makeup of the board will significantly change later this year. Firstly, I would like to take this opportunity to thank two of my distinguished colleagues who started on the board at the same time as myself. Colin Groom has contributed enormously to our industry at both a State and National level. His opinions are always well considered and articulated and strongly argued. His support has always been unwavering. Simon Smith is a pragmatic and well-informed thinker who has also contributed significantly to our industry, this includes a period as NGIA Vice President. He provided great support to me particularly during this period and has always been an invaluable sounding board on complex issues. These outstanding gentlemen have exhibited commitment and loyalty to me and our industry, that has allowed us to achieve so much. In many ways this has been an extremely difficult period for NGIA but I believe we are leaving it in better shape than when we were first elected. I have thoroughly enjoyed my time on the board and would like to sincerely thank all the other directors that I have had the pleasure of working with. I wish the next President and Board all the very best for the future. Secondly, I would like to thank Peter Vaughan and his team at NGIA. Peter is a diligent, conscientious leader and his support and assistance since his

appointment has been invaluable to me as President. We have shared many concerns, problems, thoughts and sleepless nights over the last couple of years. His commitment and passion for the Nursery and Garden Industry is unquestionable.

Finally, I would like to thank the members for allowing me the opportunity of serving as your President for the last four years. I feel a little disappointed that the Unity Model has not been implemented but I am confident that the next Board will continue the work we have started and we will be a united industry under a single organisation very soon.



Mike Mehigan
NGIA President

CEO's Report

The diversity, uniqueness and significance of the Nursery and Garden Industry in Australia should not be underestimated. It is a multi-billion dollar industry that plays a vital part in the human, environmental and economic well-being of Australia. The industry provides the plants that underpin two key areas of horticulture:

1. Urban and Environmental:

- i. Residential, commercial, industrial and public gardens, green space and developments
- ii. Environmental and ecological restoration for land management, revegetation, natural area rehabilitation and erosion control
- iii. Cut flower production

2. Rural and Agriculture:

- i. Production horticulture for fruit, nut and vegetable production
- ii. Forestry spanning large scale plantations to agro-forestry
- iii. Livestock production properties for forage and animal welfare management
- iv. Medicinal, herbal and remedial products

The resultant plantings contribute to the nutritional, physical and mental health, economic and environmental well-being of Australia and all Australians.

In the 2016/17 financial year, NGIA commenced the implementation of its new strategy with a vision to "create a climate for members and industry to grow and prosper". The implementation of the strategy will aim to ensure the financial viability of NGIA, to achieve a unified industry and to have the unified industry as part of a larger "Green Industry Alliance".

To ensure we achieve the aims of the strategy and to continue the significant contribution of the industry within Australia there are five strategic imperatives being progressed. For each of the imperatives I will outline the key activities undertaken during the 2017/18 financial year.

1. Leverage industry statistics and data

The importance of having accurate industry statistics is to assist industry policy development, support advocacy efforts, evaluate investments and identify member services to be provided. It has always been a challenge to obtain accurate statistics given the nature of the industry.

NGIA submitted the successful proposal, in partnership with Down to Earth Research and ACIL Allen Consulting, for the levy funded Nursery Industry Statistics and Research 2016/17. The project has a two pronged approach to use existing data and collect new data under an extensive survey methodology and to engage with the providers and users of the data. The outputs from the project are to have an accurate statistical understanding of the industry, a tool for business improvement and a methodology for on-going collection of industry statistics. The project will be completed in the 2017/18 financial year with results to be communicated widely to industry and broader stakeholders.

2. Engaging and connecting industry

NGIA had two communication programs to engage and connect with members and the industry. The first program was the launch of the National Nursery News (NNN) network monthly e-newsletter in 2017. This was to ensure members are aware of information, activities and opportunities available from an NGIA perspective.

The second program was working in partnership with Cox Inall Communications on the continued delivery of the levy funded Communication Program for the Australian Nursery Industry. The aim of the program is to communicate the activities and outputs from the levy funded R&D and marketing projects through a number of channels, including social media, case studies, Your Levy at Work e-newsletter, Nursery Papers and media releases. This project is in the second year of operation and will continue to February 2019 when it will be assessed to determine how levy funded projects will be communicated going forward.

3. NGI Structure

The review of the NGI network structure commenced in early 2016 with the review committee report being delivered in November 2016. The main recommendation from the committee is to have one organisation to represent the industry across Australia. The Structural Change Advisory Committee was established in early 2017 to address the key concerns and issues of members with respect to the proposed National Unity Model and they will provide their report later in 2017. The aim is to have a vote of members in 2018 to decide if the current federated industry association structure should transition to one industry association organisation.

4. Member benefit delivery

The outcome of this imperative is to optimise the intellectual property (IP) that exists in the NGI network to maximise the benefits and value to members. The areas being addressed are to create uniform services nationally, advocate for technology and commercialisation of the NGI IP. The ultimate goal is to maintain and increase member numbers to ensure a vibrant and sustainable industry association.

The levy funded National Nursery Industry Biosecurity Program, managed by John McDonald, is an excellent example of NGI resources, knowledge and IP to deliver industry benefits. This program addresses four areas around biosecurity – awareness, preparedness, the minor use program and BioSecure HACCP as a national market access system. It is in the second year of operation and continues to 2020.

The Nursery Industry Accreditation Scheme Australia (NIASA) provides best management practice guidelines for nurseries in Australia. The management and administration of NIASA, and the two programs it underpins, EcoHort and BioSecure HACCP, were transitioned into NGIA during this financial year. We aim to ensure consistency, transparency and professionalism in the delivery of these programs. During the 2017/18 financial year NGIA will ensure that NIASA is available to all members who would like to be within the program and to promote its relevance to customers through a marketing program.

5. Build product and industry value

By highlighting and improving the understanding of the role of plants in building capable, healthy and sustainable communities, we hope to build the value of plants to the consumer and therefore increase demand. The levy funded marketing program 2020 Vision continued to be the key activity being undertaken to promote the importance of plants to the four key audiences (customers) – Government, Business, Community/Schools and Consumers. They are the target audiences as they own and manage the majority of land into which greenlife is planted.

As in the President's report, I would like to acknowledge the guidance and support of the Board over the last year. I would also like to acknowledge the outstanding contribution of our three departing Directors, Mike Mehigan, Simon Smith and Colin Groom, to the running of NGIA and oversight of the industry. They have been tireless over the last six years to ensure we have a relevant and financially viable national association. I also thank the NGIA staff for their efforts throughout the year to ensure NGIA actively and diligently represents and supports our members.

I look forward to my continued role as CEO of NGIA in 2017/18 to help guide and lead the national industry organisation as our members continue to contribute to the health and well-being of Australia and all Australians.



Peter Vaughan
NGIA CEO
NGIA Company Secretary

Directors' Report

Directors

The names of the directors at the date of this report are:

Michael Mehigan (New South Wales) – President

Karen Brock (Tasmania) – Vice President

Geoffrey Fuller (South Australia)

Colin Groom (Western Australia)

David Howard (Victoria) (Appointed 15 November 2016)

Paul Lancaster (Queensland)

Simon Smith (Northern Territory)

Your directors present their report on the company for the financial year ended 30 June 2017.

The company has been operating under the new Nursery Industry Strategic Plan for the 2016-2020 period. The plan is for the Australian nursery and garden industry, with a vision to create a climate for our members and industry to grow and prosper.

Principal Activities

The principal activities of the company during the financial period were the promotion and furtherance of the interests of the nursery, garden and allied industries in Australia. This included the management of the company's affairs, consultation with relevant Federal Government Departments and their instrumentalities, working with State and Territory industry associations and management of nursery industry levy funded projects as administered through Horticulture Innovation Australia Ltd (Hort Innovation). There were no significant changes in the principal activities of the company during the financial year.

NGIA 2016 – 2020 Strategy Objective

To deliver services, benefits and value to members.

To achieve the objective, NGIA will manage the implementation of the following three stage strategy:

1. Ensure the financial viability of NGIA
2. Work to achieve the unified industry
3. Work to have the unified industry as part of a larger "Green Industry Alliance"

Strategic Imperatives

The NGIA 2016 – 2020 strategy has five strategic imperatives that are being progressed to achieve the objective and are detailed below:

1. Leverage Industry Statistics and Data

Aim: To assist our policy development and advocacy efforts by having reliable and accurate industry statistics and data and have an effective voice at federal, state and local levels.

Activities:

- Establishing and representing the industry's national policies in consultation with the State and Territory industry associations.
- Maintaining liaison with the Federal Government and other national organisations in relation to issues affecting the industry and its members.

2. Engaging and Connecting Industry

Aim: To improve communication with members, across the industry and to the wider community

Activities:

- Ensuring effective national industry communication on matters of significance.
- Communication of R&D levy funded outcomes.
- Maintaining the official National Trade Register of members' details for distribution to members in printed and electronic formats.
- Liaising on national training and education issues.
- In close liaison with State and Territory industry associations, initiate national member benefit schemes and events of an income generating nature. The distribution of any income to be agreed between the NGIA and State and Territory industry associations and be transparent to members.
- Liaising on issues relating to the Nursery Award 2010 and national industrial relations matters.
- Maintaining international relations.

3. NGI Structure

i. NGI Structure

Aim: To review the NGI structure to improve efficiency and remove duplication.

ii. Green Industry Alliance

Aim: To develop a long-term strategy and plan to create a peak body that represents the sector rather than individual industries.

Activities:

- Progress a review of the NGI structure
- Representing the Nursery Industry when appropriate including the Voice of Horticulture and "Green Alliance" groups.

4. Member Benefit Delivery

Aim: To optimise the Intellectual Property ("IP") that exists within NGI organisations (National and State) to maximise benefits and value to members

Activities:

- Liaison and consultation on Intellectual Property (IP) including Plant Breeders Rights (PBR).
- Monitoring the national chemical register and negotiations on related issues.
- Coordinating national quarantine activities in conjunction with national (including Plant Health Australia) and state agencies, including being the signatory to the Emergency Plant Pest Response Deed (EPPRD) and providing representation on the National Management Group (NMG) and the Consultative Committee on Emergency Plant Pests.

5. Building Product and Industry Value

Aim: To improve the understanding of the role of plants in building capable, healthy and sustainable communities.

Activities:

- Facilitating the adoption of accreditation, quality assurance and quality standards.

- Liaising with Horticulture Innovation Australia (HIA), ensuring that we have appropriate outcomes particularly through this transition period and oversight of R&D and marketing activities

The objectives of the strategy are to achieve the following over the next 3-5 year period:

1. Ensure the financial viability of NGIA
2. Work to achieve the unified industry
3. Work to have the unified industry as part of a larger "Green Industry Alliance"

Short Term Objectives:

The short term objectives and key activities are listed below for the operation of the company in the reporting period that contribute to achieving the NGIA 2016-2020 Strategy objective:

- Manage the day to day activities of the business to ensure it is profitable and meets the requirements of members.
- Maintain the financial and human resources to ensure the operation and management of the company.
- Procure and manage projects to meet the objectives of the business and to deliver the outputs of projects for the benefit of members and the broader industry.
- Ensure the governance requirements of the company are managed and maintained.
- Liaise, communicate and interact with all stakeholders, including members, State and Territory Associations, government, research organisations, academic institutions and Hort Innovation, on matters of impact and importance to the industry and the operation of the company.

During the year the company has been working for members in the following specific areas:

- NGI Network Structure Review – A Structure Review Committee was established in early 2016 to undertake a thorough review of the NGI network structure. The review report was handed down in November 2016 with a recommendation to progress to a National Unity Model. A Structure Change Advisory Committee was established in early 2017 to manage the modelling of the National Unity Model and to ensure all concerns of members are being addressed.
- Biosecurity – NGIA worked with Hort Innovation on continued implementation of the National Biosecurity Program which commenced in February 2016. The program focuses on the areas of preparedness, awareness, minor use programs and market access for a period of five years.
- Submissions to Government – NGIA made a number of submissions and representations to Government including on biosecurity, the levy system, industrial awards, grower registration, quarantine and plant market access.
- Industry Communications – NGIA implemented the National Nursery News (NNN) network to communicate with members on key issues. NGIA continued to work in partnership with Cox Inall Communications for the delivery of the communications program for levy funded R&D projects.
- Nursery Production Farm Management System (FMS) Transition – NGIA managed the transition of the management and administration of the Nursery Production FMS to NGIA so it is being delivered as a national program.

Future Developments

To ensure NGIA addresses its strategy of ensuring its financial viability, NGIA will assess activities to pursue that will best use the staff, resources and intellectual property that will deliver benefits to members.

An independent Structural Change Advisory Committee has been established to investigate and provide further information to members. A draft report is scheduled for delivery in November to a joint meeting of the network organisations with the final report being presented to Members at the Nursery & Garden Industry National Conference in February 2018.

Performance Measurement:

The company assesses its operation and performance primarily through the function of the NGIA Board. The Board met seven times during the report period to manage the activities of the business and assess its operation and performance against the following performance indicators:

- Profit and Loss – the actual against budgeted profit and loss is assessed at each Board meeting. Any variations in income and expenditure are noted and necessary actions taken to address significant anomalies.
- Levy Income – the company receives quarterly reports on nursery levy (R&D, marketing and total) receipts that provide an indication of budget against actual and comparison to previous years receipts. The levy received is an indication of "greenlife" sales.
- Communication – measurements of access and engagement of communication activities are measured through on-line metrics, surveys, reviews and direct engagement with stakeholders.
- Membership numbers – member numbers are assessed on a regular basis throughout the year and across years to determine trends and to identify reasons for numbers increasing or decreasing. Membership numbers are a vital metric for the company as they impact directly on income to the business.

Operating Results

NGIA recorded a loss of \$11,804 in the year compared to a loss of \$3,525 for the previous year.

Major areas that impacted on the results were:

- Reduced project recoveries for office costs and administration support in line with a reduction in the number of levy funded projects managed.
- Higher salary and related employment costs as a greater proportion charged to membership costs rather than direct to projects.
- Farm Management System Certification income received after the transition of the program to NGIA from the states/territories.

After Balance Date Events

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 subsequent financial years.

Significant Changes in State of Affairs

There have been no significant changes in the company's state of affairs other than that mentioned previously that have occurred during the financial year.

Environmental Issues

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 & Company Secretary

Michael Mehigan - President

Owner, Elegant Outdoors, Turramurra NSW

Michael entered the industry in 2001 and has operated his own businesses for nearly 20 years. He served on the board of Nursery & Garden Industry NSW & ACT from 2006 to 2012 including two years as President. He was appointed to the NGIA board on 15 November 2011 and elected President in December 2013. He also sits on the Audit and Risk Committee.

Karen Brock – Vice President from 15 November 2016

Owner, Brocklands Pty Ltd, Winkleigh Tas
Qualifications: Advanced Diploma Horticulture, Nuffield Scholar (Australia).

Karen has 25 years' experience in Floriculture and Horticulture which also involved industry participation by serving as President of Nursery and Garden Industry Tasmania (NGIT) for six years and a standing committee member of Agrifoods Skills Council for four years. She was appointed to the NGIA Board on 25 November 2014.

Geoffrey Fuller

Executive Officer, Houseplants of Australia Ltd, Bridgewater SA

Geoffrey has over 40 years' experience in the Nursery Industry starting in 1975 with retail garden shops and a production nursery before joining plastic manufacturer, Masrac as general sales manager from 1991 to 2001. He served as the CEO of the Nursery and Garden Industry SA for 12 years until semi-retirement in 2014. He has worked part time as Executive Officer for Houseplants of Australia since 2002. He is also a councillor with the Royal Adelaide Show Horticulture Committee. Geoffrey was appointed to the NGIA board on 25 November 2014.

Colin Groom

Manager, Domus Nursery, Hacketts Gully WA
Qualifications: Bachelor of Commerce, Certified Nursery Professional

Colin is a second generation nurseryman with 19 years' experience in the industry and was the recipient of the Young Leader Award in 2003. He was appointed to the Nursery and Garden Industry WA (NGIWA) board in September 2011 as Vice President and served as President from September 2012 to August 2015 when he resumed the role of Vice President. He previously served on the NGIWA board from 2001 to 2010 including three years as President. He was appointed to the NGIA board on 15 November 2011. Colin is a member of the Biosecurity National Governance Committee.

David Howard

Owner/Manager, Bay Road Nursery, Sandringham Vic
Qualifications: Horticulture Trade Certificate

David has over 35 years in the nursery and garden industry and has owned Bay Road Nursery for over 25 years following 10 years at Gills Nursery. He has been involved at Plants Plus for over 10 years including terms as State and National Chairman. David has served on the NGIV board for eight years including four years as President. He is a current director of the Melbourne International Flower and Garden show (MIFGS) and has been involved as a plant designer on several award winning gardens at the show. David was appointed to the NGIA board on 15 November 2016.

Paul Lancaster

Director, Suncoast Water Gardens Pty Ltd, Beerwah, Qld

Paul has 11 years' experience in the nursery industry as well as previous senior management experience in the automotive electrical industry. He has served on the board of Nursery & Garden Industry Queensland (NGIQ) since 2007 and is the current NGIQ President. He has also previously held the position of Vice President for NGIQ from 2009 – 2011 and President from 2011 to 2013. Paul was appointed to the NGIA board on 24 November 2015.

Hamish Mitchell

Managing Director, Speciality Trees, Narre Warren East Vic
Qualifications: Certificate of Horticulture majoring in Landscape, Associate Diploma of Applied Science in Horticulture majoring in Parks Management, Certificate of Turf Management.

Hamish has over 30 years' experience in amenity horticulture, plant management, production and development. He was a Landscaping Victoria board member from 2010-2012 and past President 2011-2012. Hamish was appointed to the NGIA board on 25 November 2013 and resigned on 15 November 2016.

Simon Smith

Owner Girraween Nursery, Howard Springs NT and The Plantsmith, Howard Springs NT
Qualifications: Bachelor of Science, Certificate in Landscape Technology

Simon has served on the Nursery & Garden Industry NT Executive for nine years, including five as President. He was appointed to the NGIA board on 15 November 2011. Simon chairs the Biosecurity National Governance Committee.

Peter Vaughan – Secretary

CEO – Nursery and Garden Industry Australia Ltd
Qualifications: Bachelor of Agricultural Science, MBA

Peter joined the company as CEO on 20 April 2015. Peter has worked across a number of agricultural industries over the last 20 years including horticulture, seed, grains and livestock in a range of management, commercial and technical roles. His most recent role was General Manager of the On-farm research and development business unit with Meat and Livestock Australia. Prior to that his roles included working as the General Manager at Austgrains, the Managing Director and Commercial Director at the Value Added Wheat Cooperative Research Centre, the Cultivar Manager at SGB Australia and the R&D Manager with Agricultural Licensing Australia. He was appointed Secretary 16 June 2015. Peter also sits on the Audit and Risk Committee.

Meetings of Directors – Attendance

Executive Meetings – 2017

	No. Eligible to attend	Attended
Karen Brock	7	7
Geoffrey Fuller	7	7
Colin Groom	7	7
David Howard	3	3
Paul Lancaster	7	7
Michael Mehigan	7	7
Hamish Mitchell	4	3
Simon Smith	7	7

Dividends

The company's constitution specifically prohibits the payment of dividends or bonus to members.

Indemnification and Insurance of Officers and Auditors

The company has paid premiums to insure all Directors and Officers of the company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity as such officer of the company, other than conduct involving a wilful breach of duty in relation to the company. No other indemnities have been given. The company has not provided any insurance for the auditor of the company.

The amount paid is not disclosed as per the confidentiality clause of the agreement.

Proceedings on Behalf of the 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. The company was not a party to any such proceedings during the year.

Auditor's Independence

A statement of independence has been provided by our auditor, BDH Audit & Assurance Pty Ltd, and forms part of the Directors' Report.

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

Michael Mehigan

Director

Dated at Castle Hill this 12th day of September 2017

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NURSERY & GARDEN INDUSTRY AUSTRALIA LIMITED

We hereby declare, that to the best of our knowledge and belief, during the year ended 30 June 2017 there have been:

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

BDH Audit & Assurance Pty Limited

Gede Barone

Director

Dated at Castle Hill this 12th day of September 2017

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 \$	2016 \$
Revenue	2	586,681	512,779
Employee benefits expenses		(343,402)	(270,533)
Occupancy expenses		(18,742)	(17,860)
Depreciation and amortisation expenses	8	(39,170)	(42,284)
Finance costs		(533)	(828)
Other expenses		(196,638)	(184,799)
Profit/(loss) before tax		<u>(11,804)</u>	<u>(3,525)</u>
Income tax expense		-	-
Profit/(loss) attributable to members		<u>(11,804)</u>	<u>(3,525)</u>
Other comprehensive income		-	-
Total comprehensive income for the period		<u>(11,804)</u>	<u>(3,525)</u>

BALANCE SHEET AS AT 30 JUNE 2017

ASSETS

CURRENT ASSETS

Cash and cash equivalents	4	1,113,766	1,114,878
Trade and other receivables	5	149,845	116,504
Other current assets	6	21,298	18,812
TOTAL CURRENT ASSETS		<u>1,284,909</u>	<u>1,250,194</u>

NON-CURRENT ASSETS

Financial assets	7	10	10
Property, plant and equipment	8	554,173	588,063
TOTAL NON-CURRENT ASSETS		<u>554,183</u>	<u>588,073</u>
TOTAL ASSETS		<u>1,839,092</u>	<u>1,838,267</u>

LIABILITIES

CURRENT LIABILITIES

Trade and other payables	9	939,501	944,061
Provisions	11	76,841	62,278
TOTAL CURRENT LIABILITIES		<u>1,016,342</u>	<u>1,006,339</u>

NON-CURRENT LIABILITIES

Provisions	11	6,236	3,610
TOTAL NON-CURRENT LIABILITIES		<u>6,236</u>	<u>3,610</u>
TOTAL LIABILITIES		<u>1,022,578</u>	<u>1,009,949</u>
NET ASSETS		<u>816,514</u>	<u>828,318</u>

EQUITY

Retained earnings	12	816,514	828,318
TOTAL EQUITY		<u>816,514</u>	<u>828,318</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

Balance at 30 June 2015	831,843
Loss attributable to members	(3,525)
Balance at 30 June 2016	828,318
Loss attributable to members	(11,804)
Balance at 30 June 2017	816,514

The income statement, balance sheet and statement of changes in equity should be read in conjunction with the notes on the pages following

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		600,439	490,755
Payments to suppliers and employees		(611,829)	(552,044)
Interest received		10,517	15,533
Net cash provided by (used in) operating activities	13	(873)	(45,756)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(5,280)	(5,618)
Net cash provided by (used in) investing activities		(5,280)	(5,618)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	-
(Decrease)/Increase in project balances		5,041	(180,816)
Net cash provided by (used in) financing activities		5,041	(180,816)
Net increase/(decrease) in cash held		(1,112)	(232,190)
Cash at beginning of financial year		1,114,878	1,347,068
Cash at end of financial year	13	1,113,766	1,114,878

The cashflow statement should be read in conjunction with the notes below

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1 Statement of Significant Accounting Policies

This financial report covers Nursery & Garden Industry Australia Limited as an individual entity. Nursery & Garden Industry Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations Act 2001. Nursery & Garden Industry Australia Limited is a not-for-profit entity for the purpose of preparing financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared using the measurement bases specified by the Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are described in the accounting policies below.

The financial report was authorised for issue on the 12th September 2017 by the board of directors.

Accounting Policies

(a) Income Tax

As the company was established for the purpose of promoting the development of horticultural resources of Australia it is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows

have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

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 charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on a prime cost or diminishing value method. All property, plant & equipment are written off over their useful lives.

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

Office Equipment	7.5 - 50%
Buildings	5%

(c) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

(d) 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.

(e) Employee Benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The Company's liabilities for long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees.

The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Company presents employee benefit obligations as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

Contributions are made to employee superannuation funds and are charged as expenses when incurred.

(f) Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

(g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Member subscriptions are recognised according to the period to which they relate.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in these goods.

Revenue for rendering of services is recognised upon the delivery of a service.

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

Other revenue is recognised when it is received or earned.

Grant revenues are recognised by deducting the related expenses to which the grant income has been received or receivable.

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

(h) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(i) Impairment of Assets

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(j) Project Receipts

The company received payments in advance to fund future projects on behalf of the nursery industry. Such amounts are received and recorded in the Balance Sheet.

(k) Economic Dependence

The company was dependent on Horticulture Australia Innovation Limited (HIAL) for the majority of its revenue used to operate the project management part of the business. As a result of the review and changes in Governance, consultation funding ceased in a previous financial year. New contracts have been awarded under the new Statutory Funding Agreement in the areas of biosecurity and industry communications. The loss of consultation funding and the reduced number of levy funded projects has led to a shortfall in income going forward. The company is continuing to develop plans to replace lost income from the change in project funding.

(l) Financial instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

Financial assets are classified at fair value through the profit & loss when they are held for trading. Realised and unrealised gains and losses arising from changes in fair value are included in profit and loss in the period in which they relate.

Loans and receivables are non-derivative financial assets with fixed payments that are not stated in an active market.

Held to maturity investments are with banks and have fixed maturities, and the company intends to hold these until maturity.

Financial liabilities are non-derivative financial liabilities and are recognised at cost. The directors have assessed that no financial instrument has been impaired.

(m) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(n) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Critical accounting estimates and judgments

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

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions.

(p) New accounting standards for application in future periods

A number of new standards, amendments to standards and interpretations are effective for annual reporting periods beginning after 1 July 2016 and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the company.

- AASB 2014-4: Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation – only clarifies that revenue-based methods are prohibited, which are not followed by the Company;
- AASB 2015-1: Amendments to Australian Accounting Standards – Annual improvements to Australian Accounting Standards 2012-2014 Cycle – mostly editorial amendments and allowance of a discount rate on government bonds in the absence of a deep market in corporate bonds only for post-employment benefits, which the Company does not hold as at the end of the reporting period.

2 Revenue and Other Income	2017	2016
Revenue	\$	\$
Commissions	4,658	4,293
Members Publications	2,631	7,176
Subscriptions	261,360	247,417
FMS Income	204,083	-
HIAL Consultative Fees	23,850	1,400
Project Service Fees	75,292	184,242
Conference Profit	-	43,267
Interest received	10,517	15,533
Sundry Income	4,290	9,451
Total revenue	586,681	512,779

3 Auditors' Remuneration

Audit & review of financial statements	12,550	12,250
--	--------	--------

	2017	2016
4 Cash and Cash Equivalents	\$	\$
Cash on hand	200	200
Cash at bank	857,007	862,505
Short term deposits	256,559	252,173
	1,113,766	1,114,878

5 Trade and Other Receivables

Current

Project Debtors	40,199	49,607
Trade Debtors	108,240	66,897
Income Accrued	1,406	-
	149,845	116,504

Current trade receivables are non-interest bearing, a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2017.

6 Other Current Assets

Current

Prepayments	21,298	18,812
-------------	--------	--------

7 Financial Assets

Non-Current

Investment at Cost	10	10
--------------------	----	----

8 Property, Plant and Equipment

Plant and Equipment:

At cost	264,927	259,647
Accumulated depreciation	(162,143)	(145,647)
Total Plant and Equipment	102,784	114,000

Land and Buildings

At cost	577,805	577,805
Accumulated depreciation	(126,416)	(103,742)
Total Land and Buildings	451,389	474,063

Total Property, Plant and Equipment

	554,173	588,063
--	---------	---------

The directors obtained a market appraisal performed by an independent consultant on the property of \$812,800 in 2017. The directors have reviewed the property value and believe the current value exceeds the carrying value in the financial report. The property is carried at cost therefore no revaluation has been made.

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

Plant and Equipment

Balance at the beginning of the year	114,000	127,929
Additions during the year	5,280	5,618
Depreciation	(16,496)	(19,547)
Balance at the end of the year	102,784	114,000

Land and Buildings

Balance at the beginning of the year	474,063	496,800
Depreciation	(22,674)	(22,737)
Balance at the end of the year	451,389	474,063

9 Trade and Other Payables

Current

Trade Creditors	161,673	171,274
Prepaid Income	3,039	-
Project Receipts in Advance	774,789	772,787
	939,501	944,061

	2017	2016
	\$	\$
10 Project Receipts in Advance		
Reconciliation of project receipts in advance balances for the year		
Balance at the beginning of the year	772,787	953,603
Funds received from Horticulture Innovation Australia Ltd	650,018	931,337
Voluntary Contributions Received from States/Territories	-	175,986
Funds received from other sources	51,082	240,395
Voluntary contributions paid to HIAL	-	(196,748)
Funds applied to projects	(699,098)	(1,331,786)
Balance at the end of the year	774,789	772,787

11 Provisions

Current

Short term employee benefits

Employee benefits – annual leave	42,774	30,272
Employee benefits - long service leave	34,067	32,006
	76,841	62,278

Non-current

Long term employee benefits

Employee benefits – long service leave	6,236	3,610
	6,236	3,610

12 Retained Earnings

Retained earnings at the beginning of the financial year	828,318	831,843
Net profit (Net loss) attributable to members of the company	(11,804)	(3,525)
Retained earnings at the end of the financial year	816,514	828,318

13 Notes to the statement of cash flows

a) Reconciliation of cash

For the purpose of the statement of cash flows, 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.

Cash assets	1,113,766	1,114,878
-------------	-----------	-----------

b) Reconciliation of Cash Flow from Operations with Profit after Income Tax

Profit/(loss) after income tax	(11,804)	(3,525)
Add/(less) non-cash items:		
Depreciation	39,170	42,284
Net cash provided by operating activities before change in assets & liabilities	27,366	38,759

Change in assets and liabilities

(Increase)/decrease in receivables	(31,935)	(57,392)
(Increase)/decrease in prepayments	(2,486)	(4,449)
(Increase)/decrease in other assets	(1,406)	1,176
Increase/(decrease) in accounts payable	(9,601)	(1,961)
Increase/(decrease) in other liabilities	17,189	(21,889)
Cash Flow from Operations	(873)	(45,756)

14 Company Limited by Guarantee

The company is a company limited by guarantee under the Corporations Law. If the company is wound up, the memorandum of association provides that each member who is currently a member or has been a member during the previous year is required to contribute a maximum of \$5 towards the debt of the company. As at 30 June 2017 the number of members was 938 (2016 – 984) so the maximum funds to be received would be \$4,690.

	2017	2016
	\$	\$

15 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

- | | | |
|---|---------|---------|
| (a) Directors Allowances | 22,000 | 22,000 |
| (b) The names of the Directors who have held office during the financial year are: K Brock, G Fuller, C Groom, D Howard, P Lancaster, M Mehigan, H Mitchell, and S Smith. | | |
| (c) Key Management Personnel Compensation Short Term | 195,159 | 215,654 |
| (d) The directors are not aware of any other related party transactions. | | |

16 After Balance Date Events

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 subsequent financial years.

17 Financial Instruments

The company's financial assets are subject to interest rate risk. This will fluctuate in line with movements in the market rate.

Credit risk, being the risk that one party will cause a financial loss to the company by failing to discharge an obligation, is considered to be not material.

The company is not exposed to fluctuations in foreign currency. The company manages liquidity risk by monitoring cash flow and balances. The company is not exposed to any material commodity price risk. The fair net value for financial assets and liabilities is the carrying value. No financial assets or liabilities are traded on financial markets.

18 Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable – minimum lease payments		
not later than 12 months	8,747	-
Between 12 months and 5 years	16,766	-
	25,513	-

19 Company Details

The company is a not for profit organisation that administers projects for the benefit of the Nursery Industry. The legal form of the organisation is a company limited by guarantee, incorporated in Australia.

The registered office of the company is situated at Unit 58, 5 Gladstone Road, Castle Hill, New South Wales.

20 Critical Accounting Estimates and Judgements

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

DIRECTORS' DECLARATION

In the opinion of the directors of the company:

1. The financial statements and notes, as set out on pages 9 to 13, are in accordance with the Corporations Act 2001 and:

(a) comply with Accounting Standards – Reduced Disclosure Requirements; and

(b) give a true and fair view of the financial position as at 30 June 2017 and of the performance of the year ended on that date of the company.

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

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

Director:

Michael Mehigan – President

Dated at Castle Hill this 12th day of September 2017

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NURSERY & GARDEN INDUSTRY AUSTRALIA LIMITED
ACN 001 318 136**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Nursery & Garden Industry Australia Limited (the Company), which comprises the balance sheet at 30 June 2017, income statement, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Nursery & Garden Industry Australia Limited, is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Nursery & Garden Industry Australia Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and our 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 Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDH Audit & Assurance Pty Limited

Gede Barone
Director

Address: Level 12-14, 52 Phillip Street, Sydney NSW 2000

Dated at Castle Hill this 12th day of September 2017

COMPILATION REPORT

The additional financial data presented below is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our audit of the company for the year ended 30 June 2017. It will be appreciated that our audit did not cover all details of the attached financial data.

Accordingly, we do not express an opinion on such financial data and in particular no warranty of accuracy or reliability is given. We do not undertake responsibility in any way whatsoever to any person (other than the company) in respect of such data, including any errors or omissions however caused.

BDH Audit & Assurance Pty Limited

Gede Barone
Director
Dated at Castle Hill this 12th day of September 2017

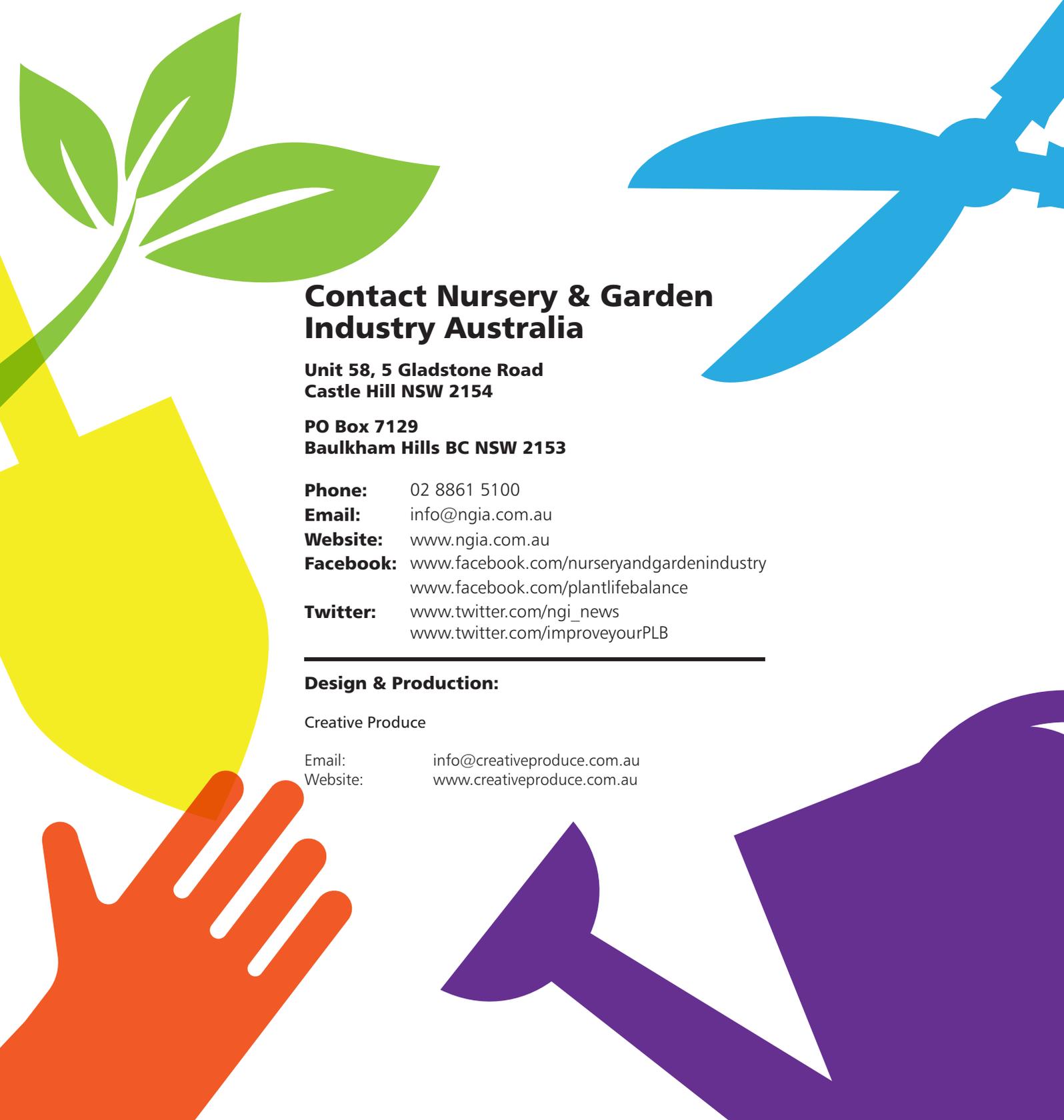
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
INCOME		
Commissions	4,658	4,293
Members Publications	2,631	7,176
Subscriptions	261,360	247,417
FMS Income	204,083	-
HIAL Consultative Fees	23,850	1,400
Project Service Fees	75,292	184,242
Conference Profit	-	43,267
Interest Received	10,517	15,533
Sundry Income	4,290	9,451
	<u>586,681</u>	<u>512,779</u>
EXPENSES		
Auditors Remuneration – Fees	12,550	12,250
Bank Charges	1,583	1,443
Consultancy Expenses	3,000	432
Depreciation	39,170	42,284
FMS Expenses	17,359	-
General Expenses	15,658	11,610
Holiday Pay Provision	5,857	173
Insurance	5,914	7,076
Interest	533	828
IT costs	22,824	14,122
Legal Costs	4,467	10,097
Long Service Leave Provision	3,811	(1,802)
Meeting & Travel Expenses	43,075	62,969
Occupancy expenses	18,742	17,860
President & Directors Allowances	22,000	22,000
Postage, Printing & Freight	12,495	9,558
Repairs & Maintenance	775	928
Salaries & Employee Expenses	308,556	244,765
Subscriptions	18,563	16,988
Superannuation	28,673	25,469
Telephone and data charges	12,880	17,254
	<u>598,485</u>	<u>516,304</u>
Profit (Loss)	(11,804)	(3,525)



**Nursery & Garden Industry
Australia**

NURSERY & GARDEN INDUSTRY AUSTRALIA
LIMITED ACN 001 318 136



Contact Nursery & Garden Industry Australia

**Unit 58, 5 Gladstone Road
Castle Hill NSW 2154**

**PO Box 7129
Baulkham Hills BC NSW 2153**

Phone: 02 8861 5100

Email: info@ngia.com.au

Website: www.ngia.com.au

Facebook: www.facebook.com/nurseryandgardenindustry
www.facebook.com/plantlifebalance

Twitter: www.twitter.com/ngi_news
www.twitter.com/improveyourPLB

Design & Production:

Creative Produce

Email: info@creativeproduce.com.au

Website: www.creativeproduce.com.au