

First Draft Incorporated

(an incorporated association)

ABN 17 462 007 615

Annual Financial Report

31 December 2018

Contents

First Draft Incorporated

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Corporate Information

First Draft Incorporated

	Name	Special Responsibilities
Committee Members	Tahjee Moar Justine Youssef Tian Zhang Julia Mendel Jamey Thi Nguyen Athena Thebus Nadia Herndandez Issey Kinson Claudia Roosen Soo-Min Shim	Treasurer / Deputy Chair Chair
Registered Office and Principal Place of Business	13-17 Riley Street Woolloomooloo NSW 2011	
Public Officer	Tian Zhang	
Auditors	Steven J Miller & Co Chartered Accountants	

Committee Members' Report

First Draft Incorporated

The Committee members of First Draft Incorporated present their Report together with the financial statements for the year ended 31 December 2018 and the Independent Audit Report thereon.

Committee members' details and meetings

The following persons were committee members of First Draft Incorporated during or since the end of the financial year.

The number of meetings of committee members during the year and the number of meetings attended by each member is as follows:

Name	Date of Appointment	Date of cessation	Committee meetings	
			A	B
Margaret Brink	1 Jan 2018	31 Dec 2018	13	10
Jana Hawkins-Andersen	1 Jan 2017	31 Dec 2018	13	11
Georgia Hobbs	1 Jan 2017	1 Oct 2018	10	8
Peter Johnson	1 Jan 2017	31 Dec 2018	13	11
Brigit Moran	1 Jan 2017	31 Dec 2018	13	12
Tahjee Moar	1 Jan 2018	Continuing	13	11
Jade Muratore	1 Jan 2017	31 Dec 2018	13	12
Kathleen Winten	1 Jan 2017	31 Dec 2018	13	8
Justine Youssef	1 Jan 2018	Continuing	13	7
Tian Zhang	1 Jan 2018	Continuing	13	11
Julia Mendel	1 Jan 2019	Continuing	-	-
Jamey Thi Nguyen	1 Jan 2019	Continuing	-	-
Athena Thebus	1 Jan 2019	Continuing	-	-
Nadia Herndandez	1 Jan 2019	Continuing	-	-
Issey Kinson	1 Jan 2019	Continuing	-	-
Claudia Roosen	1 Jan 2019	Continuing	-	-
Soo-Min Shim	1 Jan 2019	Continuing	-	-

A Number of meetings the Member was entitled to attended

B Number of meetings the Member attended

Principal activities

Firstdraft is a national artist led organisation that creates an environment for artists to imagine the expanded possibilities of visual art practices. Our sustainable model of governance allows us to champion risk and encourage ambition in a professional gallery context. With artists, curators and writers at our centre we foster a diversity of practices, people and programs that epitomise excellence and contribute to dynamic local and global discourse.

Firstdraft's artistic activities fall into five broad categories: Exhibitions, Curators', Writers', Public Programs, and Outreach. The Exhibition, Curators', and Writers' Programs are administered via open call every six months to populate the following six months of programs. This short-lead model is vital to respond to rapid changes in emerging practice and allow early-career artists to realise ideas in a timely manner. Public Programs and Outreach are responsive and programmed by-invitation of the Firstdraft directorate to ensure a range of practices and demographics are represented.

Committee Members' Report

First Draft Incorporated

Principal activities continued

Firstdraft is a national leader in presenting emerging visual arts practices and is a training ground for the next generation of cultural practitioners in the visual arts sector through both its program and its management. Firstdraft strives for artistic excellence, presenting the best work sourced nationally, across the full expanse of contemporary visual arts. We see ourselves as a national leader in developing a sustainable artist-run initiative model that attracts significant support from its communities. We support our programming with a critical dialogue that encourages audiences to access and understand the work we present, and create a national conversation around emerging art and artists.

Operating result

The surplus for the year amounted to **\$1,480** (2017: Surplus \$28,160).

Review of Operations

Firstdraft has 2 full time and 1 part time staff members who administer the organisation. In December 2017 Bryden Williams replaced Guy Loudon as Program & Gallery Coordinator. In May 2018 Nina Gibbes left her position as Communications & Administration Coordinator to study. Sophie Penkethman-Young was appointed Communications & Administration Coordinator and this role became a full time position in June. This increased staffing has enabled a significant increase in organisational capacity with greater support for artists, higher quality of exhibition and less reliance on volunteer labour. In May 2018 Tesha Mallot departed after 5 years as General Manager. She was replaced initially by Amanda Haskard, however Amanda stepped down and in October 2018 Georgia Hobbs was appointed General Manager.

The Firstdraft Directorate is made up of 8-10 rotating board members who each serve a two year term. The Directorate is responsible for administering the artistic program. At the end of 2017, EO Gill (previously Emily O'Connor) and Flora Grant finished their terms, welcoming four new directors Tian Zhang, Tahjee Moar, Justine Youssef and Maggie Brink who joined Peter Johnson, Georgia Hobbs, Bridie Moran, Jana Hawkins-Andersen, Katie Winten and Jade Muratore. Georgia Hobbs tendered her resignation from the board in October 2018, so that she could take on the position of General Manager. In December 2018 directors Peter Johnson, Bridie Moran, Jana Hawkins-Andersen, Katie Winten and Jade Muratore finished their term and Maggie Brink stepped down as she relocated to Melbourne. The 2019-2020 Directorate were selected in November 2018. They are Soo-Min Shim, Athena Thebus, Claudia Roosen, Nadia Herndandez, Julia Mendel, Jamey Nguyen and Ohni Blu.

In September 2017 Firstdraft established three new office bearing roles: Chair, Treasurer and Secretary, each serving one year. Following elections at the Annual General Meeting, Peter Johnson was appointed Firstdraft's inaugural Chairperson, Jade Muratore was appointed Treasurer and General Manager Tesha Mallot became the Secretary, a non-voting position. In September 2018, Peter Johnson resigned as Chair, replaced by Tian Zhang and Jade Muratore resigned as Treasurer, replaced by Tahjee Moar. Georgia Hobbs is now Secretary.

Firstdraft's advisory committee remained constant, with continuing members Lisa Havilah, Philip Keir, Steven Miller and James Roland who provided expertise and guidance in the areas of philanthropy, arts management, finance and law. In 2017 Firstdraft added two additional roles for Indigenous advisors Clothilde Bullen and Nardi Simpson.

Firstdraft has a strong volunteer program which supports the organisation's operations and provides vital professional development opportunities for artists and arts administrators. Currently there is an established team of 35 volunteers. Firstdraft undertook recruitment for volunteers in 2018 and received a very positive response.

Committee Members' Report

First Draft Incorporated

Review of Operations continued

Funding:

The organisation received funding support from the City of Sydney (CoS), Create NSW and the Australia Council for the Arts. In 2018 Firstdraft was supported by CoS through its Accommodation Grant Program, receiving a \$94,635 rental discount. In 2018 Firstdraft received \$150,000 in multi-year funding from Create NSW for organisational operations. Firstdraft also received multi-year funding from the Australia Council of \$110,000.

Our Annual Fundraising Auction, held on 31 August, was one of our biggest achievements of 2018. Since 2009 artists from the Firstdraft community have donated works to be auctioned in both live and silent lots. The growth of this event has been strong, with all proceeds going towards keeping the Firstdraft exhibition program rent free for artists. Our auction revenue has tripled over the past few years and Firstdraft is proud to offer contributing artists a 25% commission on the sale of their work. The 2018 auction was our biggest yet, with 150 artworks offered for sale by 145 artists. The auction grossed \$62,140, \$10,988 of this went straight back to artists via their optional commission. The auction also drew a huge audience, expanding our reach to those not familiar with emerging or experimental art practice.

Exhibition Program

Firstdraft's Exhibition Program is at the core of the organisation, presenting innovative new work by emerging artists, encouraging professionalisation and supporting experimental practice. The exhibition program is selected via twice-yearly callouts and programmed by the Directorate. This short-lead approach supports artists in the early years of their practice allowing them to explore and present ideas quickly, it also enables the organisation to respond to changes in the artistic landscape.

In 2018 the exhibition program began on 10 January and over the year presented the work of 104 individual artists, collaborations or groups in 41 exhibitions. All exhibiting artists in the 2018 program received a fully subsidised gallery space for four weeks, artist fees of \$1000, professional documentation of their work, promotion via our website, EDMs and social media, access to equipment and participation in monthly artist talks. The 2018 program included primarily young artists from Sydney, Western Sydney, regional NSW and across Australia from Victoria, South Australia, Queensland, Australian Capital Territory, Northern Territory and Western Australia. The program was diverse with artists who identify as Culturally and Linguistically Diverse, Aboriginal and Torres Strait Islander and LGBTIQA+.

DATES	GALLERY 1	GALLERY 2	GALLERY 3	GALLERY 4
Jan	<i>Unreal City</i> Curated by Sarah Rees with artists Lewis Fidock, Joshua Petherick, Bonita Bub, Mitch Cairns, Anna Kristensen, Tarik Ahlip, Thomas Jeppe & Sanne Mestrom		<i>Trust the Flesh</i> Pamela Arce	<i>How Deep is Your Love</i> Yiorgo Yiannopoulos
Feb	<i>Transcendance</i> Curated by Nanette Orly with artists Talia Smith, Roberta Rich, Get to Work, Nathan Beard & Dana Davenport	<i>The Rambunctious Garden</i> James Farley	<i>Conversation in Two Parts</i> Sarah Poulgrain	<i>Meletē</i> Dylan Batty
Mar	<i>Tomorrow Girls Troop</i> Curated by Alison Groves	<i>Keep it Real!</i> Kevin Diallo	<i>EXIT PROMISES 2.0</i> Laura Hunt	<i>History House</i> Thea Perkins

Committee Members' Report

First Draft Incorporated

Review of Operations continued

DATES	GALLERY 1	GALLERY 2	GALLERY 3	GALLERY 4
Apr	<i>"This Is My Army (Este Es Mi Ejército)"</i> Nadia Hernández	<i>Watch All, the act of seeing</i> Dalton Stewart	<i>Your Woman is a Very Bad Woman</i> Quishile Charan	<i>A Kingdom of Fake Flowers for My Mother</i> Chun Yin Rainbow Chan
May	<i>Workshop 2</i> Curated by Valerie Schlosberg + Isabella Cornell with artists Serwah Attafuah, Meg Driver, Angela Goh, Kimchi Princi, Jasmine Pickup, Emma Size, Justyna Stanczew, Celeste Stein, Mashara Wachjudy & Seb Wightontuckey		<i>Fabrications</i> Grace Blake	<i>Camel Coat</i> Snack Syndicate
Jun	<i>Close Personal Friends</i> Curated by Barnaby Lewer with artists Holly White & Martin Kohout	<i>Matter Delights and Artificial Insights</i> Hypercomf	<i>Paired</i> Curated by Harriet Body with Thom & Angelmouse, Rosie Deacon & Emily Crockford, Arunan Dharmalingam & Jessica Hodgkinson, Glenn Barkley & John and Glenda Havilah, Henry Jock Walker & Scott Pyle, Dion Beasley & Johanna Bell, Catherine Bell & Cathy Staughton, and Kate Adams & Paul Colley	
Jul	<i>Any Similarity To Any Person Living or Dead Is Merely Coincidental</i> Dominic Byrne, Leila el Rayes, Hana Hoogedeure, Kristina Savic & Matthew Varnay	<i>Mahal</i> Marikit Santiago	<i>Supernature</i> Carla Cescon & Scott Donovan	<i>Identitasku</i> Bertha Putri
Aug	<i>Watene Ah Um</i> Yonel Watene	<i>Making Me, Making Mother</i> Paris Norton	<i>Body/Cartography</i> Duha Ali & Justine Youssef	<i>Your Time</i> Phebe Schmidt
Sep	<i>A monumental echo</i> Lisa Sammut	<i>Phrasal Breaches</i> Amy Parker	<i>4Eva</i> Audrey Newton	<i>Score Club / Club Score</i> Alexandra Spence, Megan Clune, M.P Hopkins, Andrew Fedorovitch
Oct	<i>Daydreamer Wolf</i> Elyas Alavi	<i>A Wilder Sun</i> Blake Lawrence	<i>V (Valentine)</i> Anna Pogossova	<i>No Hurt, No Scar</i> Loc Nguyen
Nov	<i>Not Coming Andersson</i> Jelena Telecki	<i>it's hard to move away from turning water</i> Tom Blake	<i>Wave-lengths Hitherto Undetected</i> Jade Boyd	<i>CHI CHI</i> Curated by Shivanjani Lal with artsits Saviya Lopes, Maith Ilibavkar & Kanika Makhija
Dec	<i>Closed</i>	<i>Closed</i>	<i>Closed</i>	<i>Closed</i>

Committee Members' Report

First Draft Incorporated

Review of Operations continued

A significant achievement of our 2018 exhibition program was 'Daydreamer Wolf' by Elyas Alavis which ran from 3-26 October. Elyas Alavi is a multi-disciplinary visual artist based in Adelaide. He was born in Daikundi province, Afghanistan, and moved to Iran as a child, following the intensification of war in his homeland and in late 2007 he moved to Australia as refugee at risk. He is best known as an internationally renowned poet, however, Alavi's art practice also includes painting, installation, performance art and recently video art. The exhibition included a suite of visual art and verbal-musical performance works based on poems Alavi has written since he immigrated to Australia, and were inspired by his experiences as a Hazara refugee. 'Daydreamer Wolf' was a Next Wave x ACE Open and Firstdraft co-commission and was assisted by Abbotsford Convent, Chapter House Lane and the Australian Government through Australia Council, its arts funding and advisory body and Arts South Australia. Alavi gave a poignant artist talk to a captive audience on October 25 and notable visitors to the exhibition included Ben Quilty. Elyas was subsequently announced as the 2019 recipient of the prestigious Anne & Gordon Samstag International Visual Arts Scholarship and has a solo exhibition at .M Contemporary in 2019.

Another achievement of 2018 was our exhibition 'Paired', which ran from 6-29 June. 'Paired' was an exhibition curated by artist and arts worker, Harriet Body that showcased eight collaborative projects between artists living with and without intellectual/ developmental disability or cognitive difference from across Australia plus one project from the UK. Harriet's research examined the intricacies of these collaborations including how communication, friendship, and mutual education/mentorship developed between such artist pairs. Exhibiting collaborators included Thom & Angelmouse, Rosie Deacon & Emily Crockford, Arunan Dharmalingam & Jessica Hodgkinson, Glenn Barkley & John and Glenda Havilah (all NSW), Henry Jock Walker & Scott Pyle (SA), Dion Beasley & Johanna Bell (NT), Catherine Bell & Cathy Staughton (VIC), and Kate Adams & Paul Colley (UK).

Curators' Program

In 2018 Firstdraft's Curators Program supported three emerging curators to develop innovative and experimental exhibitions that engage with emerging artists, art forms or ideas. Participants received a curatorial fee of \$1500, artist fees of \$1000 to be distributed amongst participating artists, and two fully subsidised gallery spaces for a four-week exhibition. This program is designed to create a platform for independent curatorial practice and publication. Participants of the 2018 Curators Program were Sarah Rees with 'Unreal City', Harriet Body with 'Paired' and Valerie Schlosberg & Isabella Cornell with 'Workshop 2'.

Writers' Program

Firstdraft's Writers Program fosters an expanded arts writing practice, positioning writers alongside artists as both makers and thinkers. In 2018 Firstdraft support two emerging writers, Enoch Mailangi and Holly Childs, to produce an experimental text over a six month period. The participants both received a fee of \$1000 and a fully subsidised studio space for one month to develop the work. Enoch Mailangi presented their work 'Kim Zolciak's move to innocence' as a video essay on our Instagram TV, and Holly Childs presented their work 'Hydrangea' with J. G. Biberkopf during Firstdraft's Live Night 'Until the Thaw'.

Committee Members' Report

First Draft Incorporated

Review of Operations continued

Studio Program

Firstdraft has two studio spaces that are used to assist artists in creating new work. We offer these spaces, rent-free and they have no required exhibition outcome, establishing them as a space for creative research and experimentation and encouraging artists to undertake ambitious projects. Primarily, they are responsive spaces that support key gallery programs, giving artists short-term residencies while they prepare for an upcoming exhibition at Firstdraft. This is particularly useful for regional, interstate, or international artists or artists with delicate, ephemeral practices and further expands the exhibitory possibilities of the organisation. The studios are also used to support participants of the writers program and act as a break-out space for public programs, as well as a additional gallery space for fundraising events. In 2018, Firstdraft's studios were used by 15 artists.

Public Programs

In addition to our Exhibition, Curator, Writers and Studio Program, Firstdraft presented a regular series of public programs. Combining artist talks, live performance nights and forums, these events contribute to the overall artistic vibrancy and diversity of our organisation. In 2018, our public programs were a key strength of Firstdraft, giving audiences the critical tools to actively engage with the artwork the gallery presents and creating a discursive community

Artist Talks

On the last Thursday of each month Firstdraft hosts Artist Talks with the exhibiting artists and curators. These informal discussions are an opportunity for our audience to hear directly from the artists in our program, learning about the themes explored in their exhibitions and their practices more broadly. Importantly, these talks also provide a key professional development opportunity for exhibiting artists, allowing them to gain confidence and experience talking about their practice and fielding questions from audience members. In 2018 we hosted a total of 41 artist talks. These events have proven to be excellent forums for engaging our audience on a more intimate scale, and attracting new visitors to the gallery.

Live Nights

Firstdraft's Live Nights are one-off curated performance nights organised around a central theme. These evenings focus on sound, performance and time-based practice, which aren't usually represented in our Exhibition Program. Our Live Nights capitalise on the unique premises of the Depot. Curators are given all four gallery spaces and courtyard, a \$1,500 curators fee, up to \$3,500 for artist fees, promotion via our digital channels and access to the technical resources of the gallery. Firstdraft hosted three Live Nights in 2018. In March we partnered with Art Month Sydney to present their East Sydney Precinct Night After Party, hosting live performances from Laura Hunt & Christopher V. Lapa, Tomorrow Girls Troop, and eXXes (punkfish vs Athena Thebus). The event drew crowds of 450 people over the course of the evening, greatly increasing our audience of young people. Our second Live Night 'Until the Thaw', was an evening of performances, readings and screenings on Sunday 28 October. 'Until the Thaw' featured artists Holly Childs(Netherlands/Syd) and J. G. Biberkopf (Netherlands/Lithuania), Umber Majeed (US/PAKISTAN), Enoch Mailangi (SYD) Autumn Royal (Narrm/Melb), Ivey Wawn (Syd) and Mark Mailer (Syd). Our final Live Night for the year also acted as our End of Year Party on 7 December. Curated by Troppo Galaktika (Samia Sayed and Priya P), the event 'Final Edit: Tech-Know-Natures' featured music and performances by akka, Stone Fruit, KILIMI, Brian Fuata, Stelly G, Latai Taumoepeau & Samara Shehata. This event had an audience of 350 people and expanded Firstdraft's connection with Western Sydney communities.

Committee Members' Report

First Draft Incorporated

Review of Operations continued

Around the Outside

Our Around the Outside (ATO) events are creative research forums dedicated to fostering informal, non-institutional learning and creative criticality. Comprising talks, screenings, readings and discussions they create a platform for exploring current issues in contemporary art – bringing together artists, writers, academics and researchers to share and debate ideas. In 2018 we held four ATO events including a talk on January 23 with Californian performance artist Anna Homler. Homler spoke about Breadwoman: the legendary being she 'manifested' in collaboration with Steve Moshier in the 1980s downtown L.A performance scene. Homler was joined by Megan Clune and Dr. Lindsay Kelley for a Q&A. This event was a partnership between Firstdraft and Liquid Architecture.

On April 19 we hosted 'Feminist Specificities' a lecture series that explored expanded forms of feminism in contemporary art with Hannah Bronte (QLD), Lilly Lai, Barbarella Karpinski, Astrida Neimanis and Ainslie Templeton (all SYD). On June 23, we hosted 'Studio A Co Lab with special guests, Hack Sounds' an experimental activation of the gallery space. Studio A artists Thom Roberts digitally remastered visitors faces into emojis, Meagan Pelham guided guests in an 'Owl Love' drawing workshop and Greg Sindel drew audiences as comic style superheroes. Peter Dudding and Paul Williams ran a live painting class and Skye Saxon and Emily Crockford did roaming performances. Special guests, Hack Sounds, a community-based and collaborative electronic music outfit for people of all abilities provided the music for the community event which attracted children of all ages. On October 11, Firstdraft hosted an Art Education Panel with Key College educators Miranda Samuels and Simmone Goran, Goulburn Regional Gallery Educator Sally O'Neill and artist Jodie Whalen, recipient of the Firstdraft x Goulburn Regional Gallery residency. Panelists discussed the role art education plays in engagement of local community audiences with Contemporary Art and the empowerment of its participants, artists and facilitators.

Outreach

Local

In 2018, Firstdraft grew its relationship with the local community through its continued participation in the Woolloomooloo Working Group and Sydney East Art Walk. On April 21, Firstdraft co-hosted the Youth Week Block Party, a partnership between Weave Youth & Community Services, Artspace Sydney, Firstdraft, Youth and Family Connect, CatholicCare Sydney and City of Sydney. Firstdraft offered a screen printing workshop as part of this festival. We participated in monthly Sydney East Art Walks, with 18 other galleries located in the East Sydney precinct, opening our doors to the public.

The Firstdraft Directorate participated in forums and hosted workshops at local organisations including at UNSW Art & Design O Week and Verge Gallery. Firstdraft staff provided 20 talks to tertiary students from UNSW Art & Design, RMIT Art and Design, Sydney College of the Arts University of Sydney, National Art School and University of Technology Sydney. In April 2018, Firstdraft hosted a panel discussion for Keir Choreographic Awards with Chistoph Slagmuylder (BELGIUM) Rhiannon Newton (VIC) Thea Perkins (SYD) Lizzie Thompson (SYD) Lucy Guerin (VIC) and Erin Brannigan (SYD). We also hosted an exhibition of Brightside students work in our galleries and courtyard and partnered with Solid Ground to provide an internship opportunity to one young Indigenous person.

Committee Members' Report

First Draft Incorporated

Review of Operations continued

Regional

Firstdraft is dedicated to increasing participation of regional NSW artists in its program, making stronger connections with regional artistic communities and increasing awareness of opportunities the gallery offers and reducing the financial barriers associated with exhibiting at Firstdraft. In 2018 we sent out twice-yearly mail outs to regional galleries and organisations, in consultation with Regional Arts NSW, to inform the artists in these communities of the opportunities available to them. We supported regional artists James Farley and Paris Norton through the NSW Regional Artist Fund (supported by Create NSW). This initiative supports artists with travel, accommodation and freight costs and diversified Firstdraft's program by facilitating exhibition opportunities for regional or remote artists who otherwise would not be able to exhibit at Firstdraft. Additionally, we partnered with Goulburn Regional Art Gallery to provide emerging Sydney-based artist Jodie Whalen a three-week residency in Collector, NSW and an education outcome at Goulburn Regional Art Gallery's ambitious Afterschool Art Program.

National

Firstdraft is committed to creating national dialogue and providing opportunities to artists across Australia. In 2018, the National Travel Fund (supported by the Australia Council) supported 8 artists from the Australian Capital Territory, Victoria, South Australia, Queensland, Northern Territory and Western Australia with travel, accommodation and freight costs. Firstdraft participated in national dialogue through the All Conference network. On 22 February we hosted 'What's love got to do with it?', chaired by Firstdraft Director Katie Winten. The event was the second in a three part multi-state lecture series organised by All Conference. Bringing together three arts workers who operate in very different ways within the not-for-profit sector in Australia and New Zealand, the speakers talked about the relationship between love and labour in the arts.

In 2018, Firstdraft also joined CAOAA, a national network of fifteen public, independent, non-collecting contemporary art organisations from all Australian states and territories that advocates for the small-to-medium contemporary visual arts sector in Australia. General Manager Georgia Hobbs attended the organisations' conference in Brisbane in November to share industry updates, meet with stakeholders, and develop and agree upon a written statement for the Major Performing Arts Framework. The meetings were convened at the Institute of Modern Art to coincide with the opening of the Asia Pacific Triennial of Contemporary Art at the Gallery of Modern Art and IMA's exhibition, The Commute, a collaborative project led by Indigenous curators Freja Carmichael (Quandamooka), Sarah Biscarra Dille (yak tityu tityu yak tiṭhini Northern Chumash, Chicana), Léuli Eshrāghi (Sāmoa, Irānzamin, Guangdong), Tarah Hogue (Métis, Dutch) and Lana Lopesi (Sāmoa), invited as 2018 Visiting Curators at the IMA.

International

In 2018, Firstdraft presented the work of 16 international artists in our Exhibition and Curatorial program. In January, Thomas Jeppe (FRANCE) and Anna Kristensen (NY) were included in Sarah Rees' curatorial exhibition 'Unreal City' and Pamela Arce (PERU) had her first solo exhibition in Australia. Dana Davenport (USA) was included in Nanette Orly's curated exhibition 'Transcendence' in February, Ali Groves curated an exhibition of works by the Tomorrow Girls Troop (Japan) in March and Quishile Charan (NZ) has a solo exhibition in April. In June, Barnaby Lewer curated an exhibition with Holly White (UK) and Martin Kohout (GERMANY), Hypercomf (GREECE), a two-person collective, had a solo exhibition and Kate Adams & Paul Colley (UK) were included in Harriet Body's exhibition 'Paired'. Yonel Watene (NZ) had a solo exhibition in August and in November Saviya Lopes, Maith Ilibavkar and Kanika Makhija (all INDIA) were included in 'CHI CHI' curated by Shivanjani Lal. Our Writers Program and Public Programs also included international artists with Holly Childs (NETHERLANDS/SYD), J. G. Biberkopf (NETHERLANDS/LITHUANIA) and Umber Majeed (US/PAKISTAN) in 'Until the Thaw' and Christoph Slagmuylder (BELGIUM) speaking as part of the Keir Choreographic award panel.

Committee Members' Report

First Draft Incorporated

Committee members' qualifications and experience

Name and qualifications	Experience and special responsibilities
Tahjee Moar BA (Theory)	Curator and Arts Administrator Treasurer/Deputy Chair Strategy & Fundraising sub-committees
Justine Youssef BA (Fine Arts)	Artist, Art Educator Programs & Fundraising sub-committees
Tian Zhang MA (Curating), BA (Hons) (Psychology), BA (Psychology and Business), Dip (History and Film)	Independent Curator and Cultural Producer Chairperson Strategy & Outreach sub-committees
Julia Mendel BA (Hons) (Art history and Curatorship)	Public Programs Producer Strategy & Outreach sub-committees
Jamey Thi Nguyen BSc (Hons) (Psychological Science), BBus (Advertising and Marketing)	Senior Marketing Officer Strategy & Fundraising sub-committees
Athena Thebus BA (Hons) (Fine Arts)	Artist Programs & Strategy sub-committees
Nadia Herndandez BA (Fine Arts)	Artist Fundraising & Outreach sub-committees
Issey Kinson BA (Hons) (Visual Arts)	Artist Programs & Fundraising sub-committees
Claudia Roosen BA (Art Theory)	Communications Coordinator Programs & Outreach sub-committees
Soo-Min Shim BA (Hons) (Art History and Theory)	Writer Programs & Outreach sub-committees

Committee Members' Report

First Draft Incorporated

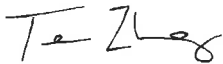
Contribution in winding up

The association is incorporated under the Associations Incorporation Act 2009. If the association is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the association. At 31 December 2018, the total amount that members of the association are liable to contribute if the association wound up was \$80 (2017: \$60).

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included in page 9 of this financial report and forms part of the Committee Members' Report.

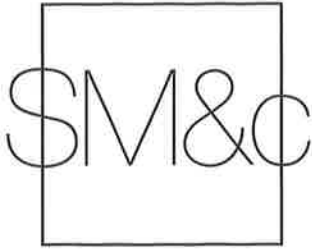
Signed in accordance with a resolution of the Committee members.



TIAN ZHANG
Committee Member

Sydney

Dated 10 / 5 / 2019



Auditor's Independence Declaration

To the Committee Members of First Draft Incorporated:

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of First Draft Incorporated for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.


STEVEN J MILLER & CO
Chartered Accountants


S J MILLER
Registered Company
Auditor No 4286

Sydney

Dated 10 / 5 / 19

Steven J Miller & Co
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ACNC
Approved under
the Professional
Standards
Legislation

Statement of Surplus or Deficit and Other Comprehensive Income

For the year ended 31 December 2018
First Draft Incorporated

	Note	2018 \$	2017 \$
Revenue	4	466,465	445,251
Other income	4	1,965	250
Administration expenses		(31,352)	(22,363)
Amortisation expense	8/9	(7,729)	(8,594)
Depreciation expense	8	(3,622)	(4,369)
Facilities expense		(122,920)	(113,147)
Employee benefits expense	11	(181,949)	(135,830)
Project expenses		(119,378)	(133,038)
Surplus before income tax		1,480	28,160
Income tax expense	3.7	-	-
Surplus for the year		1,480	28,160
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		1,480	28,160

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

For the year ended 31 December 2018
First Draft Incorporated

	Note	2018 \$	2017 \$
Assets			
Current			
Cash and cash equivalents	5	479,646	469,704
Trade and other receivables	6	749	749
Other assets	7	2,524	2,263
Current assets		482,919	472,716
Non-current			
Property, plant and equipment	8	41,710	52,123
Intangible assets	9	1,904	2,842
Non-current assets		43,614	54,965
Total assets		526,533	527,681
Liabilities			
Current			
Trade and other payables	10	47,405	37,333
Employee provisions	11.2	3,910	2,699
Grants liabilities	12	208,155	220,027
Current liabilities		259,470	260,059
Non-current			
Employee provisions	11.2	-	2,039
Total liabilities		259,470	262,098
Net assets		267,063	265,583
Equity			
General funds - unrestricted		96,311	94,831
Designated reserves - unrestricted		170,752	170,752
Total equity		267,063	265,583

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the year ended 31 December 2018

First Draft Incorporated

	International Exchange Reserve \$	Safety Net Reserve \$	Capital Expenditure Reserve \$	Program Reserve \$	Opportunity Reserve \$	Show Support Reserve \$	General Funds \$	Total Equity \$
Balance at 1 January 2017	5,524	-	-	-	-	4,107	227,792	237,423
Surplus for the year	-	-	-	-	-	-	28,160	28,160
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	28,160	28,160
Transfer to/(from) reserves	(5,524)	140,600	12,225	8,785	8,785	(3,750)	(161,121)	-
Balance at 31 December 2017	-	140,600	12,225	8,785	8,785	357	94,831	265,583
Balance at 1 January 2018	-	140,600	12,225	8,785	8,785	357	94,831	265,583
Deficit for the year	-	-	-	-	-	-	1,480	1,480
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-
Transfer to/(from) reserves	-	-	-	-	-	-	-	-
Balance at 31 December 2018	-	140,600	12,225	8,785	8,785	357	96,311	267,063

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the year ended 31 December 2018

First Draft Incorporated

	Note	2018 \$	2017 \$
Operating activities			
Receipts from:			
• Customers		13,725	13,489
• Donors		92,275	95,186
• Government grants		391,920	370,465
• Interest income		1,729	1,856
Payments to clients, suppliers and employees		(489,707)	(396,923)
Net cash provided by operating activities		9,942	84,073
Investing activities			
Purchases of property, plant and equipment		-	(7,299)
Net cash used in investing activities		-	(7,299)
Net change in cash and cash equivalents		9,942	76,774
Cash and cash equivalents, beginning of year		469,704	392,930
Cash and cash equivalents, end of year		479,646	469,704

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

1 General information and statement of compliance

The financial report includes the financial statements and notes of First Draft Incorporated.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012.

First Draft Incorporated is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 31 December 2018 were approved and authorised for issuance by the Committee members.

2 Changes in accounting policies

2.1 New and revised standards that are effective for these financial statements

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 January 2018. Information on the more significant standard(s) is presented below.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The adoption of this amendment has not had a material impact on the Company.

3 Summary of accounting policies

3.1 Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

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

3.2 Revenue

Revenue comprises revenue from the sale of goods, services income, government grants, fundraising activities and client contributions. Revenue from major activities and services is shown in Note 4.

Revenue is measured by reference to the fair value of consideration received or receivable by the Association for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Association's different activities have been met. Details of the activity-specific recognition criteria are described below.

Sale of goods

Revenue from the sale of goods comprises revenue earned from the sale of goods donated and purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

3 Summary of accounting policies continued

3.2 Revenue continued

Government grants

A number of the Association's programs are supported by grants received from the Federal, State and Local governments. If conditions are attached to a grant which must be satisfied before the Association is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Association obtains control of the funds, economic benefits are probable, and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Association receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Donations and bequests

Donations collected, including cash and goods for resale, are recognised as revenue when the Association gains control, economic benefits are probable, and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Association becomes legally entitled to the shares or property.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

3.3 Operating expenses

Operating expenses are recognised in surplus or deficit upon utilisation of the service or at the date of their origin.

3.4 Intangible assets

Recognition of other intangible assets:

Acquired intangible assets

Website construction costs are capitalised on the basis of the costs incurred to acquire and install the specific website.

Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 3.14. The following useful lives are applied:

- Website: 33% pa

Notes to the Financial Statements

For the year ended 31 December 2018

First Draft Incorporated

3 Summary of accounting policies continued

3.4 Intangible assets continued

Subsequent expenditures on the maintenance of computer software, brand names and website are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in surplus or deficit within other income or other expenses.

3.5 Property, plant and equipment

Leasehold improvements, plant and other equipment

Leasehold improvements, plant and other equipment (comprising office furniture and equipment) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Association's management.

Leasehold improvements, plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of leasehold improvements, plant and other equipment. The following useful lives are applied:

- Office equipment: 20% pa
- Office furniture: 20% pa
- Computer equipment: 20% pa
- Leasehold improvements: life of lease

In the case of leasehold property, expected useful lives are determined by reference to comparable owned assets or over the term of the lease, if shorter.

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in surplus or deficit within other income or other expenses.

3.6 Leases

Operating leases

Where the Association is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.7 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through surplus or deficit, which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

3 Summary of accounting policies continued

3.7 Financial instruments continued

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in the statement of surplus or deficit are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in surplus or deficit are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

3 Summary of accounting policies continued

3.7 Financial instruments continued

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to surplus or deficit. Dividend from these investments continue to be recorded as other income within the surplus or deficit unless the dividend clearly represents return of capital.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The Company allows 1% for amounts that are 30 to 60 days past due, 1.5% for amounts that are between 60 and 90 days past due and writes off fully any amounts that are more than 90 days past due.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Company's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Company's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through surplus or deficit.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in surplus or deficit (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in surplus or deficit are included within finance costs or finance income.

Accounting policies applicable to comparative period (31 December 2017)

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through surplus or deficit, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the Financial Statements

For the year ended 31 December 2018

First Draft Incorporated

3 Summary of accounting policies continued

3.7 Financial instruments continued

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss (FVPL)
- Held-to-maturity (HTM) investments
- Available-for-sale (AFS) financial assets

All financial assets except for those at fair value through profit or loss (FVPL) are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in surplus or deficit are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in surplus or deficit. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

HTM investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the company has the intention and ability to hold them until maturity. The company currently holds long-term deposits designated into this category.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

3 Summary of accounting policies continued

3.7 Financial instruments continued

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

AFS financial assets

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The company's AFS financial assets include listed securities.

All AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in surplus or deficit. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to surplus or deficit and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognised in surplus or deficit within 'revenue' (see Note 3.2).

Reversals of impairment losses for AFS debt securities are recognised in surplus or deficit if the reversal can be objectively related to an event occurring after the impairment loss was recognised. For AFS equity investments impairment reversals are not recognised in surplus or deficit and any subsequent increase in fair value is recognised in other comprehensive income.

Classification and subsequent measurement of financial liabilities

The company's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in surplus or deficit.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in surplus or deficit are included within finance costs or finance income.

3.8 Income taxes

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

3.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

3 Summary of accounting policies continued

3.10 Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The association's liabilities for long service leave are included in other long-term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

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

Post-employment benefits plans

The association provides post-employment benefits through defined contribution plans.

Defined contribution plans

The association pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The association has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

3.11 Provisions, contingent liabilities and contingent assets

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

3.12 Deferred income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within twelve (12) months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date or the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

3 Summary of accounting policies continued

3.13 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

3.14 Economic dependence

The association is dependent upon the ongoing receipt of Federal and State Government grants and community and corporate donations to ensure the ongoing continuance of its programs and fundraising. At the date of this report Management has no reason to believe that this financial support will not continue.

3.15 Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain assets.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

4 Revenue

	Note	2018 \$	2017 \$
Revenue			
Donations		23,921	22,861
Equipment hire fees		-	112
Exhibition fees		10,512	10,827
Fundraising revenue		62,140	72,325
Net grant income	4.1	368,163	336,915
Sales of prints and publications		-	355
Investment income:			
• Interest		1,729	1,856
		466,465	445,251
Other income			
Speaker fees		1,559	250
Sundry income		406	-
		1,965	250
Total revenue and other income		468,430	445,501

4.1 Net grant income

	Note	2018 \$	2017 \$
Unexpended grants - 1 January	4.2	14,477	1,477
Grants received in advance - 1 January	4.3	205,550	185,000
Grants received during the year	4.4	356,291	370,465
		576,318	556,942
<i>Less:</i>			
Unexpended grants - 31 December	4.5	(2,049)	(14,477)
Grants received in advance - 31 December	4.6	(206,106)	(205,550)
		(208,155)	(220,027)
Net grant income		368,163	336,915

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

4 Revenue continued

4.2 Unexpended grants – 1 January

	Note	2018 \$	2017 \$
City of Sydney Council	4.5	1,477	1,477
Copyright Agency Limited	4.5	13,000	-
	12	14,477	1,477

4.3 Grants received in advance – 1 January

	Note	2018 \$	2017 \$
Create NSW	4.6	150,000	130,000
Australia Council for the Arts	4.6	55,550	55,000
	12	205,550	185,000

4.4 Grants received during the year

	Note	2018 \$	2017 \$
Create NSW		150,000	150,000
Australia Council for the Arts		111,656	110,550
City of Sydney Council		94,635	96,915
Copyright Agency Limited		-	13,000
		356,291	370,465

4.5 Unexpended grants – 31 December

	Note	2018 \$	2017 \$
City of Sydney Council		1,477	1,477
Copyright Agency Limited		572	13,000
	12	2,049	14,477

4.6 Grants received in advance – 31 December

	Note	2018 \$	2017 \$
Create NSW		150,000	150,000
Australia Council for the Arts		56,106	55,550
	12	206,106	205,550

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

5 Cash and cash equivalents

Cash and cash equivalents consist the following:

	Note	2018 \$	2017 \$
Cash on hand		-	36
Cash at bank		479,646	469,668
Cash and cash equivalents		479,646	469,704

5.1 Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled in the statement of financial position as follows:

	Note	2018 \$	2017 \$
Cash and cash equivalents		479,646	469,704

6 Trade and other receivables

	Note	2018 \$	2017 \$
Current			
Sundry receivables		749	749
		749	749

7 Other assets

	Note	2018 \$	2017 \$
Current:			
Prepayments		2,524	2,263
		2,524	2,263

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

8 Property, plant and equipment

Details of the association's property, plant and equipment and their carrying amounts are as follows:

	Leasehold improvements	Computer Equipment	Office furniture and equipment	Total 2018
	\$	\$	\$	\$
Gross carrying amount				
Balance 1 January 2018	62,119	4,860	30,746	97,725
Additions	-	-	-	-
Balance 31 December 2018	62,119	4,860	30,746	97,725
Depreciation and impairment				
Balance 1 January 2018	(28,105)	(2,635)	(14,862)	(45,602)
Amortisation/depreciation	(6,791)	(445)	(3,177)	(10,413)
Balance 31 December 2018	(34,896)	(3,080)	(18,039)	(56,015)
Carrying amount 31 December 2018	27,223	1,780	12,707	41,710

	Leasehold improvements	Computer equipment	Office furniture and equipment	Total 2017
	\$	\$	\$	\$
Gross carrying amount				
Balance 1 January 2017	54,820	4,860	30,746	90,426
Additions	7,299	-	-	7,299
Balance 31 December 2017	62,119	4,860	30,746	97,725
Depreciation and impairment				
Balance 1 January 2017	(20,911)	(2,078)	(11,050)	(34,039)
Amortisation/depreciation	(7,194)	(557)	(3,812)	(11,563)
Balance 31 December 2017	(28,105)	(2,635)	(14,862)	(45,602)
Carrying amount 31 December 2017	34,014	2,225	15,884	52,123

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

9 Intangible assets

Details of the association's intangible assets and their carrying amounts are as follows:

	2018 \$	2017 \$
Website		
Gross carrying amount		
Balance 1 January	9,450	9,450
Additions	-	-
Balance 31 December	9,450	9,450
Amortisation and impairment		
Balance 1 January	(6,608)	(5,208)
Amortisation	(938)	(1,400)
Balance 31 December	(7,546)	(6,608)
Carrying amount 31 December	1,904	2,842

10 Trade and other payables

Trade and other payables recognised consist of the following:

	Note	2018 \$	2017 \$
Current:			
Bond and key deposits		600	600
Other creditors and accruals		6,350	6,207
Net GST payable		31,660	23,191
Superannuation payable		3,969	3,200
Trade payables		4,826	4,135
		47,405	37,333

11 Employee remuneration

11.1 Employee benefits expense

Expenses recognised for employee benefits are analysed below:

	Note	2018 \$	2017 \$
Employee entitlement provided for/(written back)		(829)	2,954
Other employee related expenses		7,048	6,934
Superannuation contributions		14,689	9,945
Wages and salaries		158,861	114,375
Workers compensation insurance		2,180	1,622
Employee benefits expense		181,949	135,830

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

11 Employee remuneration continued

11.2 Employee provisions

The liabilities recognised for employee benefits consist of the following amounts:

	Note	2018 \$	2017 \$
Current			
Annual leave		3,910	2,699
Non-current:			
Long service leave		-	2,039
		3,910	4,738

12 Grants liabilities

Grants liabilities can be summarised as follows:

	Note	2018 \$	2017 \$
Unexpended grants	4.5	2,049	14,477
Grants received in advance	4.6	206,106	205,550
		208,155	220,027

13 Leases

Operating leases as lessee

The Association's future minimum operating lease payments are as follows:

	Minimum lease payments due			
	Within 1 year \$	1 to 5 years \$	After 5 years \$	Total \$
31 December 2017	13,107	34,078	-	47,185
31 December 2018	13,500	20,960	-	34,460

14 Related party transactions

The association's related parties include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

14.1 Transactions with related entities

During the year there were no payments made to committee member related entities. No amounts are payable to or receivable from committee members or committee member related entities at the reporting date.

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

14 Related party transactions

14.2 Transactions with key management personnel

Key management of the Association are the General Manager of First Draft Incorporated and members of the Committee. Key management personnel remuneration includes the following expenses:

	2018 \$	2017 \$
Total key management personnel remuneration	60,169	65,343

15 Contingent liabilities

There are no contingent liabilities that have been incurred by the Association in relation to 2018 or 2017.

16 Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

17 Member's guarantee

The association is incorporated under the Associations Incorporation Act 2009. If the association is wound up, the constitution states that each member is required to contribute a maximum \$10 each towards meeting any outstanding obligations of the association. At 31 December 2018, the total amount that members of the association are liable to contribute if the association wound up is \$80 (2017: \$60).

18 Charitable fundraising

The company holds an authority to fundraise under the Charitable Fundraising Act, 1991 (NSW) and conducts fundraising appeals throughout the year. Additional information and declarations required to be furnished under the Act are as follows:

(a) Details of gross income and expenditure from fundraising activities:

	Note	2018 \$	2017 \$
General donations		14,779	2,171
Fundraising events		62,140	71,865
Total income		76,919	74,036
Administration fee		161	908
Advertising and promotions		2,474	5,356
Artist fees		10,988	9,319
Total expenses		13,623	15,583
Net surplus from fundraising appeals		63,296	58,453
Application of funds to total operating expenses		(63,296)	(58,453)
		-	-

Notes to the Financial Statements

For the year ended 31 December 2018
First Draft Incorporated

18 Charitable fundraising continued

(b) Statement showing how funds were applied for charitable purposes

All funds raised from fundraising activities, net of direct costs, were applied to the company's normal operations. The company did not conduct any appeals in which traders were engaged

(c) Fundraising appeals conducted throughout the year

Annual Fundraising Auction was held on 31 August 2018. General donations appeal had been held throughout the year via programs and website.

(d) Assets and liabilities resulting from fundraising

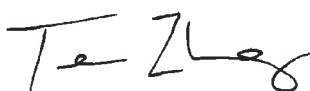
No assets and liabilities remained at year end as all the funds were applied to the company's normal operations.

Committee Members' Declaration

In the opinion of the Committee members of First Draft Incorporated:

- (a) The financial statements and notes of First Draft Incorporated are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including;
 - (i) Giving a true and fair view of its financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (b) There are reasonable grounds to believe that First Draft Incorporated will be able to pay its debts as and when they become due and payable (Refer Note 3.13).

Signed in accordance with a resolution of the Committee members.



TIAN ZHANG
Committee Member

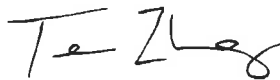
Sydney

Date 10/ 5 /2019

Declaration by Committee Member as required by the Charitable Fundraising Act 1991 (NSW)

I, Tian Zhang, Committee member of First Draft Incorporated, declare that in my opinion:

- a) the accounts for the year ended 31 December 2018, give a true and fair view of all income and expenditure of First Draft Incorporated with respect to fundraising appeals; and
- b) the statement of financial position as at 31 December 2018 gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- c) the provisions of the Charitable Fundraising Act 1991 (NSW) and the regulations under that Act and the conditions attached to the authority have been complied with; and
- d) the internal controls exercised by First Draft Incorporated are appropriate and effective in accounting for all income received and applied from any of its fundraising appeals.



TIAN ZHANG
Committee Member

Sydney

Date 10/ 5 /2019



Independent Auditor's Report

To the members of
First Draft Incorporated

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of First Draft Incorporated, which comprises the statement of financial position as at 31 December 2018, the statement of surplus or deficit and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee members' declaration.

In my opinion the financial report of First Draft Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) Giving a true and fair view of the association's financial position as at 31 December 2018 and of its financial performance and cash flows for the year then ended; and
- (b) 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 *Australian Charities and Not-for-profits Commission Act 2012* (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.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 31 December 2018, but does not include the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion.

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.

Independent Auditor's Report

To the members of
First Draft Incorporated

Committee members' Responsibility for the Financial Report

The Committee members of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Committee members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, committee members 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 committee members either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibility for 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 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 the 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by committee members.
- Conclude on the appropriateness of the committee members' 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 our opinion. My 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 registered entity to cease to continue as a going concern.

Independent Auditor's Report

To the members of
First Draft Incorporated

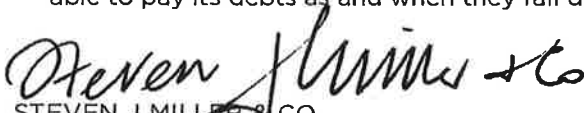
Auditor's Responsibility for Audit of the Financial Report continued

I 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 I identify during my audit.

Report on Other Legal and Regulatory Requirements

I also report that:

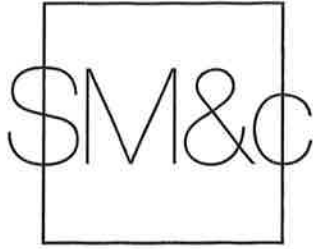
- a. the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- b. the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the Regulations;
- c. money received as a result of fundraising appeals conducted during the year have been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the Regulations; and
- d. at the date of this report, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.


STEVEN J MILLER & CO
Chartered Accountants


S J MILLER
Registered Company
Auditor No 4286

Sydney

Dated 10 / 5 / 19



Additional Financial Information Disclaimer

First Draft Incorporated

The additional financial data presented on pages 43 to 45 are in accordance with the books and records of the company which have been subjected to the auditing procedures applied in my statutory audit of the company for the year ended 31 December 2018. It will be appreciated that my statutory audit did not cover all details of the additional financial information. Accordingly, I do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with my firm's policy, I advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the consolidated entity) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.


STEVEN J MILLER & CO
Chartered Accountants


S J MILLER
Registered Company
Auditor No 4286

Sydney

Dated 10 / 5 / 19

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Chartered Accountants
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ABN 23 690 541 177



Detailed Statements of Surplus or Deficit

For the year ended 31 December 2018
First Draft Incorporated

SCHEDULE 1 - GENERAL OPERATIONS

	Note Sch	2018 \$	2017 \$
INCOME			
Donations received		23,921	22,861
Fundraising income		62,140	72,325
Gallery rent and equipment hire income		10,512	10,939
Government grants	4.1	368,163	336,915
Investment income:			
• Interest		1,729	1,856
Sales of prints and publications		-	355
Service income		1,559	250
Sundry income		406	-
TOTAL INCOME		468,430	445,501
LESS: EXPENDITURE	Sch 2	(466,950)	(417,341)
NET SURPLUS		1,480	28,160

The above UNAUDITED detailed statement of surplus or deficit should be read in conjunction with the disclaimer.

Detailed Statements of Surplus or Deficit

For the year ended 31 December 2018
First Draft Incorporated

SCHEDULE 2 - GENERAL OPERATIONS

	Note	2018 \$	2017 \$
EXPENSES			
Advertising		7,005	4,784
Artists' fees		85,167	74,535
Auditor's remuneration		6,556	5,582
Bank charges		150	319
Bookkeeping fees		3,600	3,493
Catering expenses		13,074	15,713
Computer expenses		92	-
Contractors' fees		5,355	4,622
Curator fee		5,275	10,375
Cleaning		2,517	2,687
Electricity		5,114	4,264
Employee entitlement provided for/(written back)		(829)	2,954
Depreciation and amortisation	8/9	11,351	12,963
Insurances		2,168	2,369
Internet charges		770	699
Licensing fees		647	927
Other employee related expenses		2,071	1,608
Office supplies		993	780
PayPal fees		240	990
Project costs		12,687	31,147
Rent		108,850	97,440
Repairs and maintenance		2,308	3,903
Salaries and wages		158,861	114,375
Staff training		1,136	1,624
Software and equipment expenses		6,400	2,064
Subscriptions and memberships		1,611	25
Superannuation		14,689	9,945
Travelling expenses		2,147	453
Waste disposal		2,722	4,191
Water rates		1,407	663
Website maintenance costs		636	225
Workers' compensation insurance		2,180	1,622
TOTAL EXPENDITURE		466,950	417,341

The above UNAUDITED detailed statement of surplus or deficit should be read in conjunction with the disclaimer.