



AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

**FINANCIAL REPORT FOR THE
YEAR ENDED 30 JUNE 2021**

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

CONTENTS

| | |
|--|-------|
| Auditor's Independence Declaration | 3 |
| Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8-17 |
| Directors' Declaration | 18 |
| Declaration by Chairman | 19 |
| Independent Auditors' Report | 20-22 |
| Auditor's Disclaimer | 23 |
| Unaudited Statement of Income and Expenditure | 24 |

**AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER DIVISION 60 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE TRUSTEES OF AUSTRALIAN MUSEUM FOUNDATION**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- a) No contraventions of the auditor independence requirements as set out in 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.

BRAY & ASSOCIATES PTY LTD
Chartered Accountants

John Cary
Director

Dated:

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

| | | 2021 | 2020 |
|-----------------------------------|-------------|---------------------------|---------------------------|
| | Note | \$ | \$ |
| Revenue | 2 | 2,862,442 | 451,759 |
| Other income | 2 | 914,731 | (224,912) |
| Donations to Australian Museum | | (2,366,858) | (390,250) |
| Other expenses | 3 | <u>(224,624)</u> | <u>(76,341)</u> |
| Total Surplus for the year | | <u>\$1,285,691</u> | <u>(\$239,744)</u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

| | | 2021 | 2020 |
|--------------------------------------|-------------|---------------------------|-------------------------|
| | Note | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 2,292,721 | 3,610,931 |
| Other current assets | 5 | 104,640 | 77,745 |
| Financial assets | 6 | <u>8,362,275</u> | <u>4,139,157</u> |
| TOTAL CURRENT ASSETS | | <u>10,759,636</u> | <u>7,827,833</u> |
| TOTAL ASSETS | | <u>10,759,636</u> | <u>7,827,833</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payables and other payables | 7 | <u>20,607</u> | <u>12,890</u> |
| TOTAL CURRENT LIABILITIES | | <u>20,607</u> | <u>12,890</u> |
| NON-CURRENT LIABILITIES | | | |
| Other financial liabilities | 8 | <u>8,948,125</u> | <u>7,224,730</u> |
| TOTAL NON-CURRENT LIABILITIES | | <u>8,948,125</u> | <u>7,224,730</u> |
| TOTAL LIABILITIES | | <u>8,968,732</u> | <u>7,237,620</u> |
| NET ASSETS | | <u>\$1,775,904</u> | <u>\$590,213</u> |
| EQUITY | | | |
| Retained surplus | | <u>\$1,775,904</u> | <u>\$590,213</u> |
| TOTAL EQUITY | | <u>\$1,775,904</u> | <u>\$590,213</u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

| | Retained Surplus \$ |
|--------------------------------|------------------------------------|
| Balance at 1 July 2019 | 829,957 |
| Surplus for the period | <u>(239,744)</u> |
| BALANCE AT 30 June 2020 | <u>\$590,213</u> |
| | |
| Balance at 1 July 2020 | 590,213 |
| Surplus for the year | <u>1,185,691</u> |
| | |
| BALANCE AT 30 June 2021 | <u>\$1,775,904</u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

| | Note | 2021 \$ | 2020 \$ |
|--|-------|---------------------------|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from donations bequests and fundraising | | 3,212,442 | 6,340,718 |
| Payments to Suppliers | | (214,690) | (84,097) |
| Interest received | | 10,949 | 55,719 |
| Franking Credits Refunded | | 9,343 | - |
| Investment income | | 159,267 | 56,392 |
| Donations paid | | <u>(2,520,734)</u> | <u>(390,250)</u> |
| Net cash provided by operating activities | 14(b) | <u>656,577</u> | <u>5,978,482</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of investment portfolio | | <u>(1,974,787)</u> | <u>(4,498,155)</u> |
| Net cash used in investing activities | | <u>(1,974,787)</u> | <u>(4,498,155)</u> |
| Net Increase in Cash Held | | (1,318,210) | 1,480,327 |
| Cash on Hand at beginning of the financial year | | <u>3,610,931</u> | <u>2,130,604</u> |
| Cash on Hand at the end of the financial year | 14(a) | <u>\$2,292,721</u> | <u>\$3,610,931</u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

The financial statements cover the Australian Museum Foundation ("The Foundation") as an individual entity, established and domiciled in Australia. The financial report was authorised for issue on _____ November 2021 by the board of directors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board ("AASB") and the requirements of the Charitable Fundraising Act 1991.

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 by the Foundation unless otherwise stated.

The financial report except for the cashflow, have been prepared on an accrual basis, and are based on historical costs and does not take into account changing money values, except where specifically stated. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks. Any restricted/non-discretionary funds held have been itemised in note 4.

b. 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 ATO. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Cash flows are presented on a gross basis, The GST component of investing and financing activities, which are recoverable are disclosed as operating cash flows in payments to supplies.

c. Fundraising Activities

Charitable Fundraising Act 1991:

The *Charitable Fundraising Act 1991* and supporting Charitable Fundraising Regulation 2015 prescribe the way fundraising appeals are conducted, controlled and reported in NSW. The amounts shown in Note 13 are in accordance with Authority Conditions, which is issued to Australian Museum Foundation under section 16 of the *Charitable Fundraising Act 1991*.

**AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Revenue and other income

Revenue is measured at fair value of the consideration received and receivable. Interest income is recognised on a proportional basis considering the interest rates applicable to the financial assets.

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

d. Donations and bequests income

General

Donations and bequests are returned as income as and only when the control over the funds have been obtained by the Foundation. Control is usually obtained upon receipt of cash. As specified in the *Charitable Fundraising Act 1991*, unsolicited donations, members' donations and bequests are not treated as fundraising income when determining information required to be reported under the Act. They are treated as gifts under the tax legislation and deposited in cash deposit accounts.

Restricted

Donations and bequests that are restricted as to the use of the funds are recognised as income in the year ended where the Foundation expends the funds as per the directions of the legal document attached to the donation or bequest.

Consistent with AASB 1058 'Income for Not-for-Profit Entities', an asset and income are only recognised to the extent that a liability is not also recognised. A liability is only recognised to the extent that the present obligations of the restricted donation or bequest have not been satisfied. Funds deemed as non-discretionary by the Trustees are accounted for in the same way.

e. Cost of fundraising:

Costs explained in Note 13 include all direct fundraising costs in accordance with the *Charitable Fundraising Act 1991*. The inclusion of indirect costs is discretionary. There are no indirect fundraising costs.

f. Income Tax

No provision for income tax has been raised as the Australian Museum Foundation is exempt from income tax under subdivision 50-B of the *Income Tax Assessment Act 1997*.

g. Comparatives

The reported Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows is for the year ended 30 June 2020.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Fair value of assets

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

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

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

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

i. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Foundation commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) 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 expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

| | 2021 | 2020 |
|--------------------------------------|---------------------------|---------------------------|
| | \$ | \$ |
| 2. REVENUE | | |
| Revenue | | |
| Donations – general | 148,143 | 132,530 |
| Donations – public appeals | 119,607 | 149,926 |
| Donations – restricted | 45,750 | 97,370 |
| Donations – FR Dinner | 354,402 | - |
| Restricted donations recognised | 2,194,540 | 71,933 |
| | <u>2,862,442</u> | <u>451,759</u> |
| Other Revenue | | |
| Interest received | 10,949 | 65,720 |
| Investment income | 179,529 | 113,560 |
| Refundable franking credits | 23,969 | 9,343 |
| Change in market value of investment | 700,284 | (358,998) |
| Other | - | (14,501) |
| Total Other Income | <u>914,731</u> | <u>(224,912)</u> |
| Total Revenue | <u><u>\$3,777,173</u></u> | <u><u>\$226,847</u></u> |
| 3. EXPENSES | | |
| Accounting fees | 8,630 | 6,350 |
| Audit fees | 4,000 | 4,000 |
| Catering & beverages | 79,172 | 13,013 |
| Function costs | 77,058 | 5,890 |
| Investment portfolio fees | 13,112 | 11,689 |
| Legal fees | 595 | 11,353 |
| Research and consultancy fees | 18,900 | 10,237 |
| Other expenses | 23,157 | 32,712 |
| Total Other expenses | <u><u>\$244,624</u></u> | <u><u>\$76,341</u></u> |
| 4. CASH AND CASH EQUIVALENTS | | |
| Cash at Bank | | |
| Westpac operational account | (i) 1,061,125 | 777,697 |
| Westpac – Porritt – restricted | (ii) 65,069 | 177,320 |
| Westpac – Long Gallery | (iii) 173,255 | 132,592 |
| Westpac – Patricia McDonald Bequest | (iv) 294,404 | |
| Macquarie Cash Management account | (v) 698,868 | 2,523,322 |
| | <u><u>\$2,292,721</u></u> | <u><u>\$3,610,931</u></u> |

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

4. CASH AND CASH EQUIVALENTS (continued)

- (i) Included in the operational account balance are restricted fund amounts for Survey of Sydney \$50,000 and Australian Biodiversity study \$10,000 and other specific purpose amounts totalling \$239,217.
- (ii) Cash in this account are restricted funds set aside for specific purpose, being the Porritt Acquisition Fund.
- (iii) Cash in this account are restricted funds set aside for specific purpose, being the Long Gallery Restoration.
- (iv) Cash in this account are restricted funds set aside for specific purpose, being the Patricia McDonald Education Fund.
- (v) Cash in this account consists of funds from the Patricia MacDonald Education Fund, Chadwick Biodiversity Fellowship Fund, Porritt Acquisition Fund which have been deemed by the Trustees to be non-discretionary funds set aside for a specific purpose.

| | 2021 | 2020 |
|---|--------------------|--------------------|
| | \$ | \$ |
| 5. TRADE AND OTHER RECEIVABLES | | |
| Current | | |
| GST receivable | - | 7,910 |
| Accrued investment income | 77,429 | 57,168 |
| Franking credits receivable | 23,969 | 9,343 |
| Prepayments | 3,242 | 3,324 |
| | <u>\$104,640</u> | <u>\$77,425</u> |
| 6. FINANCIAL ASSETS | | |
| Current | | |
| Available-for-sale financial assets (a) | 6,558,295 | 2,795,101 |
| Held-to-maturity investments (b) | 1,803,980 | 1,344,056 |
| | <u>\$8,362,275</u> | <u>4,139,157</u> |
| (a) Available-for-sale financial assets: | | |
| Listed securities – Australia | 1,586,830 | - |
| Managed Funds – Australia | 4,971,465 | 2,795,101 |
| Total available-for-sale financial assets | <u>\$6,558,295</u> | <u>\$2,795,101</u> |
| (b) Held-to-maturity investments: | | |
| Listed interest securities | 1,803,980 | 1,344,056 |
| Total held-to-maturity investments | <u>\$1,803,980</u> | <u>\$1,344,056</u> |
| | <u>\$8,362,275</u> | <u>\$4,139,157</u> |

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

| | 2021 \$ | 2020 \$ |
|--|-----------------|-----------------|
| 7. ACCOUNTS PAYABLE AND OTHER PAYABLES | | |
| Current | | |
| Accounts Payable | 3,142 | 3,890 |
| Accrued expenses | 11,150 | 9,000 |
| GST Payable | 6,315 | - |
| | <u>\$20,607</u> | <u>\$12,890</u> |
| 8. OTHER FINANCIAL LIABILITIES | | |
| <i>(a) Non-discretionary funds - Chadwick Biodiversity Fellowship Fund</i> | | |
| Opening balance | 590,452 | 594,006 |
| Less: Donation as per directions | - | (10,236) |
| Add: Interest income | - | 6,682 |
| Total Chadwick Biodiversity Fellowship funds (i) | <u>590,452</u> | <u>590,452</u> |
| <i>(b) Restricted funds - Mrs Porritt Fund</i> | | |
| Opening balance | 402,234 | 434,694 |
| Less: Donation as per directions | (97,540) | (32,460) |
| Total Mrs Porritt funds (ii) | <u>304,694</u> | <u>402,234</u> |
| <i>(c) Restricted funds - The Long Gallery</i> | | |
| Opening balance | 132,592 | 101,347 |
| Donations and Fundraising | 40,000 | 30,000 |
| Add: Interest income | 663 | 2,009 |
| Less: Expenses as per directions | - | (764) |
| Less: Donations as per directions | - | - |
| Total Long Gallery funds (iii) | <u>173,255</u> | <u>132,592</u> |
| <i>(d) Restricted funds — Survey of Sydney/Biodiversity</i> | | |
| Opening balance | 60,000 | 75,000 |
| Donations and Fundraising | - | 6,000 |
| Less: Donations as per directions | - | (6,000) |
| Less: Reallocation | - | (15,000) |
| Total Survey of Sydney/Biodiversity funds (iv) | <u>60,000</u> | <u>60,000</u> |
| <i>(e) Restricted funds — Acquisition Funds</i> | | |
| Opening balance | 19,319 | 107,532 |
| Less: Donations as per directions | - | (100,000) |
| Add: Reallocation | - | 11,786 |
| Total Acquisition Funds (v) | <u>19,319</u> | <u>19,319</u> |

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

| | 2021 \$ | 2020 \$ |
|---|--------------------|--------------------|
| 8. OTHER FINANCIAL LIABILITIES (continued) | | |
| <i>(f) Restricted funds – Patricia MacDonald Education Fund</i> | | |
| Opening balance | 5,733,916 | - |
| Donations and Fundraising | 2,300,000 | - |
| Add: Bequest received | 15,000 | 5,733,916 |
| Less: Expenses as per directions | (5,775) | - |
| Less: Donations as per directions | (2,000,000) | - |
| Total Patricia MacDonald Education Fund (vi) | <u>6,043,141</u> | <u>5,733,916</u> |
| <i>(g) Restricted funds - Helen Molesworth Estate Fund</i> | | |
| Add: Bequest received | <u>1,533,047</u> | - |
| Total Helen Molesworth Estate (vii) | <u>1,533,047</u> | - |
| <i>(h) Restricted funds — Other</i> | | |
| Opening balance | 286,217 | - |
| Donations and Fundraising | 50,000 | 286,217 |
| Less: Donations as per directions | <u>(97,000)</u> | - |
| Total Other Restricted Funds (viii) | <u>239,217</u> | <u>286,217</u> |
| Total restricted funds | <u>8,963,125</u> | <u>7,224,730</u> |
| Total other financial liabilities | <u>\$8,963,125</u> | <u>\$7,224,730</u> |
| (i) The Chadwick Biodiversity Fellowship has been deemed by the Trustees to be non-discretionary as to the use of the funds. The interest income is capitalised and included in the total of non-discretionary funds. | | |
| (ii) The capital of the Porritt Funds is restricted as to the use of the funds. Interest income on the funds is recognised as general income of the Foundation. | | |
| (iii) The Long Gallery Funds are restricted as to the use of the funds. Interest income on the funds is capitalised and included in the total of restricted funds. | | |
| (iv) The funds for the Survey of Sydney and Australian Biodiversity Study are restricted as to the use of the funds. The funds have not been specifically set aside but are recognised in Note 4 of the accounts. Interest income on the funds is recognised as general income of the Foundation. | | |
| (v) The Acquisition funds are restricted as to the use of the funds. Interest income on the funds is recognised as general income of the Foundation. | | |

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

8. OTHER FINANCIAL LIABILITIES (continued)

- (vi) Patricia MacDonald Education funds are restricted as to the use of funds. Interest and investment income generated by the funds is recognised as general income of the Foundation.
- (vii) Helen Molesworth Estate funds are restricted as to the use of the funds. Interest and investment income generated by the funds is as general income of the Foundation.
- (viii) Restricted funds – Other includes amounts committed to projects that not yet been paid. The investment and interest income generated by the funds is recognised as income of the Foundation.

9. TRUST FUNDS

Annual surplus

Rule number 1.6 of the trust deed prohibits the distribution of any part of the Trust Fund or the income to the Trustee or any of its members or directors. All capital and income must be applied solely towards any one or more of the Trust Purposes (Rule 3.2)

Surplus on liquidation

As required by the *Charitable Fundraising Act 1991*, the *Income Tax Assessment Act 1997* and Rule number 15 of the trust deed, any surplus remaining after the satisfaction of all the Foundation's debts and liabilities upon the winding up of the Foundation shall not be paid to or distributed among the members but shall be given or transferred to the Australian Museum Trust or successor in law to the Australian Museum Trust which is a Charitable Body.

If the Australian Museum Trust is no longer in existence and has no successor, then to or for one or more: Charitable bodies; and funds charitable at law which comply with the requirements of *Income Tax Assessment Act 1997*, as the Trustee decides, and which have objects similar to the Australian Museum Trust and which shall also prohibit the distribution of its or their property among its or their members.

10. TRUSTEE'S LIABILITY

Australian Museum Foundation Limited is the trustee for Australian Museum Foundation and is a company limited by guarantee. The directors of Australian Museum Foundation Limited have no liability to contribute towards the payment of debts and liabilities of Australian Museum Foundation or the costs, charges and expenses of the winding up of the trust.

11. RELATED PARTIES

Directors of the trustee are not entitled to and did not receive benefits during the year other than reimbursement of reasonable and proper expenses incurred on behalf of the Foundation.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

12. EVENTS AFTER THE REPORTING PERIOD

Since the end of the financial year there has been no material transaction or event which could, in the opinion of the directors of the Trustee, affect the financial position and performance of the Foundation.

13. FUNDRAISING APPEALS

The Foundation was issued with an Authority to Fund raise by the Office of Charities on 7 December 2006. It has been reissued with a Charitable Fundraising Authority covering the period 16 February 2019 to 15 February 2024 and is in force unless surrendered or revoked earlier and is not transferable.

| | 2021 | 2020 |
|--|------------------|------------------|
| | \$ | \$ |
| Donations, in cash | 282,750 | 252,457 |
| Donations — tied (The Long Gallery) | - | 30,000 |
| Donations — tied (Other) | 30,750 | 97,370 |
| FR Dinner | 354,402 | - |
| Gross Income from fundraising (A) | <u>667,902</u> | <u>379,827</u> |
| Cost of fundraising (B) | <u>(156,975)</u> | <u>(20,715)</u> |
| Net surplus from fundraising (C) | <u>510,927</u> | <u>359,112</u> |
| To Be Donated to The Australian Museum | <u>\$510,927</u> | <u>\$359,112</u> |

In accordance with the *Charitable Fundraising Act 1991* the following ratios are provided

| | 2021 | 2020 |
|---|-------------|-------------|
| Cost of fundraising to gross income from fundraising (B/A) | 23% | 5% |
| Net surplus from fundraising to gross income from fundraising (C/A) | 77% | 95% |

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

13. CASH FLOWS INFORMATION

a. Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

| | 2021 \$ | 2020 \$ |
|---------------------------------|--------------------------|--------------------------|
| Cash and cash equivalents | 2,292,721 | 3,610,931 |
| Total cash and cash equivalents | <u>\$2,292,721</u> | <u>\$3,610,931</u> |

b. Reconciliation of operating cashflows from activities with current year surplus

| | | |
|------------------------------------|-----------|-----------|
| Net Current Year (Deficit) Surplus | 1,185,690 | (239,744) |
|------------------------------------|-----------|-----------|

CHANGES IN ASSETS AND LIABILITIES:

| | | |
|-------------------------------------|------------------|------------------|
| Income receivable | (20,262) | (57,168) |
| Franking credits refundable | (14,626) | (9,343) |
| Accrued interest | - | 21,345 |
| Investment Portfolio | (2,248,330) | 358,998 |
| Prepayments | 83 | (3,324) |
| Accounts payable & accrued expenses | 1,401 | (1,623) |
| GST paid (net) | 14,226 | (2,809) |
| Other financial liabilities | <u>1,738,395</u> | <u>5,912,150</u> |

| | | |
|---|------------------|--------------------|
| Net cash provided by operating activities | <u>\$656,577</u> | <u>\$5,978,482</u> |
|---|------------------|--------------------|

14. TRUST DETAILS

The registered office and principal place of business of the Australian Museum Foundation is:

Australian Museum Foundation
1 William Street
Sydney NSW 2000

**AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210**

**DIRECTORS' DECLARATION OF THE TRUSTEE COMPANY
AUSTRALIAN MUSEUM FOUNDATION LIMITED**

The directors of the trustee company declare that:

1. the financial statements and notes, as set out on pages 8 to 17, are in accordance with *the Australian Charities and Not-For-Profits Commission Act 2012*:
 - a) comply with Australian Accounting Standards, the Corporations Regulations and *the Charitable Fundraising Act 1991* and other mandatory reporting requirements;
 - b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the entity; and
2. in the directors' opinion there are reasonable grounds to believe that Australian Museum Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors of the trustee company, Australian Museum Foundation Limited.

Brian Hartzer
Chairman

Dated:

**AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210**

**DECLARATION OF CHAIRMAN IN RESPECT OF
FUNDRAISING APPEALS
FOR THE YEAR ENDED 30 JUNE 2021**

This declaration is made in accordance with Authority conditions issued by the Minister under Section 16 of the *Charitable Fundraising Act 1991*.

I, Brian Hartzer, Chairman of Australian Museum Foundation Limited, the trustee company of Australian Museum Foundation, declare that in my opinion:

- (a) the statement of profit & loss and other comprehensive income gives a true and fair view of all income and expenditure of the Australian Museum Foundation with respect to fundraising appeals; and
- (b) the Balance Sheet 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*, the regulations under the Act and the conditions attached to the authority have been complied with; and
- (d) the internal controls exercised by the Australian Museum Foundation are appropriate and effective in accounting for all income received and applied by the Australian Museum Foundation from any of its fundraising appeals.

Brian Hartzer
Chairman

Dated:

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

INDEPENDENT AUDIT REPORT
TO THE TRUSTEES OF AUSTRALIAN MUSEUM FOUNDATION

Opinion

We have audited the financial report of the Australian Museum Foundation ("The Foundation") which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income for the year then ended, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies, and the Trustees' declaration.

In our opinion the accompanying financial report of the Australian Museum Foundation is in accordance with;

- a) Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - i giving a true and fair view of the Foundation's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
 - ii complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- b) the *Charitable Fundraising Act 1991*, including showing a true and fair view of the Foundation's financial result of fundraising appeals for the year ended 30 June 2021.

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Trustees would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the Financial Report

The Trustees of the Foundation are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Trustees responsibility also includes such internal control as the Trustees determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible for assessing the entities ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so. The Trustees are responsible for overseeing the Foundation's financial reporting process.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of Trustees' 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 entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Foundation or business activities within the Foundation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other aspects of the *Charitable Fundraising Act 1991*

We have audited the Trust's operations in order to express an opinion on the matters specified in section 24(2) of the *Charitable Fundraising Act 1991* for the year ended 30 June 2021.

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

Trustee' Responsibility for compliance

The Trustees are responsible for ensuring compliance with the *Charitable Fundraising Act 1991* and the *Charitable Fundraising Regulation 2015*. This responsibility includes establishing and maintaining internal control relevant to compliance, ensuring that all assets obtained during, or as a result of a fundraising event are safeguarded and properly accounted for, and maintaining proper books of account and records.

Auditor's responsibility

Our responsibility is to express an opinion on matters specified in section 24(2) of the *Charitable Fundraising Act 1991* for the year ended 30 June 2021. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether there were any material breaches of compliance by the Trust.

An audit involves performing procedures to obtain audit evidence about the entity's compliance with the *Charitable Fundraising Act 1991* and the *Charitable Fundraising Regulation 2015*, and its solvency. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material breaches of compliance. In making those risk assessments, the auditor considers internal control relevant to the entity's compliance in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Our procedures included examination on a test basis, of evidence supporting the entity's solvency and its compliance with the *Charitable Fundraising Act 1991* and the *Charitable Fundraising Regulation 2015*. These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the *Charitable Fundraising Act 1991* and the *Charitable Fundraising Regulation 2015*, apart from those specified.

Audit opinion

In our opinion, the financial report of Australian Museum Foundation

- (a) gives a true and fair view of the Foundations financial results of fundraising for the year ended 30 June 2021;
- (b) the accounts comply with Australian Accounting Standards (including Australian Accounting Interpretations) to the extent described in Note 1 and the Trust Deed; and *the Charitable Fundraising Act 1991* and regulations;
- (c) monies received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with *the Charitable Fundraising Act 1991* and regulations.

BRAY & ASSOCIATES PTY LTD

Chartered Accountants

John Cary

Director

Dated:

**AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210**

**PRIVATE INFORMATION FOR THE TRUSTEES
AUSTRALIAN MUSEUM FOUNDATION
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

AUDITOR'S DISCLAIMER

The additional financial information presented in the following page is in accordance with the accounting records of the Australian Museum Foundation ("the Foundation") which have been subject to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2021.

It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes the responsibility in any way whatsoever to any person (other than to our client) in respect of such data, including any errors or omissions therein however caused.

BRAY & ASSOCIATES PTY LTD

Chartered Accountants

John Cary

Director

Dated:

AUSTRALIAN MUSEUM FOUNDATION
ABN 64 497 967 210

STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED 30 JUNE 2021

| | 2021 | 2020 |
|--|--------------------|--------------------|
| | \$ | \$ |
| INCOME | | |
| Donations – general | 163,143 | 132,530 |
| Donations – public appeals | 119,607 | 149,926 |
| Donations – restricted | 30,750 | 97,370 |
| Donations – FR Dinner | 354,402 | - |
| Restricted income recognised | 2,194,540 | 71,933 |
| Interest revenue | 10,949 | 25,684 |
| Investment portfolio income | 179,529 | 113,560 |
| Refunded franking credits | 23,969 | 9,343 |
| Unrealised change in market value of investments | 738,493 | (358,998) |
| Realised change in market value of investments | (38,209) | - |
| Other revenue | - | (14,502) |
| | <hr/> | <hr/> |
| Total income | \$3,777,173 | \$226,848 |
| | <hr/> | <hr/> |
| EXPENSES | | |
| Accounting fees | 8,630 | 6,350 |
| Advertising | 5,253 | 2,545 |
| Audit fees | 4,000 | 4,000 |
| Bank charges | 21 | 20 |
| Catering & beverages | 79,172 | 13,013 |
| Cleaning | 745 | 411 |
| Donations to Australian Museum – general | 177,318 | 318,317 |
| Donations to Australian Museum – restricted | 2,189,540 | 71,933 |
| Filing fees | 354 | 198 |
| Function costs | 77,058 | 5,890 |
| Insurance | 4,154 | 720 |
| Investment portfolio fees | 13,112 | 11,689 |
| Legal fees | 595 | 11,353 |
| Merchant fees | 3,026 | 2,558 |
| Printing, stationery and postage | 9,604 | 3,179 |
| Research and consultancy | 18,900 | 10,237 |
| Sundry expenses | - | 4,177 |
| Total expenses | 2,591,482 | 466,591 |
| | <hr/> | <hr/> |
| NET SURPLUS | \$1,185,691 | (\$239,744) |
| | <hr/> | <hr/> |