

ENSEMBLE THEATRE FOUNDATION

A.B.N. - 13 923 149 043

SPECIAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2019

CONTENTS

- Declaration by Trustee
- Auditor's Report
- Statement of Financial Position
- Public Trust Funds
- Income and Expenditure Account
- Notes to the Financial Report

JOSEPH SHAMIA & CO.
CHARTERED ACCOUNTANTS

ENSEMBLE THEATRE FOUNDATION
TRUSTEE'S DECLARATION
30TH JUNE 2019

The trustee has determined that Ensemble Theatre Foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial report.

The trustee declares that:

- (1) The financial report and notes to the financial report are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with accounting standards as detailed in Note 1 to the financial report; and
 - (b) give a true and fair view of the Foundation's financial position as at 30th June 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial report.
- (2) In the trustees' opinion there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

.....Director (Graham Bradley)

.....Director (Mark Kilmurry)

Dated this ____ day of September 2019

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ENSEMBLE THEATRE FOUNDATION**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Ensemble Theatre Foundation (the registered entity), which comprises the statement of financial position as at 30 June 2019, the income and expenditure account and notes to the financial report, including a summary of significant accounting policies, and the trustee's declaration.

In my opinion, the accompanying financial report of Ensemble Theatre Foundation is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the registered entity in accordance with the auditor independence requirements of the ACNC Act 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

The trustees are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Trustees for the Financial Report

The trustee of the registered entity is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the trustees 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 trustees are responsible for assessing the registered entity'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 trustees either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 trustees.
- Conclude on the appropriateness of the trustee's 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered 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.

I communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Name of Auditor

Joseph Shamia, Chartered Accountant
Registered Company Auditor

Address

Suite 1, 307-317 Condamine Street, Manly Vale NSW 2093

Dated this day of September 2019

ENSEMBLE THEATRE FOUNDATION

A.B.N. - 13 923 149 043

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019

2018	NOTE	
		<u>PUBLIC TRUST FUNDS</u>
10	Settlement Sum	10
		<u>PUBLIC TRUST FUNDS</u>
3,511,120	Accumulated Public Trust Funds	3,705,335
<u>3,511,130</u>	TOTAL PUBLIC TRUST FUNDS	<u>3,705,345</u>
	REPRESENTED BY	
		<u>FIXED ASSETS</u>
53,488	Motor Vehicles - at Cost	53,488
43,814	Less Prov'n for Depreciation	45,628
<u>9,674</u>		<u>7,860</u>
		<u>INVESTMENTS</u>
1,143,505	National Australia Bank - Custody Bond (Genworth)	1,143,505
508,790	National Australia Bank - Custody Bond (NAB)	508,790
310,662	National Australia Bank - Custody Bond (AAI Ltd)	310,662
179,871	1,821 National Australia Bank - Convertible Pref Shares II	179,871
184,239	1,811 IAG Finance (NZ) Limited - Perp Reset Exch Securities	184,239
<u>2,327,067</u>		<u>2,327,067</u>
		<u>SHARE INVESTMENT</u>
1,189,996	Shares in Ensemble Theatre Pty Ltd - Note 3	1,189,996
<u>3,517,063</u>		<u>3,517,063</u>
		<u>CURRENT ASSETS</u>
10	Cash on Hand	10
55,036	Westpac Banking Corporation - Public Fund	148,792
215	Westpac Banking Corporation - Public Fund	216
918	National Australia Bank - Public Fund	13,225
18,262	Accrued Interest Income	17,237
-	NAB Trade - Cash Account	942
<u>74,441</u>		<u>180,422</u>
<u>3,601,178</u>	TOTAL ASSETS	<u>3,705,345</u>

The accompanying notes form part of this financial report

ENSEMBLE THEATRE FOUNDATION

A.B.N. - 13 923 149 043

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019

<u>2018</u>		<u>NOTE</u>
	<u>CURRENT LIABILITIES</u>	
90,000	Accounts Payable	-
48	Accruals	-
<u>90,048</u>		-
<u>3,511,130</u>	NET PUBLIC TRUST FUNDS	<u>3,705,345</u>

The accompanying notes form part of this financial report

ENSEMBLE THEATRE FOUNDATION

A.B.N. - 13 923 149 043

PUBLIC TRUST FUNDS FOR THE YEAR ENDED 30TH JUNE 2019

2018

NOTE

<u>PUBLIC TRUST FUNDS</u>		
3,750,368	Opening Balance - 1 July 2018	3,511,120
(239,248)	Surplus (Deficit) Public Funds for the Year	<u>194,215</u>
<u>3,511,120</u>	TOTAL PUBLIC TRUST FUNDS	<u>3,705,335</u>

ENSEMBLE THEATRE FOUNDATION

A.B.N. - 13 923 149 043

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2019

2018

<u>INCOME</u>		
45,000	Donations	104,575
6,415	Dividends	6,623
113,371	Interest	103,346
2,958	Franking Credit Refund	5,896
<u>167,744</u>	TOTAL INCOME	<u>220,440</u>
<u>EXPENDITURE</u>		
3,800	Accounting & Secretarial	3,382
875	Audit	880
37	Bank Charges	2
2,232	Depreciation	1,814
400,000	Donations	20,000
48	Filing Fees	147
<u>406,992</u>	TOTAL EXPENDITURE	<u>26,225</u>
<u>(239,248)</u>	ACCUMULATED SURPLUS (DEFICIT)	<u>194,215</u>

The accompanying notes form part of this financial report

ENSEMBLE THEATRE FOUNDATION
A.B.N. - 13 923 149 043
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

NOTE 1 - Summary of Significant Accounting Policies

Basis of Preparation

This special purpose financial report has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

The financial report, has been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial report have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the statement of financial position.

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

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

(b) Fair Value of Assets and Liabilities

The Foundation measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Foundation would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

ENSEMBLE THEATRE FOUNDATION
A.B.N. - 13 923 149 043
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial report.

(c) Property, Plant and Equipment

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

Plant and Equipment

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

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 Foundation and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the Foundation commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

ENSEMBLE THEATRE FOUNDATION
A.B.N. - 13 923 149 043
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

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

Class of Fixed Asset & Depreciation Rate

Plant and Equipment - 5% - 40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Foundation commits itself to either purchase or sell the asset (ie trade date accounting is 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 recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The accompanying notes form part of this financial report

