

**THE GAWLER FOUNDATION INC.**

**A.B.N. 79 160 595 251**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**THE GAWLER FOUNDATION INC.**  
**A.B.N. 79 160 595 251**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
Revenue	2a.	1,953,949	1,820,854
Other income	2b.	19,363	32,905
Advertising and promotion		(82,821)	(66,578)
Auditor's remuneration		(8,164)	(10,027)
Bank charges		(21,273)	(22,511)
Bursary		(61,132)	(21,048)
Computer software and support		(17,469)	(28,406)
Consultancy		(240,789)	(169,496)
Depreciation expense	3a.	(72,070)	(86,390)
Employee benefits expense		(1,185,945)	(1,104,099)
Food and catering		(61,399)	(67,616)
Other expenses		(117,206)	(133,995)
Postage		(31,306)	(20,228)
Printing and stationery		(25,033)	(40,008)
Repairs and maintenance		(36,157)	(32,634)
Resource centre costs		(72,768)	(69,357)
Telephone and internet		(12,407)	(23,214)
Utilities		(32,612)	(34,218)
Current year surplus/(deficit) before income tax		<u>(105,239)</u>	<u>(76,066)</u>
Income tax expense	1a.	-	-
Current year surplus/(deficit)		<u>(105,239)</u>	<u>(76,066)</u>
Total comprehensive income for the year		<u><b>(105,239)</b></u>	<u><b>(76,066)</b></u>

**THE GAWLER FOUNDATION INC.**  
**A.B.N. 79 160 595 251**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	686,583	815,297
Accounts receivable and other debtors	5	202	-
Inventories on hand	6	30,678	35,988
Other assets	7	6,953	6,498
<b>TOTAL CURRENT ASSETS</b>		<b><u>724,416</u></b>	<b><u>857,783</u></b>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,358,212	1,362,165
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>1,358,212</u></b>	<b><u>1,362,165</u></b>
<b>TOTAL ASSETS</b>		<b><u>2,082,628</u></b>	<b><u>2,219,948</u></b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Accounts payable and other payables	9	145,698	178,167
Employee provisions	10	73,471	83,317
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>219,169</u></b>	<b><u>261,484</u></b>
NON-CURRENT LIABILITIES			
Employee provisions	10	30,223	19,989
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b><u>30,223</u></b>	<b><u>19,989</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>249,392</u></b>	<b><u>281,473</u></b>
<b>NET ASSETS</b>		<b><u>1,833,236</u></b>	<b><u>1,938,475</u></b>
<b>EQUITY</b>			
Retained surplus		1,833,236	1,938,475
<b>TOTAL EQUITY</b>		<b><u>1,833,236</u></b>	<b><u>1,938,475</u></b>

**THE GAWLER FOUNDATION INC.**  
**A.B.N. 79 160 595 251**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>Retained Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 January 2015	2,014,541	2,014,541
<i>Comprehensive income</i>		
Net deficit for the year	<u>(76,066)</u>	<u>(76,066)</u>
Total comprehensive income for the year	(76,066)	(76,066)
Balance at 31 December 2015	<u><u>1,938,475</u></u>	<u><u>1,938,475</u></u>
Balance at 1 January 2016	1,938,475	1,938,475
<i>Comprehensive income</i>		
Net deficit for the year	<u>(105,239)</u>	<u>(105,239)</u>
Total comprehensive income for the year	(105,239)	(105,239)
Balance at 31 December 2016	<u><u><b>1,833,236</b></u></u>	<u><u><b>1,833,236</b></u></u>

**THE GAWLER FOUNDATION INC.**  
**A.B.N. 79 160 595 251**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016	2015
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,033,740	2,023,497
Payments to suppliers and employees		(2,111,564)	(2,006,660)
Interest received		17,227	15,530
Net cash generated from/(used in) operating activities	13	<u>(60,597)</u>	<u>32,367</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		<u>(68,117)</u>	<u>(116,548)</u>
Net cash used in investing activities		<u>(68,117)</u>	<u>(116,548)</u>
Net increase/(decrease) in cash held		(128,714)	(84,181)
Cash and cash equivalents at beginning of the financial year		815,297	899,478
Cash and cash equivalents at the end of the financial year	4	<u><b>686,583</b></u>	<u>815,297</u>

**THE GAWLER FOUNDATION INC.**  
**A.B.N. 79 160 595 251**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were authorised for issue on 8th May 2017 by the board.

**Basis of Preparation**

The Gawler Foundation Inc. applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* and other applicable Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Associations Incorporation Reform Act 2012*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Accounting Policies**

a. **Income Tax**

The association is exempt from income tax according to section 30-15 of the *Income Tax Assessment Act 1997*, being an endorsed Deductible Gift Recipient from 1 July 2000.

b. **Inventories on Hand**

Inventories are measured at the lower of cost and net realisable value. Cost is assigned on an average cost basis.

Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

c. **Property, Plant and Equipment**

Property, 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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses 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 (refer to Note 1f.)

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and 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, are depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2.5 - 33.33%
Plant and equipment	5 - 50%
Motor vehicles	10 - 25%
Furniture and fittings	10 - 20%

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

**THE GAWLER FOUNDATION INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

c. **Property, Plant and Equipment - Continued**

**Depreciation - Continued**

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

d. **Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. **Financial Instruments**

**Initial Recognition and Measurement**

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

**Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

*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.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) *Financial liabilities*

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

**Impairment**

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s). Impairment losses are recognised in the profit and loss.

**THE GAWLER FOUNDATION INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

e. **Financial Instruments - Continued**

**Impairment - Continued**

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**Derecognition**

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

f. **Impairment of Assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

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

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

g. **Employee Provisions**

**Short-term Employee Benefits**

Provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

**Other Long-term Employee Benefits**

The association classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**g. Employee Provisions - Continued**

**Other Long-term Employee Benefits - Continued**

determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

**h. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank Overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**i. Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

**j. Revenue**

Donations and bequests are recognised as revenue when received.

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

**k. 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**l. Accounts Payable and Other Payables**

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**m. Comparative Figures**

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

**THE GAWLER FOUNDATION INC.**  
**A.B.N. 79 160 595 251**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>			
a. REVENUE			
- Fundraising and donations		335,626	402,777
- garden income		822	2,083
- member subscriptions		25,682	32,717
- participant programs		1,430,901	1,258,804
- resource centre		160,918	124,473
Total revenue		<u>1,953,949</u>	<u>1,820,854</u>
b. OTHER INCOME			
- interest received on financial assets not at fair value through profit or loss		17,227	15,530
- profit on sale of fixed assets		-	-
- other		2,136	17,375
Total other income		<u>19,363</u>	<u>32,905</u>
Total revenue and other income		<u><b>1,973,312</b></u>	<u><b>1,853,759</b></u>
<b>NOTE 3: SURPLUS/(DEFICIT) FOR THE YEAR</b>			
a. EXPENSES			
Depreciation			
- land and buildings		49,971	54,221
- plant and equipment		14,935	17,518
- motor vehicles		6,927	14,070
- furniture and fittings		237	581
Total depreciation		<u><b>72,070</b></u>	<u>86,390</u>
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>			
<b>CURRENT</b>			
Cash at bank - unrestricted		162,324	153,065
Cash on hand		378	4,969
Cash on deposit		523,881	657,263
Total cash and cash equivalents as stated in the statement of financial position		<u><b>686,583</b></u>	<u>815,297</u>
Total cash and cash equivalents as stated in the statement of cash flows		<u><b>686,583</b></u>	<u>815,297</u>
The effective interest rate on short-term bank deposits was 2.00% (2015 2.00%); these deposits have an average maturity of 92 days.			
<b>NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>			
<b>CURRENT</b>			
Accounts receivable		202	-
Total current accounts receivable and other debtors	5a.	<u><b>202</b></u>	<u>-</u>
a. <i>Financial assets classified as loans and receivables</i>			
Accounts receivable and other debtors:			
- total current	15	<u><b>202</b></u>	<u>-</u>
<b>NOTE 6: INVENTORIES ON HAND</b>			
<b>CURRENT</b>			
At cost:			
Resource centre stock		30,678	35,988
		<u><b>30,678</b></u>	<u>35,988</u>

**THE GAWLER FOUNDATION INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>NOTE 7: OTHER ASSETS</b>			
Prepayments		6,953	6,498
		<u>6,953</u>	<u>6,498</u>
<b>NOTE 8: PROPERTY, PLANT AND EQUIPMENT</b>			
<b>LAND AND BUILDINGS</b>			
Land - at cost		335,339	335,339
Buildings - at cost		1,675,638	1,655,586
Less accumulated depreciation		(833,600)	(783,628)
		<u>842,038</u>	<u>871,958</u>
Total land and buildings		<u>1,177,377</u>	<u>1,207,297</u>
<b>PLANT AND EQUIPMENT</b>			
Plant and equipment at cost		262,884	214,818
Less accumulated depreciation		(101,034)	(86,099)
		<u>161,850</u>	<u>128,719</u>
Motor vehicles - at cost		32,547	32,547
Less accumulated depreciation		(13,562)	(6,635)
		<u>18,985</u>	<u>25,912</u>
Furniture and fittings		4,403	4,403
Less accumulated depreciation		(4,403)	(4,166)
		<u>-</u>	<u>237</u>
Total plant and equipment		<u>180,835</u>	<u>154,868</u>
Total property, plant and equipment		<u><b>1,358,212</b></u>	<u><b>1,362,165</b></u>

*Movements in carrying amounts*

Movements in the carrying amounts for each class of property, plant and equipment (PPE) between the beginning and the end of the current and previous financial year:

	<b>Land and Buildings</b>	<b>Plant and Equipment</b>	<b>Motor Vehicles</b>	<b>Furniture and Fittings</b>	<b>Total</b>
	\$	\$	\$	\$	\$
Balance at 1 January 2016	1,207,297	128,719	25,912	237	1,362,165
Additions at cost	20,051	48,066	-	-	68,117
Depreciation	(49,971)	(14,935)	(6,927)	(237)	(72,070)
Carrying amount at 31 December 2016	<u>1,177,377</u>	<u>161,850</u>	<u>18,985</u>	<u>-</u>	<u><b>1,358,212</b></u>

**THE GAWLER FOUNDATION INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
NOTE 9: ACCOUNTS PAYABLE AND OTHER PAYABLES			
CURRENT			
Accounts payable		28,008	19,879
Accrued expenses		5,194	8,626
Income received in advance		61,083	103,790
GST payable		12,318	23,057
PAYG withholding		13,166	6,968
Superannuation payable		21,970	9,657
Other current payables		3,959	6,190
	9a.	<u>145,698</u>	<u>178,167</u>
a. <i>Financial liabilities at amortised cost classified as accounts payable and other payables</i>			
Accounts payable and other payables:			
- total current		145,698	178,167
- total non-current		-	-
		<u>145,698</u>	<u>178,167</u>
Less unearned income		(61,083)	(103,790)
Less GST payable		(12,318)	(23,057)
Financial liabilities as accounts payable and other payables	15	<u>72,297</u>	<u>51,320</u>

*Collateral pledged*

No collateral has been pledged for any of the accounts payable and other payable balances.

NOTE 10: EMPLOYEE PROVISIONS

CURRENT

Provision for annual leave entitlements		43,074	47,504
Provision for long service leave entitlements		30,397	35,813
Total current employee provisions		<u>73,471</u>	<u>83,317</u>

NON-CURRENT

Provision for long service leave entitlements		30,223	19,989
Total non-current employee provisions		<u>30,223</u>	<u>19,989</u>
Total current and non-current employee provisions		<u>103,694</u>	<u>103,306</u>

*Analysis of Employee Provisions – Leave Entitlements*

Opening balance at 1 January 2016		103,306	93,878
Additional provisions		45,544	40,368
Amounts used		(45,157)	(30,940)
Balance at 31 December 2016		<u>103,693</u>	<u>103,306</u>

*Employee Provisions – Annual Leave Entitlements*

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, although the association does not expect the full amount of the annual leave balance classified as a current liability to be settled within the next 12 months, the results of any discounting to present values of these annual leave entitlements was deemed immaterial. Further, these amounts must be classified as current liabilities since the association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

**THE GAWLER FOUNDATION INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
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NOTE 11: EVENTS AFTER THE REPORTING DATE  
The board is not aware of any significant events since the end of the reporting period.

NOTE 12: KEY MANAGEMENT PERSONNEL COMPENSATION  
The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:

Key management personnel compensation		<b>140,127</b>	131,499
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NOTE 13: CASH FLOW INFORMATION

*Reconciliation of cash flow from operations with surplus/(deficit) after income tax*

Surplus/(deficit) after income tax		(105,239)	(76,066)
Non-cash flows in surplus/(deficit):			
Depreciation expense		72,070	86,390
Write down of assets		-	3,821
Changes in assets and liabilities :			
(Increase)/decrease in accounts receivable and other debtors		(202)	2,382
(Increase)/decrease in inventories on hand		5,310	(7,603)
(Increase)/decrease in other assets		(455)	6,113
Increase/(decrease) in accounts payable and other payables		(32,469)	7,902
Increase/(decrease) in employee provisions		388	9,428
Cash flows from operations		<b>(60,597)</b>	32,367

NOTE 14: FINANCIAL RISK MANAGEMENT

The association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

FINANCIAL ASSETS

Cash and cash equivalents	4	686,583	815,297
Accounts receivable and other debtors	5a.	202	-
Total financial assets		<b>686,785</b>	815,297

FINANCIAL LIABILITIES

Financial liabilities at amortised cost:			
- accounts payable and other payables	9a.	72,297	51,320
Total financial liabilities		<b>72,297</b>	51,320

NOTE 15: ASSOCIATION DETAILS

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

The Gawler Foundation Inc.  
55 Rayner Court  
Yarra Junction VIC 3797

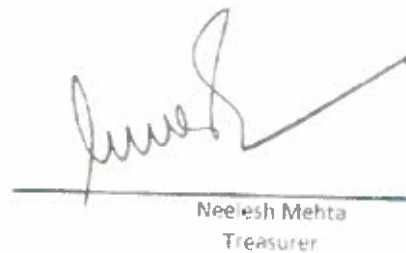
THE GAWLER FOUNDATION INC.  
A.B.N. 79 160 595 251  
BOARD OF DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 31 DECEMBER 2016

The Board of Directors of The Gawler Foundation Inc, declare that the financial statements:

1. Presents a true and fair view of the financial position of The Gawler Foundation Inc as at 31 December 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards - Reduced Disclosure Requirements.
2. At the date of this declaration, there are reasonable grounds to believe that The Gawler Foundation Inc will be able to pay its debts as and when they fall due.

This declaration is made in accordance with a resolution of the board of directors and is signed for and on behalf of the board of directors by:

  
Wayne Nicholls  
CEO

  
Neelesh Mehta  
Treasurer

Dated this  day of

 2017

## INDEPENDENT AUDITOR'S REPORT

To the Members of The Gawler Foundation Inc

### Opinion

We have audited the accompanying financial report of The Gawler Foundation Inc (“the Entity”), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the board of directors’ declaration.

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Gawler Foundation Inc as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and the Committee for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Reform Act 2012*, and for such internal control as management determines 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, management is responsible for assessing the 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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The Committee is responsible for overseeing the Entity’s financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



Justin Brook  
Director  
GippsAudit Pty Ltd

Date: 27 April 2017  
Place: Sale