

**GONDWANA LINK LTD**  
**A.C.N. 138 516 944**  
**AUDITED FINANCIAL STATEMENTS**  
**AS AT 30 JUNE 2017**

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INDEPENDENT AUDITOR'S REPORT  
To: The Members of Gondwana Link Ltd

Report on the Audit of the Financial Report

We have audited the accompanying financial report of Gondwana Link Ltd which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Gondwana Link Ltd is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 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 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 directors of the Company, 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities to ASIC under the Corporations Law and to the Australian Charities and Not for Profits Commission. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Going Concern

Without qualification to the opinion expressed above, attention is drawn to the fundamental accounting principal that the financial statements are prepared on the basis of the company being a going concern. As at balance date there exists a deficiency of current assets available to cover current liabilities. As disclosed in the notes to the financial statements, going concern is dependent upon the continued financial support of funding agencies.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the company will be able to meet its liabilities as they fall due.

The directors are responsible for overseeing the company's financial reporting process.



**MACLEOD**  
CORPORATION PTY LTD.

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

CERTIFIED PRACTISING ACCOUNTANTS



Auditor's responsibilities for the audit of the financial report

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our objective is 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 aggregate, they could reasonably be expected to influence the economic decisions of members taken on the basis of this financial report.

We have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). Our audit has been conducted in accordance with Australian Auditing Standards. These standards require that we comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the 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 the auditor's report. However, future events or conditions may cause the company 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.

We communicate with the directors 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 the audit.



Paul Gilbert FCPA MBA  
Macleod Corporation Pty Ltd  
Unit 8, 76 Proudlove Parade, ALBANY WA 6330

Dated this 17th day of October 2017



LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

CERTIFIED PRACTISING ACCOUNTANTS



**GONDWANA LINK LTD**  
**DIRECTORS' REPORT**

Your directors submit their report for the financial year ended 30 June 2017 made in accordance with a resolution of the directors.

**Directors**

The names of directors in office at the date of this report are:-

VIRGINIA YOUNG (Chair)

PHILIPPA WALSH

LOUISE DUXBURY

**Principal Activity**

The principal activity of the company in the course of the financial year was providing charitable environmental services in protecting and restoring the natural environment across South-Western Australia from the wet forests to the edge of the Nullarbor.

**Operating Results**

The company generated a *surplus* from operations (before appropriations) of \$70,309.

**Going Concern, Deficiency in Capital and Solvency**

The financial statements disclose a deficiency in capital of \$45,034, and additionally a deficiency in working capital of \$ 24,190. Prima facie this suggests the company is insolvent. Post balance date there was a substantial donation made to the company in the form of real estate. This property has been earmarked for sale, and pending this event, the property has been offered as collateral for short term bank funding. The projected called "GWW-16/17" is due to make a surplus of a budgeted \$158,770. This surplus will be retained by Gondwana Link Ltd as at 30 September 2017, and will change the above net Working Capital Deficiency to a Working Capital Surplus.

At the time of preparing this report, these matters have proceeded with certainty, and the directors are of the opinion that these funding sources will support the company for the medium term of five years.

**Dividends**

The statutory framework for companies limited by guarantee is such that there is a prohibition on payment of dividends to members. This policy is consistent with its Not-For-Profit status and Constitution.

**Directors' Benefits**

Since the date of Incorporation, no director of the company has received or become entitled to receive a benefit. As defined in the company's Constitution, there exists a policy that no Director fees may be paid to Directors.

On behalf of the Board

Signed at

Date 23 March 2018

19 September 2017

The Board of Directors  
Gondwana Link Ltd  
70-74 Frederick Street  
ALBANY WA 6330

Dear Directors

**AUDITOR'S INDEPENDENCE DECLARATION  
AS REQUIRED BY SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead Auditor for the audit of Gondwana Link Ltd for the year ended 30 June 2017,  
I declare to the best of my knowledge and belief, that there have been:

- a) no contraventions of the Auditor independence requirements of the Corporations Act 2001, in the relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This Declaration is made in respect of Gondwana Link Ltd during the period of the audit.



Paul Gilbert, FCPA MBA  
Registered Company Auditor  
Director, Macleod Corporation Pty Ltd



**MACLEOD  
CORPORATION PTY LTD.**

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**GONDWANA LINK LTD**  
**STATEMENT BY DIRECTORS**

In accordance with a resolution of the directors, we state that:

As detailed in Note 1 to the accounts the company is not a reporting entity and these accounts are therefore "Special Purpose Financial Reports" that have been prepared solely to meet the Corporations Law requirements to prepare accounts.

The company has applied Accounting Standard AASB 1025 Application of the Reporting Entity Concept and Other Amendments. In the opinion of the directors no other Accounting Standards have mandatory applicability, and consequently no other Accounting Standards have been applied.

In the opinion of the directors,

- the profit and loss account is drawn up so as to give a true and fair view of the of the company for the financial year ended 30 June 2017;
- the balance sheet is drawn up so as to give a true and fair view of the state of affairs of the company as at 30 June 2017; and
- at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The accounts to which this statement relates have been properly prepared by a competent person.

The company, in respect of the financial year to which the accounts relate -

- has kept such accounting records as correctly record and explain the transactions and financial position of the company;
- has kept its accounting records in such a manner as would enable true and fair accounts of the company to be prepared from time to time; and
- has kept its accounting records in such a manner as would enable the accounts of the company to be conveniently and properly audited in accordance with the Corporations Law.

On behalf of the Board

  
Signed at

Date 23 March 2018

**GONDWANA LINK LTD**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2017	2016
		\$	\$
<b>INCOMING RESOURCES</b>			
Fee for Service		110,917	9,383
Donation Received		90,040	61,615
Expense Reimbursement		-	-
Membership Fees		-	-
Interest Received		256	2,150
Member Group Contributions		-	5,724
Project Funding		771,229	586,638
<b>TOTAL INCOMING RESOURCES</b>		<u>972,442</u>	<u>665,510</u>
<b>RESOURCES EXPENDED</b>			
Accountancy		4,000	4,000
Auditors Remuneration - Fees		4,000	4,000
Bank Fees and Sundries		500	292
Bookkeeping Fees		6,360	7,405
Computer Maintenance		2,472	3,875
Consultants Fees		358,064	301,608
Depreciation		15,042	16,878
Electricity and Gas		2,192	1,845
Filing Fees		316	-
Field Days & Workshops		10,313	9,634
Insurance		7,970	11,210
Internet Expenses		2,138	2,259
Interest		177	37
Legal Expenses		-	-
Motor Vehicle Expenses		7,956	7,273
Rent		26,116	25,190
Repairs & Maintenance		172	531
Staff Amenities		138	691
Stationery and Incidentals		5,296	2,793
Superannuation		31,778	27,629
Telephone		6,968	5,685
Training		-	1,470
Travelling		30,406	26,103
Wages		307,343	312,169
<b>TOTAL RESOURCES EXPENDED</b>		<u>829,717</u>	<u>772,577</u>
<b>TOTAL OPERATING PROFIT / (LOSS)</b>		142,725	(107,067)
<b>Extraordinary Items</b>			
Project Funding Rec'd in Adv	Note		
Application of Funds for future Funding	1d	(149,619)	(69,695)
<b>OPERATING SURPLUS / (DEFICIENCY)</b>		<u>(6,894)</u>	<u>(176,762)</u>

The accompanying notes form part of these financial accounts  
Refer auditors report attached. SMITH THORNTON

**GONDWANA LINK LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	NOTE	2017	2016
<b>EQUITY</b>		\$	\$
Accumulated Surplus / (Deficiency)		(45,034)	(38,139)
		<u>          </u>	<u>          </u>
 <b>REPRESENTED BY</b>			
<b>PROPERTY PLANT AND EQUIPMENT</b>			
Plant and Equipment at Cost		148,845	148,845
Less Accumulated Depreciation		89,912	74,870
		<u>          </u>	<u>          </u>
		58,933	73,975
 <b>CURRENT ASSETS</b>			
Cash at Bank	2	156,448	134,008
Petty Cash		-	-
GWW Petty Cash		2,000	2,000
Accrued Revenue		72,416	-
Debtors		29,265	33,861
Short Term Loans		8,592	1,674
Yinma Foundation		19,822	10,285
GST Refundable		3,748	-
Prepayments		-	9,167
		<u>          </u>	<u>          </u>
		292,291	190,995
		<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>		351,224	264,970
 <b>CURRENT LIABILITIES</b>			
Creditors		2,545	10,809
Accrued Expenses		-	-
Funding for Future Periods	3	252,521	187,175
Provision for Accrued Employee Entitlements	4	49,322	79,586
Holding Accounts Related Parties		205	8,411
PAYG Withholding Payable		10,220	7,770
GST Payable		1,668	9,358
		<u>          </u>	<u>          </u>
		316,481	303,109
 <b>NON CURRENT LIABILITIES</b>			
Funding for Future Periods	5	79,777	-
		<u>          </u>	<u>          </u>
		79,777	-
		<u>          </u>	<u>          </u>
<b>NET SURPLUS / (DEFICIT)</b>		(45,034)	(38,139)
		<u>          </u>	<u>          </u>

The accompanying notes form part of these financial accounts  
Refer auditors report attached. SMITH THORNTON



**GONDWANA LINK LTD  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2017	2016
		\$	\$
<b>EQUITY</b>			
<b>OPERATING SURPLUS / (DEFICIENCY) FOR THE YEAR</b>		(6,894)	(176,762)
<b>RETAINED SURPLUS / (DEFICIENCY) AT BEGINNING OF FINANCIAL YEAR</b>		(38,140)	138,623
 		<u>          </u>	<u>          </u>
<b>RETAINED SURPLUS / (DEFICIENCY) AT END OF FINANCIAL YEAR</b>		(45,034)	(38,139)
		<u>          </u>	<u>          </u>

**GONDWANA LINK LTD  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2017 \$	2016 \$
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Receipts – Project Income		686,627	560,702
- Fee for Service		115,513	9,383
- Member Contribution		-	5,724
- Donations		90,040	61,615
- Interest		256	2,150
Payments – Project Expenses		(434,245)	(364,665)
- Employees		(367,073)	(307,722)
- Services and charges		(68,678)	(70,591)
Net Cash flows from / (used in) Operating Activities		<u>22,440</u>	<u>(103,404)</u>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant & equipment		0	-
Purchase of Property, Plant & Equipment		0	(27,193)
Net Cash flows used in Investing Activities		<u>0</u>	<u>(27,193)</u>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
Capital Grants		0	-
Repayment of borrowings		0	(13,582)
Net Cash flows used in Financing Activities		<u>0</u>	<u>(13,582)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<u>22,440</u>	<u>(144,179)</u>
Add: Opening Cash Balance Forward	2	134,008	278,187
<b>CLOSING CASH CARRIED FORWARD</b>	2	<u>156,448</u>	<u>134,008</u>
<b>RECONCILIATION OF PROFIT FOR THE YEAR TO NET CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Surplus/(Loss) from Operating Activities		<u>(6,894)</u>	<u>(176,762)</u>
<u>Non-cash flows in profit :</u>			
Depreciation & Amortisation		15,042	16,878
<u>Changes in assets and liabilities, net effects of:</u>			
- (Increase)/Decrease in receivables		(78,856)	(37,571)
- Increase/(Decrease) in payables		(21,711)	(3,881)
- Increase/(Decrease) in leave provisions		(30,264)	28,237
- Increase/(Decrease) in unexpended grants		145,123	69,695
Net Cashflow from / (used in) Operating Activities		<u>22,440</u>	<u>(103,404)</u>

**GONDWANA LINK LTD  
NOTES TO, AND FORMING PART OF,  
THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2017**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Presentation**

The company is not a reporting entity and these accounts are therefore "Special Purpose Financial Reports" that have been prepared solely to meet the Corporations Law requirements to prepare accounts.

The company has applied Accounting Standard AASB 1025 Application of the Reporting Entity Concept and Other Amendments. In the opinion of the directors, no other Accounting Standards have mandatory applicability, and consequently no other Accounting Standards have been applied.

The financial statements have been prepared in accordance with the historical cost convention.

**b) Going Concern, Deficiency in Capital and Solvency**

The financial report discloses a deficiency in capital of \$45,034. Additionally, there exists a deficiency in Working Capital of \$24,190 represented by:

Current Assets \$ 292,291  
Current Liabilities \$ 316,481

Working Capital Deficiency \$ 24,190

The company has secured a substantial donation post balance date in the form of real estate that has been earmarked for sale. To supplement the operations of the company during the advertised sale period, the said property has been offered as collateral for short term bank funding. The projected called "GWW-16/17" is due to make a surplus of a budgeted \$158,770. This surplus will be retained by Gondwana Link Ltd as at 30 September 2017, and will change the above net Working Capital Deficiency to a Working Capital Surplus. The directors have formed the opinion that the company can pay it's debts as and when they fall due, and the ultimate sale of this property will provide sufficient funding to support the company for the medium term of five years.

**b) Income Tax**

No income tax is payable by the company as it is endorsed as a Public Charitable Institution and is exempt from income tax.

**c) Depreciation**

Fixed assets (other than freehold land) are depreciated on a straight line or diminishing value basis so as to write off the net cost of fixed assets over the periods of their expected useful lives.

**d) Future Project Funding**

Donations, Member Group Contributions, Grants and funding provided to the company is reflected in the Profit and Loss Account in its entirety as and when received. Where specific project funding extends beyond the close of the financial year, an appropriation is raised to carry forward funding revenue for future project funding activities (refer Note 3 following).

**NOTE 2 - Cash at Bank**

Bankwest Account 259171-0  
Bankwest Account 267538-8

	2017	2016
	\$	\$
	154,530	102,316
	<u>1,918</u>	<u>31,692</u>
	156,448	134,008

**GONDWANA LINK LTD**  
**NOTES TO, AND FORMING PART OF,**  
**THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2017**

	2017	2016
	\$	\$

**NOTE 3 - Funding for Future Periods - Current**

Where specific project funding extends beyond the close of the financial year, an appropriation is raised to carry forward funding revenue for future project funding activities.

These projects are:

NR	15,096	
NG-Rocks	19,504	
CP	16,650	
ANZ	1,573	
GWW-2016/17	139,138	
Capability	50,375	
GWW-2016	-	116,695
NPD	-	41,100
MFOWL2	-	24,884
Spinifex	-	4,496
Womens	10,185	-
	252,521	187,175

**NOTE 4 - Provision for Accrued  
Employee Entitlements**

Annual Leave	26,308	30,567
Superannuation	13,693	14,709
Long Service Leave	9,321	34,310
	49,322	79,586

**NOTE 5 - Funding for Future Periods - Non Current**

Where specific project funding extends beyond the close of the next financial year, an appropriation is raised to carry forward funding revenue for future project funding activities.

These projects are:

Capability	46,072	-
NPD	33,705	-
	79,777	-

Gondwana Link Ltd (3535)  
Accounting Depreciation Schedule - Detailed  
Period 01/07/2016 to 30/06/2017

Private Use %	Acq. (Disp)	Original Cost	Opening W.D.V.	Additions (Disposals)	Profit (Loss) On Sale	Depn Method	YTD Depreciation	Closing W.D.V.
	05/11/2009	2,283	24	-	-	50.00 D	12	12
	14/12/2009	6,131	69	-	-	50.00 D	35	34
	14/12/2009	1,539	1	-	-	66.67 D	1	-
	14/12/2009	2,121	77	-	-	40.00 D	31	46
	15/02/2010	1,116	270	-	-	20.00 D	54	216
	08/04/2010	591	148	-	-	20.00 D	30	118
	04/06/2010	9,000	407	-	-	40.00 D	163	244
	01/07/2010	38,889	6,921	-	-	25.00 D	1,730	5,191
	20/03/2012	1,545	82	-	-	50.00 D	41	41
	01/10/2013	2,590	405	-	-	50.00 D	203	202
	30/06/2014	2,051	512	-	-	50.00 D	256	256
	24/09/2014	2,616	426	-	-	66.67 D	284	142
	09/10/2014	1,364	581	-	-	40.00 D	232	349
	10/11/2014	1,895	1,457	-	-	15.00 D	219	1,238
	15/05/2015	4,445	3,465	-	-	20.00 D	693	2,772
	27/05/2015	34,082	27,946	-	-	16.67 D	4,659	23,287
	27/05/2015	2,635	1,520	-	-	40.00 D	608	912
	27/05/2015	1,025	696	-	-	30.03 D	209	487
	31/05/2015	2,273	715	-	-	66.67 D	477	238
	31/05/2015	852	581	-	-	30.00 D	174	407
	31/05/2015	580	395	-	-	30.00 D	119	276
	26/06/2015	529	369	-	-	30.03 D	111	258
	26/06/2015	443	309	-	-	30.00 D	93	216
	26/06/2015	1,055	348	-	-	66.67 D	232	116
	16/04/2016	27,193	26,249	-	-	16.67 D	4,376	21,873
		<u>148,843</u>	<u>73,973</u>	<u>0</u>	<u>0</u>		<u>15,042</u>	<u>58,931</u>
		<u>148,843</u>	<u>73,973</u>	<u>0</u>	<u>0</u>		<u>15,042</u>	<u>58,931</u>

it and Revaluation Transactions report for details