



# **GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

**ABN 85 116 997 427**

## **FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016**

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## **GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

**ABN 85 116 997 427**

### **DIRECTORS' REPORT**

The directors present this report on the consolidated entity consisting of Gay and Lesbian Foundation of Australia Ltd (ABN 85 116 997 427) and the entities it controlled during the financial year ended 30 June 2016. Throughout the report the consolidated entity is referred to as the 'group'. The controlled entities during the year comprise the GALFA Public Fund (ABN 82 567 458 934) and GALFA Charitable Fund (ABN 45 880 774 771), for which the company acts as Trustee.

#### **Directors**

The names of each person who has been a director during the year and to the date of this report are:

Ms Susan Ditter	(appointed 8 February 2016)
Mr Damian Douglas-Meyer	
Ms Catherine Fitzgerald	(appointed 20 June 2016)
Mr Ian Gould	
Ms Sarina Jackson	
Mr Colin Krycer	
Ms Ruth McNair	
Ms Fiona Wilkie	(appointed 12 September 2016)

All the above directors have been in office since the start of the financial year to the date of this report, except those appointed during the year as noted above.

#### **Company Secretary**

The following person held the position of secretary since the start of the financial year to the date of this report:

Ms Sarina Jackson – Solicitor, partner of Douros Jackson Lawyers, has been a legal practitioner for 19 years, admitted to practice in New South Wales, Western Australia and Victoria. Sarina practices in the areas of commercial law, banking and finance, insolvency, property and litigation.

#### **Principal Activities**

The principal activities of the group during the financial year were: publicising the foundation; raising funds from donations and bequests, calling for and assessing grant applications, making grants to successful applicants, development of new project areas, and facilitating other philanthropic and charitable organisations to co-invest in projects supported by GALFA. The group draws on volunteer and pro bono support to minimise overhead costs, and does not employ staff. No significant change in the nature of the group's activities occurred during the financial year.

# GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

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## DIRECTORS' REPORT (cont'd)

### Operating Results

The operating profit of the group amounted to \$72,166 (2015: \$31,320). This includes a bequest of \$55,000 received from the Estate of J P Foley, and is after grants made totalling \$20,000 (2015: \$10,000) which were awarded as follows:-

#### **Royal District Nursing Service - \$5,000**

Grant Outcome area: Healthy Ageing

Purpose: To improve the quality of aged and nursing care of trans and gender diverse (TGD) people by developing evidence based guidelines and culturally appropriate training for nursing and aged care staff. The project will build knowledge and capacity within RDNS, and publish the guidelines in the project report, and so making it widely available.

This is a jointly funded project, in collaboration with the Sidney Myer Fund who contribute a further \$10,000, which brings the total of this projects grants to \$15,000.

The grant was made subject to usual conditions, including:

- the funds are used exclusively for the purpose as set out in the application for the grant,
- best endeavours are to be made to complete the project within 12 months,
- separate management accounts are to be maintained in respect of the grant, which are to be available on request, and,
- an acquittal report will be provided within 15 months of the grant.

#### **Swinburne University - \$10,000**

Grant Outcome Area: Homelessness

Purpose: To reduce the incidence of homelessness and improve the effectiveness of homeless services for GLBTIQ people in Australia, by reanalysing existing homelessness Journeys Home database, by interview service providers and homeless GLBTIQ people, by interpreting and making recommendations, and by publishing the work so it is available for policy and advocacy nationally.

This is part of a larger jointly funded project developed by GALFA in association with the Australian Communities Foundation, Hanover Welfare, The Lord Mayors Charitable Foundation, and the Victorian Department of Health and Human Services. Grants from all the parties over the life of this project will total \$60,000. GALFA's contribution to this is \$10,000, which was granted to Swinburne University this financial year. Other components of the project will be delivered by the University of Melbourne.

The grant was made subject to usual conditions, including:

- the funds are used exclusively for the purpose as set out in the application for the grant,
- best endeavours are to be made to complete the project within 12 months,
- separate management accounts are to be maintained in respect of the grant, which are to be available on request, and,
- an acquittal report will be provided within 15 months of the grant.

#### **Council on the Ageing Victoria - \$5,000**

Grant Outcome area: Healthy Ageing

Purpose: The development of an information resource to encourage and guide older transgender, gender diverse and GLBTI Victorians to plan around end of life.

# **GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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## **DIRECTORS' REPORT (cont'd)**

This is a jointly funded project, in collaboration with the Sidney Myer Fund who contribute a further \$10,000, which brings the total of this projects grants to \$15,000.

The grant was made subject to usual conditions, including:

- the funds are used exclusively for the purpose as set out in the application for the grant,
- best endeavours are to be made to complete the project within 12 months,
- separate management accounts are to be maintained in respect of the grant, which are to be available on request, and,
- an acquittal report will be provided within 15 months of the grant.

Last year the group received a grant of \$20,000 from Broadtree Foundation which was made with certain conditions. A Memoranda of Understanding was co-signed by Broadtree and GALFA. This money has been set aside for the purposes of funding a project that is mutually agreed upon by both parties, and applied to the area of disability amongst GLBTI people in Australia. These funds have not been granted during 2015-16 because the process of forming an advisory committee and the development of project proposals has taken longer than anticipated. The money will be allocated to suitable projects in 2016-17.

### **Dividends Paid or Recommended**

Item 5 of the Constitution states that company property and income must be applied solely towards promoting the company's objective, and that no distribution may be made to Members. Therefore no dividends were paid or declared since the start of the financial year and a recommendation for payment of a dividend cannot be made.

### **Review of Operations**

The results of the operations of the group during the financial year reflect ongoing fundraising and grant making activities.

### **Significant Changes in State of Affairs**

No significant changes in the group's state of affairs occurred during the financial year. The group continues to develop its charitable and grant giving capacity to attract donations, and has obtained co-funding from other philanthropic organisations so as to offer grants to organisations that meet approved criteria.

### **After Balance Date Events**

Since the end of the financial year the group has received the grant from the Victorian Department of Health and Human Services of \$20,000 for the purpose of funding additional research into the experiences and drivers of GLBTIQ homelessness. This amount was taken up as receivable in the financial statements at 30 June 2016. The work areas and reporting schedule for this work have been agreed and shall be delivered during 2016-17.

The group is investigating entering into an agreement with the Directors of The Channel, a newly formed giving circle, to collaborate in forming a sub-fund that will benefit GLBTI people and their allied communities. Pending further investigations, a full proposal may be presented to the Board for consideration and approval.

# **GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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## **DIRECTORS' REPORT (cont'd)**

The executor of the estate of J P Foley bequest advised that a second and final payment of approximately \$45,000 is likely mid 2016-17 financial year.

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

### **Future Developments**

The Board has plans to further develop the charitable and grant giving capacity and to attract donations, seek further co-funding from other philanthropic organisations and offer grants to organisations that meet approved criteria. Where volunteer resources allow, GALFA will assist GLBTIQ organisations access mainstream philanthropy.

### **Environmental Issues**

The group'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**

- Dr Ruth McNair - Chair of Directors  
Qualifications - MBBS, PhD, DRANZCOG, DA(UK), FRACGP  
Living in Melbourne, Ruth is a general practitioner specialising in GLBTI health and women's health. She is also Honorary Associate Professor at the Department of General Practice, University of Melbourne. In 2015 Dr. McNair was appointed Chair of the Victorian Government GLBTI Health and Human Services Working group and as a member of the GLBTI Taskforce. She was on successive Victorian Ministerial Advisory Committees on GLBTI Health and wellbeing from 2000 to 2010, and was on the Victorian Attorney General's Advisory Committee on Gay and Lesbian Issues from 2001 to 2007. She was the founding Convener of the Fertility Access Rights Lobby from 1999 to 2004, and was Convener of the Australian Lesbian Medical Association from 2002 to 2005. She was the inaugural treasurer of the Rainbow Families Council. In 2007, she received the Quiet Achiever Rainbow Award, and in 2008 she was made a life member of the Victorian Gay and Lesbian Rights lobby. She is a financial member of the National GLBTI Health Alliance, Rainbow Families Council, Australian Lesbian Medical Association, Victorian AIDS Council, JOY-94.9, the Australian Medical Association, Royal Australian College of General Practitioners, the Victorian Medical Women Society, and the Victorian Sexual Health Society.
- Ms Sarina Jackson - Secretary  
Qualifications - LLB, GDipLegPrac  
Now living in Sydney, Sarina is solicitor and partner of the law firm Douros Jackson Lawyers, with offices in Sydney, Melbourne, Perth and Brisbane. When living in Melbourne, she was on various boards of the ALSO Foundation including a time as President. She has been involved with JOY 94.9, HIV/AIDS Legal Centre and Victorian AIDS Council. Since being in Sydney, Sarina is a board member of The Coogee Randwick RSL Club, and Womensport and Recreation NSW.

## **GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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### **DIRECTORS' REPORT (cont'd)**

- Mr Ian Gould - Treasurer  
Qualifications - Dip Agr Sci, M Agr Sci, GMQ, MAICD  
Living in Melbourne Ian's career has been as a research engineer and scientist and senior research manager with Victorian Government and CSIRO. He is a Member of the Australian Institute of Company Directors and their Victorian NFP Committee and has Board experience of the Food and Packing Cooperative Research Centre and Food Safety Centre of Excellence. He has been a volunteer and activist in the GLBTI community for 30 years, including volunteer and then Board member of the Victorian Aids Council/Gay Men's Health Centre (1986-96), Committee Member and Treasurer of the Victorian Gay and Lesbian Rights Lobby (2000-04), volunteer with the Reichstein Foundation's GALFA formation committee (2004-5) and Deputy Chair of the Victorian Governments Advisory Committee on GLBTI Health and Wellbeing (2007-11). His current volunteer roles include member of the CaSPA (Claremont and Southport Aged Care) Governance Subcommittee, and Community Co-Chair of the Port Melbourne social health initiative SHIP.
- Ms Susan Ditter - Director  
Qualifications - Grad Dip Ed and M. Theatre for Development  
Living in Hobart, Susan is Executive Officer of Working It Out (WIO), Tasmania's gender, sexuality and intersex status support and education service. Susan is a member of various GLBTI Government working groups, and contributes to three national projects in Aged Care training, the MindOut! mental health project, and Safe Schools Coalition. Susan, representing Tasmania, is the Director of the National GLBTI Health Alliance and is currently Chair of the Board.
- Mr Damian Douglas-Meyer - Director  
Qualifications – BSc (CompSci Hons)  
Living in Perth, Damian is an information technology professional and gay and lesbian activist from Western Australia, former chair of Gay and Lesbian Equality (WA) Inc, former board member of GLBTI Retirement Association Inc (GRAI), former board member of Human Rights WA Inc.
- Ms Catherine Fitzgerald - Director  
Qualifications - BA Hons.  
Living in Adelaide, Catherine trained as an actor at Flinders University Drama Centre (1979 -1982) and has worked as an actor, director and writer working in alternative, community and main stage theatre, as well as in film and TV. She was Artistic Director of Feast Festival, Adelaide Queer Cultural Festival (2013 – 2015), Associate Director at State Theatre Company of South Australia (2011-12), Artistic Director of Vitalstatistix National Women's Theatre (1996-2002), and Artistic Director of Mainstreet Theatre based in the South East of South Australia in early 1990s. Catherine is currently a free-lance artist and spreads her time between directing and writing gigs around the country.  
  
In 2003 she was awarded The Centenary Medal for the development of women artists in South Australia through Vitalstatistix. Catherine has been a member of the Management Committee of International Women's Playwrights (2009-15) and was appointed as a Governor of the Board for State Theatre Company of South Australia (1996-2011). She is currently a Port Adelaide Arts Forum Board Member.

## GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

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### DIRECTORS' REPORT (cont'd)

- Mr Colin Krycer - Director  
Living in Melbourne, Colin is employed by Court Services Victoria for the past 28 years. He has been a committed volunteer in the HIV/AIDS field and the general GLBTI community for the past 30 years. Colin has been successful in fundraising and events, and has served on numerous GLBTI committees. He is one of the first members of community radio station JOY 94.9.
- Fiona Wilkie - Director  
Qualifications – B. Econ, Post Grad Dip Acc, Chartered Accountant, MBA (in progress).  
Living in Sydney, with a 6 months or longer secondment to Melbourne, Fiona is accountant and business controller with Orange Business Services. She has experience as a Senior Tax consultant (Price Waterhouse); operations and finance manager in a group of 4 nursing homes (Wilkie Resources Pty Ltd), set up and operations management with a start-up IT company in Boulder, USA & Sydney (Platypus Partners) and in business advisory management in Sydney (William Buck). Fiona is a current volunteer and director of Paws and Recover, fundraiser for Smith Family through long distance swimming (20km Solo Rottneest Channel 2015) volunteer to BGF and Gay and Lesbian Counselling Service (Sydney), and former volunteer with BCAP - Boulder County Aids Project and Humane Society of Boulder Valley.

### Meetings of Directors

During the financial year, 8 meetings of the directors were held. Given the interstate location of many directors, meeting are held by teleconference. Attendances by each director were as follows:

NAME	MEETINGS ELIGIBLE	MEETINGS ATTENDED
Susan Ditter (appointed 8 <sup>th</sup> Feb 2016)	4	2
Damian Douglas-Meyer	8	8
Catherine Fitzgerald (appointed 20 <sup>th</sup> June 2016)	1	1
Ian Gould	8	8
Sarina Jackson	8	4
Colin Krycer	8	8
Ruth McNair	8	8
Fiona Wilkie (appointed 12 Sept 2016)	0	0

### Indemnifying Officers or Auditor

The company has no insurance to indemnify the officers acting in their capacity as officers of the company. During or since the end of the financial year, no other indemnities have been given in relation to the officers of the company.

**GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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**DIRECTORS' REPORT (cont'd)**

The company carries no other insurance cover, as no significant insurable risks exist at this time. It is the policy of the company that insurance cover shall be obtained where risks arise, such as during the conduct of public fundraising events. Consistent with policy the company took out comprehensive Stall Holders insurance cover for its Community Stall at the 2016 MidSumma Carnival.

No indemnities have been given, during or since the end of the financial year, on behalf of the auditor of the company.

**Proceedings on Behalf of the Group**

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

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 9 after the directors' report.

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



.....  
Ian Gould, Director

Dated this 21<sup>st</sup> day of November 2016

To the Board of Directors of Gay and Lesbian Foundation of Australia Ltd:

**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001***

As lead audit partner for the audit of the financial statements of Gay and Lesbian Foundation of Australia Ltd for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

*Nexia*

**Nexia Melbourne Audit Pty Ltd**  
Chartered Accountants

Date: 15 June 2016

*A. Wehrens*

**Andrew Wehrens FCA**  
Director

**GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	2016 \$	2015 \$
Revenue	2	97,278	46,050
Grants awarded		(20,000)	(10,000)
Audit fees	3	(1,636)	(1,641)
Publications, printing and stationery expenses		(1,189)	(1,252)
Fundraising event costs		(975)	(968)
ASIC fees		(624)	(191)
Bank charges		(51)	(123)
Insurance		-	(99)
Other expenses		(637)	(456)
Profit before income tax		72,166	31,320
Income tax expenses	1(f)	-	-
Profit after income tax		<u>72,166</u>	<u>31,320</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016**

	Retained Earnings \$	Total Equity \$
Balance at 1 July 2014	21,937	21,937
Profit attributable to the group	<u>31,320</u>	<u>31,320</u>
Balance at 30 June 2015	53,257	53,257
Profit attributable to the group	<u>72,166</u>	<u>72,166</u>
Balance at 30 June 2016	<u>125,423</u>	<u>125,423</u>

The accompanying notes form part of the financial statements

**GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

**ABN 85 116 997 427**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	Notes	2016 \$	2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	109,128	52,452
Trade and other receivables	5	22,168	2,305
Other current assets	6	740	-
<b>TOTAL CURRENT ASSETS</b>		<b>132,036</b>	<b>54,757</b>
<b>TOTAL ASSETS</b>		<b>132,036</b>	<b>54,757</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	6,613	1,500
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,613</b>	<b>1,500</b>
<b>TOTAL LIABILITIES</b>		<b>6,613</b>	<b>1,500</b>
<b>NET ASSETS</b>		<b>125,423</b>	<b>53,257</b>
<b>EQUITY</b>			
Retained Earnings		125,423	53,257
<b>TOTAL EQUITY</b>	8	<b>125,423</b>	<b>53,257</b>

The accompanying notes form part of the financial statements

**GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	2016 \$	2015 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from donors		77,418	51,485
Payments to suppliers		(5,742)	(4,724)
Grants paid		(15,000)	(10,000)
Interest received		-	-
Net cash from operating activities	A	<u>56,676</u>	<u>36,761</u>
<b>Cash Flow from Financing Activities</b>			
Net cash used in financing activities		<u>-</u>	<u>-</u>
<b>Cash Flows from Investing Activities</b>			
Net cash used in investing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		56,676	36,761
Cash and cash equivalents at the beginning of the financial year		<u>52,452</u>	<u>15,691</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>109,128</u></u>	<u><u>52,452</u></u>

The accompanying notes form part of the financial statements.

**A. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT**

Reconciliation of cash flow from operations with profit after income tax

Operating Profit after Income Tax	72,166	31,320
<b>Changes in Assets and Liabilities:</b>		
(Increase)/decrease in Trade receivables	(19,863)	5,379
(Increase)/decrease in Prepayments	(740)	-
Increase in Payables	<u>5,113</u>	<u>62</u>
Cash from operating activities	<u><u>56,676</u></u>	<u><u>36,761</u></u>

# **GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

**ABN 85 116 997 427**

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

### **1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general-purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The consolidated financial report is for Gay and Lesbian Foundation of Australia Ltd (a company limited by guarantee), incorporated and domiciled in Australia, and the entities it controlled during the financial year ended 30 June 2016. Throughout the report the consolidated entity is referred to as the group. The controlled entities during the year comprise the GALFA Public Fund (ABN: 82 567 458 934) and GALFA Charitable Fund (ABN: 45 880 774 771), for which the company acts as Trustee.

#### **Basis of Preparation**

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Australian Accounting Standards and Australian Accounting Interpretations.

AASB 10:	Consolidated Financial Statements;
AASB 101:	Presentation of Financial Statements;
AASB 107:	Cash Flow Statements;
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors;
AASB 110:	Events after the Balance Sheet Date;
AASB 1031:	Materiality; and
AASB 1048:	Interpretation and Application of Standards.

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

#### **Reporting Basis and Conversions**

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

# GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

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

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

The following is a summary of the material accounting policies adopted by the group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### Accounting Policies

##### a. Revenue

- (i) Donations and grants received are recognised as revenue when received unless they are for a specific purpose, where they are carried forward as prepaid income on the balance sheet.
- (ii) Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

##### b. Financial Instruments

###### *Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

###### *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 entity 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.

# GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

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

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

#### b. Financial Instruments (cont)

##### *Classification and Subsequent Measurement*

##### *(i) Financial assets at fair value through profit or loss*

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

##### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

##### *(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

##### *(iv) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

##### *(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

##### *Fair value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing.

##### *Impairment*

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Income Statement.

# GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

ABN 85 116 997 427

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

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

#### c. Impairment of Assets

At each reporting date, the group 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 cost 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.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### d. Cash and cash equivalents

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

#### e. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised inclusive of the amount of GST, as GST incurred is not currently recoverable from the Australian Taxation 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 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.

#### f. Income Tax Expenses

No provision for income tax has been raised, as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

#### g. Provisions

Provisions are recognised when the group 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.

**GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)**

**h. Comparative Figures**

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

**i. 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 entity.

The financial report was authorised for issue on 21<sup>st</sup> November 2016 by the board of directors.

# GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

ABN 85 116 997 427

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

	2016	2015
	\$	\$
<b>2. REVENUE OPERATING ACTIVITIES</b>		
Grants and donations	42,278	46,050
Bequest	<u>55,000</u>	<u>-</u>
	97,278	46,050
Non-operating revenue:		
Interest	<u>-</u>	<u>-</u>
	<u>97,278</u>	<u>46,050</u>
<b>3. PROFIT BEFORE INCOME TAX</b>		
Expenses:		
Auditors remuneration:		
- Auditing the financial statements		
- Current year	1,700	1,500
- Under provision - Prior year	106	141
	<u>1,806</u>	<u>1,641</u>
The auditors did not receive any other benefits.		
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash at bank	<u>109,128</u>	<u>52,452</u>
	<u>109,128</u>	<u>52,452</u>
<b>5. TRADE AND OTHER RECEIVABLES</b>		
Grant receivable	20,000	-
Donations receivable – Give Now	<u>2,168</u>	<u>2,305</u>
	<u>22,168</u>	<u>2,305</u>
<b>6. OTHER CURRENT ASSETS</b>		
Prepayments	<u>740</u>	<u>-</u>

# GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD

ABN 85 116 997 427

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

	2016	2015
	\$	\$
<b>7. TRADE AND OTHER PAYABLES</b>		
Grants awarded	5,000	-
Other payables	1,613	1,500
	<u>6,613</u>	<u>1,500</u>
<b>8. TOTAL EQUITY</b>		
The balance of equity reserves is attributed to:		
Gay and Lesbian Foundation of Australia Ltd	-	-
GALFA Public Fund Trust	39,452	50,572
GALFA Charitable Fund Trust	85,971	2,685
	<u>125,423</u>	<u>53,257</u>

### 9. EVENTS AFTER BALANCE DATE

There were no significant events after the balance date that should be brought to account in the financial report at 30 June 2016.

### 10. ENTITY DETAILS

The registered office and principal place of business for the company is:

C/o Douros Jackson Lawyers  
Level 28  
31 Market Street  
Sydney NSW 2000

### 11. 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 \$100 each towards meeting any outstanding obligations of the company. At 30 June 2016 the number of members was 7 being the directors of the company (2015: 5).

**GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

**ABN 85 116 997 427**

**DIRECTOR'S DECLARATION**

The company is not a reporting entity because, in the Directors' opinion, there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This financial report is, therefore a "special purpose financial report" that has been prepared solely to meet the Corporations Act 2001 requirements to prepare a financial report in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that: -

- (a) the consolidated financial statements and notes as set out on pages 10 to 19 are in accordance with the Corporations Act 2001, comply with Accounting Standards and Corporations Regulations 2001 and give a true and fair view of the group's financial position as at 30 June 2016, and of its performance for the year ended on that date; and
- (b) In the directors' opinion there are reasonable grounds to believe that the group 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



.....  
Ian Gould  
Director

Dated this 21<sup>st</sup> November 2016

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD**

**Report on the Financial Report**

We have audited the accompanying financial report of Gay and Lesbian Foundation of Australia Ltd, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the 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 of the company.

*Directors' Responsibility 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 and the Corporations Act 2001 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 gives a true and fair view and 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012*.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF GAY AND LESBIAN FOUNDATION OF AUSTRALIA LTD (CONT.)**

*Opinion*

In our opinion:

- (a) the financial report of Gay and Lesbian Foundation of Australia Ltd is in accordance with the *Corporations Act 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
- (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards, the *Corporations Act 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

*Nexia*

*A. Wehrens*

**Nexia Melbourne Audit Pty Ltd  
Chartered Accountants**

**Andrew Wehrens FCA  
Director**

Date: 21 November 2016