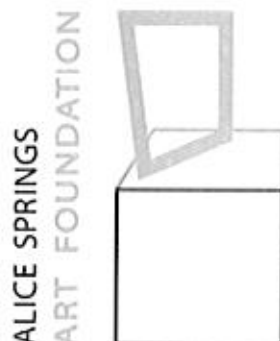


Alice Springs Art Foundation Inc.

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SPECIAL PURPOSE FINANCIAL REPORT

for

the financial year ended

30 June 2017

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INDEPENDENT AUDIT REPORT TO

THE MEMBERS OF ALICE SPRINGS ART FOUNDATION INCORPORATED

Opinion

I have audited the accompanying financial report, being a special purpose financial report, of Alice Springs Art Foundation Incorporated ("the Association"), which comprises the balance sheet as at 30 June 2017, the statement of income and expenditure for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes, and the statement by the association management committee, as set out on pages 4 to 7.

In my opinion, the accompanying financial report presents fairly, in all material respects, the Association's financial position as at 30 June 2017 and of its financial performance for the year then ended in accordance with the accounting policies described in note 1.

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 Association 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 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.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the financial reporting requirements of the Associations Act. As a result, the financial report may not be suitable for another purpose. My report is intended solely for the Members and should not be distributed or used by parties other than the Members. My opinion is not modified in respect of this matter.

Responsibilities of the Association Management Committee for the Financial Report

The association management committee of the Association is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of Association Act and is appropriate to meet the needs of the Members. The association management committee's responsibility also includes such internal control as management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the association management committee is responsible for assessing the ability of the Association 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 intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

INDEPENDENT AUDIT REPORT TO

THE MEMBERS OF ALICE SPRINGS ART FOUNDATION INCORPORATED

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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the association management committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the association management committee 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.

EDry

E Dry (honorary auditor)

Chartered Accountant (Chartered Accountants Australia and New Zealand)

Alice Springs, 11 / 08 / 2017.

STATEMENT BY THE MANAGEMENT COMMITTEE

for the financial year to 30 June 2017

In our opinion –

- (a) the accompanying financial report as set out on pages 5 to 7, being a special purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2017 and the results of the Association for the financial year ended on that date;
- (b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

We confirm as follows:

- (a) The name of each committee member of the association during the relevant financial period were:

To 27/11/16		From 27/11/16	
Jason Quin	President	Jason Quin	President
Anna Satharasinghe	Secretary	Vacant	Secretary
Steve Anderson	Treasurer	Steve Anderson	Treasurer
Richard Tucker	Vice President 1	Alice de Brenni	Vice President 1
June Noble	Vice President 2	Richard Tucker	Vice President 2
Elle Misios		Ruth Elvin	
Rhett Hammerton		June Noble	
Alex Hullah		Meredith Campbell	
		Anna Satharasinghe	
		June Noble	Public Officer

The principal activity of the association during the relevant financial period was the promotion of art.

Our main forum for the promotion of art is 'The Alice Prize', an exhibition and award held at Araluen Galleries in Alice Springs, every two years. It is open to artists from around Australia and provides access to artwork from around the Nation for exhibition in Central Australia. Very little of the financial activity for the 2016 Alice Prize fell within the current financial year

- (b) The net *surplus/(deficit)* of the association for the year ended 30 June 2017 was a surplus of \$7,803.48

Signed at Alice Springs

RJ Tucker 5/8/17
Vice President

Steve Anderson 5/8/2017
Treasurer

The Alice Springs Art Foundation Inc

Statement of Income and Expenditure		2016/17 Financial Year
2015/16	Income	<u>2016/17</u>
425	Membership	300
18,120	Alice Prize entry fee	0
19,836	AP Sales	0
2,000	Grant - ASTC	2000
0	Grant - CBF	0
0	Fundraising	0
25	Donations	25
	Miscellaneous	0
18,647	Interest & Dividends	15513.51
59,053	Operating Income	<u>17838.51</u>
11,168	Provision for increase (decrease) value of marketable securities	-731
0	Gain(loss) on disposal of marketable securities	
70,221	Total Income	<u>17107.51</u>
	Expenses	
	Alice Prize	
26,000	Prize money	0
4,548	Judging Costs	0
1,412	Advertising/Market	0
2,233	Catalogue	0
0	Hanging/Packing	0
0	Artist in Residency	0
13,688	Payment to artists	0
12,555	Araluen expenses less in-kind	0
16,072	Coordinator fees	2190
1,575	Catering	0
62	Other Alice Prize expenses	837.89
	Annual	
2,812	Office Rental	3011.26
0	Website	260
100	Publications/Subs	128
800	Advertising	800
793	Insurance	0
158	Audit/AGM	57
1,923	Office expenses	425.52
1,636	Phone & Internet	1594.36
0	Fundraising	0
0	Misc.	0
3,965	CBF DVD Grant	0
90,332	Total Expenses	<u>9304.03</u>

-20,111 Net Surplus/Deficit
The Alice Springs Art Foundation Inc.

7803.48

Balance Sheet

**2016/17 Financial
Year**

30/06/16

30/06/17

Assets

Current Assets

30,247.39	ANZ Chq Acc 015-881 4099-00311	23,468.36
28,882.21	ANZ V2 Plus 015-941 9021-49154	56,395.72
0.00	ANZ Term Deposit	0.00
200.00	Petty Cash	0.00
<u>0.00</u>	Other	<u>0.00</u>
59,329.60	Total Current Assets	79,864.08

Non-Current Assets

320,129.00	Marketable Securities	307,398.00
	Other	0.00
<u>320,129.00</u>	Total Non-Current Assets	<u>307,398.00</u>
379,458.60	Total Assets	387,262.08

Liabilities

0.00	Current Liabilities	
<u>0.00</u>		<u>0.00</u>
<u>0.00</u>	Total Current Liabilities	<u>0.00</u>
	Total Liabilities	0.00

0.00

Net assets

387,262.08

Members Funds

399,572.40	Retained Earnings	379,458.60
<u>-20,113.80</u>	Current Year Surplus/Deficit	<u>7,803.48</u>
379,458.60	Accumulated Funds	387,262.08

The accompanying notes form part of the financial report.
This report is to be read in conjunction with the attached audit report.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 June 2017

1. SUMMARY OF ACCOUNTING POLICIES

The accounting policies adopted by the Association are stated in order to assist in a general understanding of the financial statements. These policies have been consistently applied except as otherwise indicated.

Reporting entity

The association is not a reporting entity because in the committee's opinion there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy all of their information needs, and these accounts are therefore "special purpose accounts" that have been prepared solely to meet the requirements of the Constitution and the *Associations Act*.

Accounting policies

The financial report has been prepared under the historical cost conventions and does not take into account changing money values except to the extent that they are reflected in the revaluation of certain assets.

In order for the financial report to present fairly the state of affairs of the Association and the results of the Association for the year, Australian Accounting Standards have been adopted to the extent disclosed in this note.

Depreciation of property, plant and equipment

Items of property, plant and equipment are depreciated over their estimated useful lives using the straight line method.

Income tax

The Association is of the opinion that it is not subject to income tax.

2. LAND

The Association owns or leases no land. It operates from a leased office within the Araluen Cultural Precinct.