

Gay and Lesbian Foundation of Australia Ltd

ABN: 85 116 997 427

Consolidated Financial Statements

For the Year Ended 30 June 2018

Gay and Lesbian Foundation of Australia Ltd

ABN: 85 116 997 427

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Gay and Lesbian Foundation of Australia Ltd

ABN: 85 116 997 427

Directors' Report

30 June 2018

The directors present their report, together with the consolidated financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2018.

1. General information

Information on 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

Qualifications

Grad Dip Ed and M. Theatre for Development

Experience

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 was previously a Director of the National GLBTI Health Alliance and is currently Chair of that Board.

Mr Damian Douglas-Meyer

Qualifications

BSc (Comp Sci Hons)

Experience

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

Qualifications

BA Hons.

Experience

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.

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Directors' Report

30 June 2018

1. General information

Information on directors

Mr Ian Gould

Qualifications

Experience

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 has previously been a member of their Victorian NFP Committee in addition to having Board experience with 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.

Mr Colin Krycer

Experience

Living in Melbourne, Colin has been employed by Court Services Victoria for the past 29 years. He has been a committed volunteer in the HIV/AIDS field and the general LGBTI community for the past 30 years. Colin has been successful in fundraising and events, and has served on numerous LGBTI committees. He is co convenor of ALEPH social support group for LGBTI Jews. He is one of the first members of community radio station JOY 94.9. In May 2017 Colin was awarded the Minister Of Health Award for his volunteer work with the Victorian AIDS Council.

Ms Sarina Jackson

Qualifications

Experience

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.

Special responsibilities

Secretary

Gay and Lesbian Foundation of Australia Ltd

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Directors' Report

30 June 2018

1. General information

Information on directors

Dr Ruth McNair

Qualifications

Experience

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. Ruth was inducted onto the Victorian Honour Roll of Women in 2017 for her work in LGBT advocacy and medical education.

Special responsibilities

Chair of Directors

Ms Fiona Wilkie

Qualifications

Experience

B. Econ, Post Grad Dip Acc, Chartered Accountant, MBA (in progress)

Previously based in Melbourne and now living in Sydney, Fiona recently completed 7 years' service with Orange Business Services as Regional Financial Controller. Prior to that Fiona's work experience included; Business Advisory manager for William Buck, Chartered Accountants; Operations and finance manager for her family business which owned and operated aged care facilities across Sydney; Set up and responsible for the operations and management of an IT start-up company in Boulder, USA (Platypus Partners); joined Price Waterhouse Tax Section under the Graduate intake program. Fiona is a current volunteer and Director of Paws and Recover, was a mentor with the Smith Family ITrack online Mentoring program; a former volunteer with BGF, the Gay and Lesbian Counselling Service (Sydney) and Boulder County Aids Project (BCAP).

Special responsibilities

Treasurer

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Gay and Lesbian Foundation of Australia Ltd

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Directors' Report

30 June 2018

1. General information

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 these activities occurred during the year.

Members' guarantee

Gay and Lesbian Foundation of Australia Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 100 , subject to the provisions of the company's constitution.

At 30 June 2018 the collective liability of members was \$ 800 (2017: \$ 800).

2. Operating results and review of operations for the year

Operating results

The consolidated loss of the Group amounted to \$ (5,885) (2017: \$ 62,041).

Review of operations

A review of the operations of the Group during the financial year and the results of those operations show ongoing fundraising and grant making activities.

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Group during the year.

Events after the reporting date

No 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.

Gay and Lesbian Foundation of Australia Ltd

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Directors' Report

30 June 2018

3. Other items

Future developments and results

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 regulations under a law of the Commonwealth or of a state or territory of Australia.

Meetings of directors

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ms Susan Ditter	6	3
Mr Damian Douglas-Meyer	6	6
Ms Catherine Fitzgerald	6	4
Mr Ian Gould	6	6
Mr Colin Krycer	6	6
Ms Sarina Jackson	6	3
Dr Ruth McNair	6	6
Ms Fiona Wilkie	6	4

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Gay and Lesbian Foundation of Australia Ltd.

Directors' Report

30 June 2018

Auditor's independence declaration

The lead auditor's independence declaration in accordance with Section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2018 has been received and can be found on page 7 of the consolidated financial report.

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

Director: 
Mr Ian Gould

Dated this 7th day of November 2018

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*

I declare that to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Nexia Melbourne Audit Pty Ltd
Chartered Accountants



Andrew Wehrens FCA
Director

Date: 8th of November 2018

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 2018

		2018	2017
	Note	\$	\$
Revenue	3	95,677	143,909
Grants awarded		(69,348)	(72,146)
Audit fees		(2,246)	(1,683)
Publications, printing and stationery expenses		(1,117)	(886)
Fundraising events		(1,155)	(4,374)
Insurance		(99)	(99)
Other expenses		(2,563)	(2,680)
Marketing		(23,415)	-
Donation Processing Fees		(1,619)	-
(Loss) / Profit for the year		(5,885)	62,041
Total comprehensive income for the year		(5,885)	62,041
(Loss) / Profit attributable to:			
Members of the parent entity		(5,885)	62,041
Total comprehensive income attributable to:			
Members of the parent entity		(5,885)	62,041

The accompanying notes form part of these financial statements.

Gay and Lesbian Foundation of Australia Ltd

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Consolidated Statement of Financial Position As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	73,200	134,233
Trade and other receivables	5	13,431	6,586
Other assets	6	-	83
TOTAL CURRENT ASSETS		<u>86,631</u>	<u>140,902</u>
NON-CURRENT ASSETS			
Other financial assets (Long term deposits)		<u>100,645</u>	<u>50,000</u>
TOTAL NON-CURRENT ASSETS		<u>100,645</u>	<u>50,000</u>
TOTAL ASSETS		<u>187,276</u>	<u>190,902</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	<u>5,696</u>	<u>6,874</u>
TOTAL CURRENT LIABILITIES		<u>5,696</u>	<u>6,874</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>5,696</u>	<u>6,874</u>
NET ASSETS		<u>181,580</u>	<u>184,028</u>
EQUITY			
Retained earnings	8	<u>181,579</u>	<u>187,464</u>
TOTAL EQUITY		<u>181,579</u>	<u>187,464</u>

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2017		187,464	187,464
Profit (Loss) attributable to members of the parent entity		(5,885)	(5,885)
Balance at 30 June 2018	8	181,579	181,579
2017			
Balance at 1 July 2016		125,423	125,423
Profit attributable to members of the parent entity		62,041	62,041
Balance at 30 June 2017		187,464	187,464

Gay and Lesbian Foundation of Australia Ltd

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Consolidated Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donors	88,832	159,491
Payments to suppliers	(29,872)	(12,240)
Grants paid	(69,348)	(72,146)
Net cash (used in) / provided by operating activities	12 (10,388)	75,105
Purchase of investments	(50,645)	(50,000)
Net cash (used in) investing activities	(50,645)	(50,000)
Net increase / (decrease) in cash and cash equivalents held	(61,033)	25,105
Cash and cash equivalents at beginning of year	134,233	109,128
Cash and cash equivalents at end of financial year	4 73,200	134,233

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2018

The consolidated financial report covers Gay and Lesbian Foundation of Australia Ltd and its controlled entities ('the Group'). Gay and Lesbian Foundation of Australia Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. 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.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Directors opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Grant revenue

Grant revenue is recognised in the consolidated statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the consolidated statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Gay and Lesbian Foundation of Australia Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the consolidated statement of financial position, with a corresponding amount of income recognised in the consolidated statement of profit or loss and other comprehensive income.

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

(d) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(d) Financial instruments

All income and expenses relating to financial assets are recognised in the consolidated statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Group's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Group's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Group uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Group's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(e) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Adoption of new and revised accounting standards

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(h) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Group where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards	30 June 2019	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using AASB 9 are to be measured at fair value.	The impacts on the reported financial position and performance have not yet been determined.
AASB 15 Revenue from contracts with customers	30 June 2020	Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attribute to changes in the entity's own credit risk are presented in other comprehensive income. AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services. Accounting policy changes will arise in timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element. AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addresses comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple element arrangements.	The impacts on the reported financial position and performance have not yet been determined.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(h) New Accounting Standards and Interpretations

Standard Name	Effective date for entity	Requirements	Impact
AASB 16 Leases	30 June 2020	<p>AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet.</p> <p>The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments.</p> <p>A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.</p>	<p>The impacts on the reported financial position and performance have not yet been determined.</p>

2 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these Consolidated financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Gay and Lesbian Foundation of Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2018

3 Revenue and Other Income

	2018	2017
	\$	\$
Revenue		
- Grants and donations	93,179	142,628
- other income	2,498	1,281
	<u>95,677</u>	<u>143,909</u>

4 Cash and Cash Equivalents

Cash at bank	<u>73,200</u>	<u>134,233</u>
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Reconciliation of cash

Cash and Cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

Cash and cash equivalents	73,200	134,233
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5 Trade and Other Receivables

CURRENT		
Trade receivables	13,431	6,586
	<u>13,431</u>	<u>6,586</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

6 Other Assets

CURRENT		
Prepayments	-	83

Gay and Lesbian Foundation of Australia Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2018

7 Trade and Other Payables

	2018	2017
	\$	\$
Current		
Trade payables	5,696	3,437
	<u>5,696</u>	<u>6,874</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

8 Retained Earnings

The balance of retained earnings is attributed to:

GALFA Public Fund Trust	60,161	62,333
GALFA Charitable Fund Trust	121,418	125,131
	<u>181,579</u>	<u>187,464</u>

9 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 outstandings and obligations of the Company. At 30 June 2018 the number of members was 8 (2017: 8).

10 Auditors' Remuneration

Remuneration of the auditor of the Group,
Nexia Melbourne Audit Pty Ltd, for:
- auditing the financial statements

2,250	1,636
<u>2,250</u>	<u>1,636</u>

11 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017: None).

Gay and Lesbian Foundation of Australia Ltd

ABN: 85 116 997 427

Notes to the Financial Statements For the Year Ended 30 June 2018

12 Cash Flow Information

Reconciliation of (loss) / profit to net cash (used in) / provided by operating activities:

	2018	2017
	\$	\$
(Loss) / Profit for the year	(5,885)	62,041
Changes in assets and liabilities:		
- (increase) / decrease in trade and other receivables	(6,845)	15,582
- (increase) / decrease in prepayments	83	657
- increase / (decrease) in trade and other payables	2,258	(3,175)
Cashflows (used in) / provided by operating activities	<u>(10,389)</u>	<u>75,105</u>

13 Events after the end of the Reporting Period

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

14 Statutory Information

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

Gay and Lesbian Foundation of Australia Ltd
C/o Douros Jackson Lawyers
Level 28, 31 Market Street
Sydney NSW 2000

Gay and Lesbian Foundation of Australia Ltd

ABN: 85 116 997 427

Directors' Declaration

The directors of the Company declare that, in their opinion:

1. The consolidated financial statements and notes, as set out on pages 8 to 20, are in accordance with the Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (a) comply with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012; and
 - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Company and its controlled entities.
2. 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 and Regulation 60-15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director.....
Mr Ian Gould

Dated this 7th day of November 2018

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

Report on the Financial Report

We have audited the financial report, being a special purpose financial report, of Gay and Lesbian Foundation of Australia Ltd, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and directors' declaration.

In our opinion, the accompanying financial report of Gay and Lesbian Foundation, is in accordance with 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 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 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 *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of the Company, 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.

Emphasis of matter regarding basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist Gay and Lesbian Foundation of Australia Ltd to comply with the financial reporting provisions of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Responsibilities of 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 and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors are also responsible 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.

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

Auditor's responsibility 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 judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- 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 Entity'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 Entity 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 those charged with governance 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.



**Nexia Melbourne Audit Pty Ltd
Melbourne**



**Andrew S. Wehrens FCA
Director**

Date: 8th of November 2018