

**GONDWANA LINK LTD**  
**A.C.N. 138 516 944**  
**AUDITED FINANCIAL STATEMENTS**  
**AS AT 30 JUNE 2016**

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## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Gondwana Link Limited

### **Report on the Financial Report**

I have reviewed the accompanying financial report of Gondwana Link Limited, which comprises the balance sheet and statement of profit and loss as at 30 June 2016, including notes to the accounts and comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' Responsibility 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*. Additionally, the directors are responsible for establishing and maintaining internal controls as necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express a conclusion on the financial report based on my review. I conducted my review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report - Company Limited by Guarantee*, in order to state whether on the basis of the procedures described, I have become aware of any matter that makes me believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 June 2016 and its performance for the year ended on that date; and complying with the Australian Accounting Standards and *Corporations Regulations 2001*. ASRE 2415 requires that I comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards. Accordingly, I do not express an audit opinion.

### **Key Audit Matter**

The purpose of communicating key audit matters is to enhance the transparency of matters of most significance to me and provide additional information to the intended readers of the financial report. Highlighting such significant matters may also provide the reader with a basis of further engagement with management.

The matters of significance relates to the deficiency in working capital of Gondwana Link, as this has critical implications to the company's solvency and continuing as a going concern.

Having conducted extensive enquiry and investigation on this matter, I have ascertained reasonable assurance that there exist post balance day events that have resolved the working capital deficiency such that Gondwana Link will be able to pay its debts as and when they fall due, and will continue as a going concern.

## Conclusion

Based on my review, which is not an audit, I am satisfied that the financial report of Gondwana Link Limited is in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) consistent with Australian Accounting Standards as applied and *Corporations Regulations 2001*.



-----  
Simon Smith CPA - Audit Review Practitioner  
234 Stirling Terrace Albany WA 6330  
23<sup>RD</sup> November 2016



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

Your directors submit their report for the financial year ended 30 June 2016 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 *deficiency* from operations (before appropriations) of \$ 107,067.

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

The financial statements disclose a deficiency in capital of \$39,139, and additionally a deficiency in working capital of \$ 112,114. 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.

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

**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 2016;
- 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 2016; 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

**GONDWANA LINK LTD**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2016**

	NOTE	2016	2015
		\$	\$
<b>INCOMING RESOURCES</b>			
Fee for Service		9,383	58,192
Donation Received		61,615	77,013
Expense Reimbursement		-	300
Membership Fees		-	800
Interest Received		2,150	1,674
Member Group Contributions		5,724	100,000
Project Funding		586,638	483,641
Rebates and Subsidies		-	4,000
<b>TOTAL INCOMING RESOURCES</b>		<u>665,510</u>	<u>725,620</u>
<b>RESOURCES EXPENDED</b>			
Auditors Remuneration - Fees		8,000	2,700
Bank Fees and Sundries		292	457
Bookkeeping Fees		7,405	7,740
Computer Maintenance		3,875	1,590
Consultants Fees		301,608	360,229
Depreciation		16,878	8,827
Electricity and Gas		1,845	1,562
Field Days & Workshops		9,634	28,427
Insurance		11,210	5,309
Internet Expenses		2,259	2,151
Interest		37	1,543
Legal Expenses		-	2,135
Motor Vehicle Expenses		7,273	6,150
Rent		25,190	25,402
Repairs & Maintenance		531	3,519
Staff Amenities		691	151
Stationery and Incidentals		2,793	5,437
Superannuation		27,629	15,930
Telephone		5,685	4,506
Training		1,470	-
Travelling		26,103	30,845
Wages		312,169	164,684
<b>TOTAL RESOURCES EXPENDED</b>		<u>772,577</u>	<u>679,294</u>
<b>TOTAL OPERATING PROFIT / (LOSS)</b>		(107,067)	46,326
<b>Extraordinary Items</b>			
Project Funding Rec'd in Adv	Note		
Application of Funds for future Funding	1d	(69,695)	68,771
<b>OPERATING SURPLUS / (DEFICIENCY)</b>		(176,762)	115,097
Surplus from Proir Year Brought Forward		138,623	23,526
<b>RETAINED SURPLUS / (DEFICIENCY) AFTER APPROPRIATIONS</b>		<u>(38,139)</u>	<u>138,623</u>

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

**GONDWANA LINK LTD**  
**BALANCE SHEET AS AT 30 JUNE 2016**

	NOTE	2016	2015
<b>EQUITY</b>		\$	\$
Accumulated Surplus / (Deficiency)		(38,139)	138,623
		<u>          </u>	<u>          </u>
 <b>REPRESENTED BY</b>			
 <b>PROPERTY PLANT AND EQUIPMENT</b>			
Plant and Equipment at Cost		148,845	121,653
Less Accumulated Depreciation		74,870	57,992
		<u>          </u>	<u>          </u>
		73,975	63,661
 <b>CURRENT ASSETS</b>			
Cash at Bank	2	134,008	278,187
Petty Cash		-	510
GWV Petty Cash		2,000	2,000
Debtors		33,861	7,925
Short Term Loans		1,674	-
Yinma Foundation		10,285	6,228
Prepayments		9,167	2,753
		<u>          </u>	<u>          </u>
		190,995	297,603
		<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>		264,970	361,264
 <b>CURRENT LIABILITIES</b>			
Creditors		10,809	23,630
Accrued Expenses		-	2,200
Funding for Future Periods	3	187,175	117,480
Provision for Accrued Employee Entitlements	4	79,586	51,349
Holding Accounts Related Parties		8,411	
PAYG Withholding Payable		7,770	3,240
GST Payable		9,358	11,160
		<u>          </u>	<u>          </u>
		303,109	209,059
 <b>NON-CURRENT LIABILITIES</b>			
Equipment Finance	5	-	13,582
		<u>          </u>	<u>          </u>
<b>NET SURPLUS / (DEFICIT)</b>		(38,139)	138,623
		<u>          </u>	<u>          </u>

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

**GONDWANA LINK LTD**  
**NOTES TO, AND FORMING PART OF,**  
**THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2016**

**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 \$38,139. Additionally, there exists a deficiency in Working Capital of \$112,114 represented by:

Current Assets \$ 190,995  
 Current Liabilities \$ 303,109

Working Capital Deficiency \$ 112,114

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 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**

	2016	#	2015
	\$		\$
Bankwest Account 259171-0	102,316		188,503
Bankwest Account 267538-8	<u>31,692</u>		<u>89,684</u>
	134,008		278,187

**NOTE 3 - Funding for Future Periods**

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:

GWW 2015			112,984
GWW 2016	116,695		
MFWL2	24,884		-
NPD	41,100		-
SPINIFEX	<u>4,496</u>		<u>4,496</u>
	187,175		117,480



**GONDWANA LINK LTD**  
**NOTES TO, AND FORMING PART OF,**  
**THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2016**

	2016	2015
	\$	\$
<b>NOTE 4 - Provision for Accrued Employee Entitlements</b>		
Annual Leave	30,567	14,753
Superannuation	14,709	4,455
Long Service Leave	34,310	32,141
	79,586	51,349
 <b>NOTE 5 - Equipment Finance</b>		
Capital Finance Santa Fe Wagon \$717.19 per month with Balloon \$13,692 due June 2015	-	13,582
	-	13,582

Gondwana Link Ltd (3535)  
Accounting Depreciation Schedule - Detailed

Period 01/07/2015 to 30/06/2016

Asset Code	Description	Private Use %	Acq. (Disp)	Original Cost	Opening W.D.V.	Additions (Disposals)	Profit (Loss) On Sale	Depn Method	YTD Depreciation	Closing W.D.V.
<b>674</b>	<b>Plant and Equipment at Cost</b>									
001	COMPUTER		05/11/2009	2,283	48	-	-	50.00 D	24	24
002	SERVER WITH UPS SERIES #PS8693		14/12/2009	6,131	139	-	-	50.00 D	70	69
003	D430 NOTEBOOK		14/12/2009	1,539	4	-	-	66.67 D	3	1
004	RICOH 1224C COPIER		14/12/2009	2,121	129	-	-	40.00 D	52	77
005	DELL PROJECTOR		15/02/2010	1,116	338	-	-	20.00 D	68	270
006	OFFICE CHAIRS X 2		08/04/2010	591	185	-	-	20.00 D	37	148
007	VEGMACHINE SOFTWARE		04/06/2010	9,000	679	-	-	40.00 D	272	407
008	HYUNDAI SANTA FE		01/07/2010	38,889	9,228	-	-	25.00 D	2,307	6,921
009	COMPUTER		20/03/2012	1,545	165	-	-	50.00 D	83	82
010	COMPUTER - DELL PC		01/10/2013	2,590	810	-	-	50.00 D	405	405
011	COMPUTER - ROBYN		30/06/2014	2,051	1,024	-	-	50.00 D	512	512
012	TOSHIBA LAPTOP COMPUTER		24/09/2014	2,616	1,278	-	-	66.67 D	852	426
013	RICOH COLOUR COPIER SN 8986430065		09/10/2014	1,364	968	-	-	40.00 D	387	581
014	ARISE DESK		10/11/2014	1,895	1,714	-	-	15.00 D	257	1,457
016	TRAILER AND CAGE		15/05/2015	4,445	4,331	-	-	20.00 D	866	3,465
017	ISUZU UTE		27/05/2015	34,082	33,537	-	-	16.67 D	5,591	27,946
018	HONDA GENERATOR		27/05/2015	2,635	2,534	-	-	40.00 D	1,014	1,520
019	SATELLITE PHONE		27/05/2015	1,025	995	-	-	30.03 D	299	696
020	LENOVO LAPTOP		31/05/2015	2,273	2,144	-	-	66.67 D	1,429	715
024	VEHICLE MOUNTED SPRAYER		31/05/2015	852	830	-	-	30.00 D	249	581
025	4x BACKPACK SPRAYERS		31/05/2015	580	565	-	-	30.00 D	170	395
027	2x GME UHF RADIO		26/06/2015	529	527	-	-	30.03 D	158	369
028	MCMURDO PLB		26/06/2015	443	441	-	-	30.00 D	132	309
029	STIHL CHAINSAW		26/06/2015	1,055	1,045	-	-	66.67 D	697	348
030	2012 TOYOTA HILUX VIN MROFZ22G201068978		16/04/2016	27,193	-	27,193	-	16.67 D	944	26,249
				148,843	63,658	27,193	0		16,878	73,973
TOTAL				148,843	63,658	27,193	0		16,878	73,973

! Impairment or Revaluation during the year. See Impairment and Revaluation Transactions report for details

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

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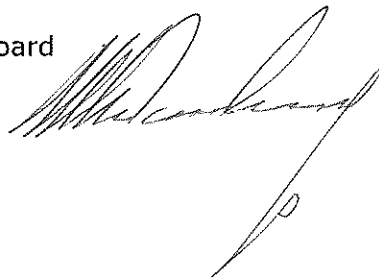
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On behalf of the Board

Signed at



Date

29/11/2016

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

Your directors submit their report for the financial year ended 30 June 2016 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 *deficiency* from operations (before appropriations) of \$ 107,067.

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

The financial statements disclose a deficiency in capital of \$39,139, and additionally a deficiency in working capital of \$ 112,114. 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.

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**

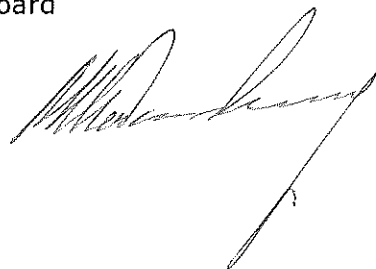
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**Directors' Benefits**

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

29/11/2016