



(a company limited by guarantee)

ABN 16 065 410 577

# Financial Report

## 31 December 2015

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## Gondwana Choirs

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# Corporate Information

## Gondwana Choirs

<b>Responsible Entities</b>	Dr Tessa Boyd-Caine	
	Nicholas James	
	Kate Lidbetter	Chair
	David Longmuir	
	Karen-Louise Mundine	
	Caroline Sharpen	
	Lyn Williams	Founder & Artistic Director
<b>Company Secretary</b>	Bernie Heard	
<b>Registered Office and Principle Place of Business</b>	Pier 4	
	Hickson Road, Millers Point NSW 2000	
<b>Auditors</b>	Steven J Miller & Co	
	Chartered Accountants	

# Responsible Entities' Report

## Gondwana Choirs

The Responsible Entities of Gondwana Choirs, a company limited by guarantee, present their Report together with the financial statements for the year ended 31 December 2015 and the Independent Audit Report thereon.

### Responsible Entities meetings

The number of meetings of Responsible Entities (including meetings of committees of Responsible Entities) held during the year, and the number of meetings attended by each Responsible Entity, are as follows:

	Date of appointment	Date of cessation	Board		Finance & Audit	
			A	B	A	B
Tessa Boyd-Caine	26 May 15	Continuing	3	3	-	-
Nicholas James	13 Feb 07	Continuing	6	5	2	3
Warren Lee	2 Sep 10	26 May 15	3	-	-	-
Kate Lidbetter	23 May 12	Continuing	6	6	3	3
David Longmuir	16 Jun 03	Continuing	6	5	3	3
David Lumb	13 April 10	26 May 15	3	2	-	-
Karen-Louise Mundine	10 Mar 11	Continuing	6	5	-	-
Lyn Williams	28 Jun 94	Continuing	6	6	-	-

A Number of meetings the Responsible Entity was entitled to attend

B Number of meetings the Responsible Entity attended

Details of Responsible Entities' qualifications, experience and special responsibilities can be found on pages 10 and 11 of this report.

### Company secretary

Ms Bernie Heard has been the Company Secretary since 21 May 2014.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included on page 12 of this financial report and forms part of the Responsible Entities' Report.

### Contribution in winding up

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 December 2015, the total amount that members of the company are liable to contribute if the company wound up is \$240 (2014: \$140).

# Responsible Entities' Report

## Gondwana Choirs

### Operating Result

The operating surplus for the year ended 31 December 2015 was \$144,825.  
(2014: surplus \$27,967)

2015 was a significant year with major projects and collaborations including *Anzac Notes* with the Sydney Symphony Orchestra, tours for Sydney Children's Choir to Hong Kong & China, and for Gondwana Voices to Melbourne for Choralfest, a company rebranding and the establishment of a new website and CRM.

The company reported a pleasing surplus result due to careful controls on expenditure, and significant fundraising in 2015 for the Pilbara Project, which was developed in 2015 and performed in 2016, therefore some of these funds will be spent in the 2016 calendar year. There were increased commercial events and projects, including a major composition and installation with the Australian War Memorial.

The company invested in senior management personnel and continue to demonstrate strong results on self-presented performances, increased membership for the Sydney Children's Choir training program, and increased applications nationally for the Gondwana National Choirs.

### Performance Against Goals

**GOAL 1: PERFORM (our audiences experience engaging, innovative and excellent choral performances)**

Strategy	Key Activity	2015 Outcome
Use the digital environment and innovative approaches to performance that extend our reach beyond traditional platforms to new audiences	Create and present digital multimedia work. Develop and stage Heritage in Song installation (at White Night festivals internationally) and online installation	VOICES adaptation in permanent installation at Australian War Memorial.
Perform alongside the finest artists and companies and at significant national and international events	Participate in one international collaboration, tour or festival per year	Sydney Children's Choir tour to the World Youth and Children's Choir Festival – Hong Kong, July 2015.  SCC Young Men's Choir and Gondwana Singers males tour to Festival of Voices, Hobart, July 2015
Build relationships and undertake collaborations with at least one performing arts company per year	Develop relationships and undertake collaborations with at least one performing arts company per year	Performance of new work: James Ledger <i>Anzac Notes</i> for Gallipoli Centenary with Sydney Symphony.  Performance of new work: Elena Kats-Chernin <i>Meeting the Sun</i> for ANZAC Notes commemoration project.

# Responsible Entities' Report

## Gondwana Choirs

**GOAL 2: CREATE** (we grow the repertoire of fine Australian choral music and involve young people and communities in the creation of new works)

Strategy	Key Activity	2015 Outcome
Commission, write and perform works celebrating Australian stories including indigenous culture and the multi-cultural heritage of Australia.	Develop and perform major new Indigenous choral works.	Commissions featuring Indigenous story and language:  FELIX RIEBL Spinifex Gum Song cycle, for January 2016 performance  LUKE BYRNE Storm Bird for Cairns Gondwana Indigenous Children's Choir, and the ACO's Inspire quartet
	We engage three Australian composers to write new works for performance by our choirs	KATY ABBOTT Those other things, for January 2016 performance
We involve young people and communities in composition and the creation of new works	We engage one composer-in-residence or four emerging composers each year to collaborate with the SCC and a major cultural institution	2015 Emerging composers for 2016 performance as part of the Sydney Children's Choir cultural partnership with the Australian National Maritime Museum. RACHEL BRUERVILLE Journey To Heard Island WILLIAM YAXLEY We Are Sailors PATRICK BAKER The Albatross OLIVIA SWIFT To Kay

# Responsible Entities' Report

## Gondwana Choirs

**GOAL 3: EDUCATE** (we are a world leading provider of music education and professional development in choral singing, composition, conducting and arts management)

Strategy	Key Activity	2015 Outcome
Position Gondwana National Choral School as the Centre of choral education excellence in Australia	Engage a leading international choral conductor to work with all participants at National Choral School	Elise Bradley (Canada) directing Gondwana Cantique.
	National programs for singers, composers, conductors, administrators and teachers continue	National programs for singers, composers, conductors, administrators and teachers continue
Provide children with ongoing, weekly, internationally acclaimed choral training programs in the Sydney region and via GNICC Choral Hubs	Sydney Children's Choir program of choral singing, sight singing, theory, composition and conducting	Sydney Children's Choir program of choral singing, sight singing, theory, composition and conducting continues
	Continue and expand GNICC Hub programs of choral singing, sight singing, theory, composition and conducting	Continue Cairns and Campbelltown Hubs, established pilot Mt Druitt hub.

**GOAL 4: ACCESS** (we improve and increase access to our programs for talented young people across Australia)

Strategy	Key Activity	2015 Outcome
Reduce financial barriers to participation in our programs	GNICC workshops, intensives, regional camps and/or national seasons provided at no cost to participants in at least 3 states of Australia.	GICC workshops in Pilbara WA & Western Sydney NSW, regional camps in Cairns QLD and Wollongong NSW, national season in Sydney, Cairns GICC tour to Pilbara WA.
	Bursary program offering = at least 4.5% of participation fees, increasing number of young singers, composers and conductors on bursaries to participate in our programs.	\$43,202 total value of bursaries awarded in 2015, representing 4.5% of overall participation fees.
Reduce the physical barriers to participation in our programs including by using digital technologies	Host mini choral festivals across Australia.	Songfest presented in Karratha, Pilbara region, WA.
	Hold annual auditions in all capital cities and key regional centres	Auditions held in all capital cities and key regional centres. 32 video auditions from regional and remote areas.

# Responsible Entities' Report

Gondwana Choirs

**GOAL 5: PROFILE** (Gondwana Choirs is recognised as a leading Australian arts organisation)

Strategy	Key Activity	2015 Outcome
Build brand awareness and attract artists and funders	<ul style="list-style-type: none"> <li>• Better communication and data management.</li> <li>• Annual Report</li> <li>• Website &amp; Social media</li> </ul>	New branding implemented, including streamlined sub-brands for SCC, GNC & GICC New website launched - <a href="http://gondwana.org.au">gondwana.org.au</a> Social media streamlined New uniforms implanted to complement new branding CRM implemented, development continues
Record and release albums through commercial labels	Record and release new albums featuring different choirs.	Working towards release of Gondwana Chorale CD, <i>Soar</i> , in Q1 2016.
Deepen engagement with our audiences via regular, accessible performances	Present a program of regular public self-promoted concerts in exciting venues to engage current audiences and attract new ones.	National Choral School (2) Tour farewell concert (1) Voices of Angels (2) Mini Christmas (1)



# Responsible Entities' Report

## Gondwana Choirs

**GOAL 6: SUPPORT** (our operational and administrative practices reflect the excellence and professionalism of the artistic offerings; we create a working environment that is vibrant and energized; and attract the financial support required to realize our artistic plans)

Strategy	Key Activity	2015 Update
Create a values-based culture that attracts talented arts administrators and NFP management professionals	Implement a values-based leadership development plan for all staff	Strategic KPI based performance review process implemented. Agreed behaviours and values.  Seeking ongoing staff development opportunities, including mentoring.
Invest in appropriate artistic staff (conductors) to assist Artistic Director to run programs	Support permanent artistic staff on salary.	3 permanent artistic staff on salary
Invest in Development staff, knowledge management system and build public affairs strategy in order to acquire and develop funders	At least 20% of total income is comprised of government funding and a further 20% from corporate and philanthropic sources, where possible, that funding is on a multi-year basis. Invest in Development resources and build strategy to attract and retain funders	Secured renewal of Rio Tinto as Principal Partner of GICC program for 2015-2017. Gov't (Federal, State, Local) = 13% overall income Corporate and philanthropic = 20%

### Vision of the financial situation in the next three years

Gondwana Choirs has demonstrated a strong ability to control costs and increase philanthropic support, as evident by the surplus results in both 2015 and 2014. We are working towards our new Strategic Plan for 2016-2020 which reflects a vision to increase government funding and corporate sponsorship. State government funding has been renewed for a further multiyear period, and we are actively engaging with all federal funding opportunities. This is crucial to enable a reduction in participation fees and for the organisation to create and present innovative new work to broader audiences nationally and internationally.

Gondwana Choirs reported current reserves at the end of 2015 at \$845,034, 32% of the average budgeted 5 year annual operating costs. The organisation is strategically building reserves, in readiness for the upcoming Walsh Bay redevelopment, and associated business interruption, capital contribution, and fitout costs.

# Responsible Entities' Report

## Gondwana Choirs

### Responsible Entities' details

The following persons were Responsible Entities of Gondwana Choirs during or since the end of the financial year.

Name	<b>Dr Tessa Boyd-Caine</b>
Qualifications	PhD (London School of Economics) Graduate, Company Director's Course (AICD) BA (USYD), Masters in Criminology (USYD)
Date appointed	26 May 2015
Experience	Founding CEO of the National Centre for Health Justice. Formerly Deputy CEO of the Australian Council of Social Service. Fulbright Professional Scholar in Non-Profit Leadership Her book, 'Protecting the public detention and release of mentally disordered offenders' was published by Routledge in 2010. Former Sydney Children's Choir chorister
Name	<b>Kate Lidbetter</b>
Qualifications	BA (University of Sydney), Grad Dip Arts Management (UTS), Masters in Policy (UNSW), Grad Certificate in Applied Finance, GAICD
Date appointed	23 May 2012
Experience	Currently CEO of Symphony Services Australia and has worked in leadership roles at arts organisations such as the Australia Council, AYO and Sydney Children's Choir for over 20 years.
Special responsibilities	Chair of the board and member of Finance & Audit sub-committee
Name	<b>Nicholas James</b>
Qualifications	B Com with Merit, UNSW
Date appointed	13 Feb 2007
Experience	Current: Director of Campus Living Funds Management. Former: Chief Executive Officer of Transfield Holdings, Director of Deutsche Bank in London, Macquarie Bank in Sydney, London and New York. Parent of Sydney Children's Choir chorister in 2012
Special responsibilities	Member of Finance & Audit sub-committee
Name	<b>David Longmuir</b>
Qualifications	B Eng (Civil), MBA, M Applied Finance
Date appointed	16 June 2003
Experience	Director of Everything Infrastructure Management Consultant with over 20 years experience in engineering construction development in Australasia. Parent of former Sydney Children's Choir choristers and current Gondwana National Choirs choristers
Special responsibilities	Chair of Finance & Audit sub-committee

# Responsible Entities' Report

## Gondwana Choirs

### Responsible Entities details continued

Name	<b>David Lumb</b>
Qualifications	B Economics, B Laws, Grad Dip Management
Date appointed	13 April 2010
Experience	Executive General Manager, Member & Customer The National Roads & Motorists' Association Formerly the Managing Director of Porter Novelli public relations agency.
Name	<b>Karen-Louise Mundine</b>
Qualifications	BA Communications, Advanced Cert Management
Date appointed	10 March 2011
Experience	Deputy CEO at Reconciliation Australia Formerly Executive Officer, Aboriginal and Torres Strait Islander Program, Department of Foreign Affairs and Trade and other government positions
Name	<b>Caroline Sharpen</b>
Qualifications	MBA, BMus (Hons I), Grad Dip Mus
Date appointed	18 February 2016
Experience	Management Consultant in the Creative Industries Principal and Founder of Sharpen CIC Non-executive Director Tasmanian Youth Orchestra and Tasmanian Institute of Sport Racing Team (Cycling) 20 years experience in strategy, philanthropy, sponsorship and government relations in Australian and US arts organisations.
Special responsibilities	Philanthropy and Sponsorship strategy
Name	<b>Lyn Williams OAM</b>
Qualifications	BMus, ASCM, Grad Dip Conducting
Date appointed	28 June 1994
Experience	Founder of Sydney Children's Choir and Gondwana Choirs Professional conductor and musician Previous committee member of Sydney Children's Choir Incorporated Association
Special responsibilities	Artistic Director

Signed in accordance with a resolution of the Responsible Entities.

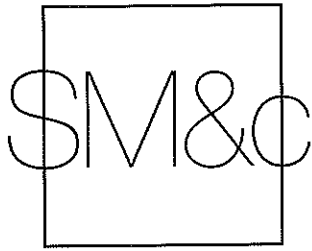


**KATE LIDBETTER**  
Chair and Responsible Entity



**LYN WILLIAMS**  
Founder and Responsible Entity

Sydney  
Dated 2 / 5 / 2016



# Auditor's Independence Declaration

## To the Responsible Entities of Gondwana Choirs Ltd:

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Gondwana Choirs Ltd for the year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- (i) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) No contravention of any applicable code of professional conduct in relation to the audit.

**STEVEN J MILLER & CO**  
Chartered Accountants

**S J MILLER**  
Registered Company  
Auditor No 4286

Sydney

Dated 2, 5, 16

# Statement of Surplus or Deficit and Other Comprehensive Income

for the year ended 31 December 2015  
Gondwana Choirs

	Note	2015 \$	2014 \$
<b>Revenue</b>	4	2,633,616	2,278,910
<b>Expenses</b>			
Employee benefits expense		(1,149,783)	(1,145,427)
Depreciation and amortisation expense		(20,899)	(29,979)
Administration expenses		(274,081)	(274,899)
Marketing expenses		(36,613)	(47,988)
Production expenses		(1,007,415)	(752,650)
		-----	-----
		(2,488,791)	(2,250,943)
		-----	-----
<b>Net surplus for the year</b>		144,825	27,967
Other comprehensive income		-	-
		-----	-----
<b>Total comprehensive income for the year</b>		144,825	27,967
		=====	=====

The above statement of surplus or deficit and other comprehensive income should be read in conjunction with the accompanying notes.

# Statement of Financial Position

as at 31 December 2015  
Gondwana Choirs

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	1,101,030	1,220,023
Trade and other receivables	6	599,975	588,973
Inventories	7	41,120	18,575
Other assets	8	79,911	38,008
		-----	-----
Total current assets		1,822,036	1,865,579
		-----	-----
<b>Non-current assets</b>			
Plant and equipment	9	8,432	13,621
Intangible assets	10	27,679	277
		-----	-----
Total non-current assets		36,111	13,898
		-----	-----
<b>TOTAL ASSETS</b>		1,858,147	1,879,477
		=====	=====
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	124,885	160,998
Provisions	12	112,028	90,606
Government grants	13	86,633	196,632
Other liabilities	14	686,105	728,118
		-----	-----
Total current liabilities		1,009,651	1,176,354
		-----	-----
<b>Non-current liabilities</b>			
Provisions	12	3,462	2,914
		-----	-----
Total non-current liabilities		3,462	2,914
		-----	-----
<b>TOTAL LIABILITIES</b>		1,013,113	1,179,268
		=====	=====
<b>NET ASSETS</b>		845,034	700,209
		=====	=====
<b>FUNDS</b>			
Unrestricted funds		845,034	700,209
		=====	=====

The above statement of financial position should be read in conjunction with the accompanying notes.

# Statement of Changes in Funds

for the year ended 31 December 2015  
Gondwana Choirs

	UNRESTRICTED FUNDS	
	2015 \$	2014 \$
Balance at 1 January	700,209	672,242
Surplus for the year	144,825	27,967
Balance at 31 December	845,034	700,209

The above statement of changes in funds should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

for the year ended 31 December 2015  
Gondwana Choirs

	Note	2015 \$	2014 \$
<b>Cash flows from operating activities</b>			
<i>Receipts</i>			
Receipts from customers		1,972,821	1,958,826
Receipts from donors		267,269	208,659
Sponsorships received		250,461	242,770
Interest received		20,631	10,468
<i>Cash flows from government</i>			
Receipts from appropriations/grants		232,392	432,005
<i>Payments</i>			
Wages and salaries		(956,881)	(888,972)
Other suppliers		(1,862,574)	(1,563,344)
<b>Net cash (used in) / provided by from operating activities</b>		(75,881)	400,412
<b>Cash flows from investing activities</b>			
Payments for plant and equipment	9	(5,988)	(5,410)
Payments for intangible assets	10	(37,124)	-
<b>Net cash used in investing activities</b>		(43,112)	(5,410)
<b>Net change in cash and cash equivalents held</b>		(118,993)	395,002
Cash and cash equivalents, beginning of year		1,220,023	825,021
<b>Cash and cash equivalents, end of year</b>	5	<u>1,101,030</u>	<u>1,220,023</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.



# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

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# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 1 General information and statement of compliance

The financial report includes the financial statements and notes of Gondwana Choirs Ltd.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. Gondwana Choirs Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 31 December 2015 were approved and authorised for issue by the Board of Responsible Entities on 2 May 2016.

## 2 Change in accounting policies

**New and revised standards that are effective for annual periods beginning on or after 1 January 2015.**

### 2.1 Changes in accounting estimates

During the current reporting period, the company changed the discount rate used in measuring its other long term employee benefits (annual leave and long service leave) from the Australian government bond rate to the high quality corporate bond rate. This change was necessitated by developments in the Australian business environment that confirmed there is a sufficiently observable, deep and liquid market in high quality Australian corporate bonds to satisfy the requirements in AASB 119 *Employee Benefits*<sup>2</sup>. The company has concluded that this has resulted in a change in accounting estimate in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The adoption of these amendments has not had a material impact on the company as they are largely of the nature of clarification of existing requirements.

### 2.2 New and revised standards that are effective for these financial statements

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 January 2015. Information on the more significant standard(s) is presented below.

AASB 2014-1 *Amendments to Australian Accounting Standards* (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)

Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the IASB of International Financial Reporting Standards *Annual Improvements to IFRSs 2010-2012 Cycle* and *Annual Improvements to IFRSs 2011–2013 Cycle*.

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 2 Change in accounting policies continued

Among other improvements, the amendments arising from *Annual Improvements to IFRSs 2010–2012 Cycle*:

- clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity)
- amend AASB 8 *Operating Segments* to explicitly require the disclosure of judgements made by management in applying the aggregation criteria

The adoption of these amendments has not had a material impact on the company as they are largely of the nature of clarification of existing requirements.

## 3 Summary of accounting policies

### 3.1 Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

### 3.2 Revenue

Revenue comprises revenue from the sale of goods, government grants, fundraising activities and client contributions. Revenue from major products and services is shown in Note 4.

Revenue is measured by reference to the fair value of consideration received or receivable by the company for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the company's different activities have been met. Details of the activity-specific recognition criteria are described below.

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 3 Summary of accounting policies continued

### Government grants

A number of the company's programs are supported by grants received from the federal, state and local governments.

If conditions are attached to a grant which must be satisfied before the company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

### Donations and bequests

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the company becomes legally entitled to the shares or property.

### Interest and dividend income

Interest income is recognised on an accrual basis using the effective interest-rate method. Dividend income are recognised at the time the right to receive payment is established.

### 3.3 Operating expenses

Operating expenses are recognised in surplus or deficit upon utilisation of the service or at the date of their origin.

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 3 Summary of accounting policies *continued*

### Intangible assets

#### Recognition of other intangible assets

##### *Acquired intangible assets*

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

##### Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 3.8. The following useful lives are applied:

- software: 3 years
- website: 3 years

Amortisation has been included within depreciation and amortisation.

Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

### Plant and equipment

Plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the company's management.

Plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following useful lives are applied:

- instruments and music library: 5 years
- furniture and fittings: 3 years
- office equipment: 3 years
- uniforms: 10 years
- computer hardware: 3 years

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 3 Summary of accounting policies *continued*

### **Plant and equipment *continued***

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

### **Leases**

#### ***Operating leases***

Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

### **Impairment testing of intangible assets and property, plant and equipment**

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 3 Summary of accounting policies *continued*

### 3.4 Income taxes

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

### 3.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.6 Employee benefits

#### Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

#### Other long-term employee benefits

The company's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds (2014: government bonds) that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The company presents employee benefit obligations as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

#### Post-employment benefits plans

The company provides post-employment benefits through defined contribution plans.

##### *Defined contribution plans*

The company pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 3 Summary of accounting policies continued

### 3.7 Deferred income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within twelve (12) months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date or the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

### 3.8 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

### 3.9 Economic dependence and going concern

The company is dependent upon the ongoing receipt of Federal and State Government grants and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

### 3.10 Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

#### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

#### Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.



# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

## 3 Summary of accounting policies continued

### 3.10 Significant management judgement in applying accounting policies continued

#### Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

#### Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	Note	2015 \$	2014 \$
<b>4 Revenue</b>			
<b>Revenue from continuing operations</b>			
Audience sales		107,736	89,027
Fees and services		1,435,552	1,361,705
Fundraising income		76,129	-
Merchandising		44,932	20,781
Net grant revenue	4(a)	343,264	340,419
Royalties received		-	341
Sponsorship income		175,000	225,800
		<u>2,182,613</u>	<u>2,038,073</u>
<b>Other revenue</b>			
Donations received		267,269	209,204
Interest received		9,679	17,163
Other income		9,401	14,470
Reimbursements and recoveries		164,654	-
		<u>451,003</u>	<u>240,837</u>
<b>Total revenue</b>		<u><u>2,633,616</u></u>	<u><u>2,278,910</u></u>

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

	Note	2015 \$	2014 \$
<b>4 (a) Net grant revenue</b>			
Grants brought forward – 1 January	4(b)	196,632	144,319
Add: Grants received during the year	4(b)	233,265	392,732
		-----	-----
		429,897	537,051
Less: Grants in advance – 31 December	4(b)	(86,633)	(196,632)
		-----	-----
<b>NET GRANT INCOME</b>		343,264	340,419
		=====	=====

## 4 (b) Net grant revenue

### Grants brought forward - 1 January

Australian Government through:			
Australia Council – general		76,632	76,100
Indigenous Culture Support Program		20,000	20,000
NSW Government through:			
Arts NSW – general		100,000	-
Arts NSW – project		-	40,219
City of Sydney		-	8,000
		-----	-----
		196,632	144,319
		=====	=====

### Grants received during the year

Australian Government through:			
Australia Council – general		153,265	152,732
Department of Foreign Affairs and Trade		40,000	-
Indigenous Culture Support Program		20,000	40,000
NSW Government through:			
Arts NSW – general		-	200,000
Cairns Regional Council		10,000	-
City of Sydney		10,000	-
		-----	-----
		233,265	392,732
		=====	=====

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

	2015 \$	2014 \$
<b>4 (b) Net grant revenue</b>		
<b>Grants received in advance - 31 December</b>		
Australian Government through:		
Australia Council – general	76,633	76,632
Indigenous Culture Support Program	-	20,000
NSW Government through:		
Arts NSW – general	-	100,000
City of Sydney	10,000	-
	-----	-----
	86,633	196,632
	=====	=====

## 5 Cash and cash equivalents

Cash at bank and on hand	5,146	9,757
Cash on deposit	1,095,884	1,210,266
	-----	-----
	1,101,030	1,220,023
	=====	=====

### (a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Balance per statement of cash flows	1,101,030	1,220,023
	=====	=====

### (b) Cash at bank

The deposits are bearing floating interest rates between 0.10% and 2.00% (2014 – 0.10% to 3.15%).

## 6 Trade and other receivables

### Current

Trade receivables	348,438	387,786
Provision for impairment	(6,881)	(19,000)
	-----	-----
	341,557	368,786
Interest receivable	-	10,952
Supplier and venue deposits	258,418	209,235
	-----	-----
	599,975	588,973
	=====	=====

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

	2015 \$	2014 \$
<b>7 Inventories</b>		
<b>Current</b>		
Finished goods – at cost	41,120 =====	18,575 =====
<b>8 Other assets</b>		
<b>Current</b>		
Prepayments	79,911 =====	38,008 =====
<b>9 Plant and equipment</b>		
<b>Plant and equipment</b>		
Plant and equipment - at cost	84,724	209,746
Accumulated depreciation	(76,292) -----	(196,125) -----
Total plant and equipment	8,432 =====	13,621 =====
<b>Reconciliations</b>		
Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current financial year:		
Carrying amount at 1 January	13,621	80,756
Additions	5,988	5,410
Disposals	(131,010)	(84,737)
Written back on disposal	131,010	41,628
Depreciation	(11,177) -----	(29,436) -----
Carrying amount at 31 December	8,432 =====	13,621 =====

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

	2015	2014
	\$	\$

## 10 Intangible assets

### Software and website

Software and website – at cost  
Accumulated amortisation

38,762	3,445
(11,083)	(3,168)
-----	-----
27,679	277
=====	=====

### Total intangible assets

### Reconciliation

Reconciliation of the carrying amount of intangibles  
at the end of the current financial year:

Carrying amount at 1 January	277	820
Additions	37,124	-
Disposals	(1,807)	-
Written back on disposal	1,807	-
Amortisation	(9,722)	(543)
	-----	-----
Carrying amount at 31 December	27,679	277
	=====	=====

## 11 Trade and other payables

### Current

GST payable	19,412	21,539
Trade creditors	24,469	37,042
Sundry creditors and accruals	81,004	102,417
	-----	-----
	124,885	160,998
	=====	=====

## 12 Provisions

### Current

Annual leave	49,992	32,356
Long service leave	62,036	58,250
	-----	-----
	112,028	90,606
	=====	=====

### Non-current

Long service leave	3,462	2,914
	=====	=====

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

	Note	2015 \$	2014 \$
<b>13 Government grants</b>			
<b>Current</b>			
Grants received in advance	4 (a)	86,633 =====	196,632 =====

## 14 Other liabilities

<b>Current</b>			
Fees received in advance		535,213	649,618
Sponsorships in advance		150,892	78,500
		-----	-----
		686,105	728,118
		=====	=====

## 15 Related party transactions

The company's related parties transactions include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

### (a) Transactions with related entities

The responsible entities act in an honorary capacity and receive no compensation for their services. Where legal services have been provided by a responsible entity, these services were provided on a pro-bono basis and no remuneration was received.

### (b) Transactions with key management personnel

Key management of the company are the CEO and non-executive members of the Board of the Responsible Entities. The total remuneration paid to key management personnel of the company during the year is as follows:

	2015 \$	2014 \$
Total key management personnel compensation	361,510 =====	395,274 =====

# Notes to the Financial Statements

for the year ended 31 December 2015  
Gondwana Choirs

2015	2014
\$	\$

## 16 Commitments for expenditure

### License agreements

The lease for the office premises expired on 31 December 2013.

The company is currently paying its lease on a month-to-month basis.

### Office equipment

Minimum commitments are payable as follows:

Within 1 year	30,600	29,448
Later than 1 years but not later than 5 years	-	93,252
	-----	-----
	30,600	122,700
	=====	=====

## 17 Contingent liabilities

There are no contingent liabilities that have been incurred by the company in relation to 2015 or 2014.

## 18 Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

## 19 Member's guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 December 2015, the total amount that members of the company are liable to contribute if the company wound up is \$240 (2014: \$140).

# Responsible Entities' Declaration

In the opinion of the Responsible Entities of Gondwana Choirs Ltd:

- (a) The financial statements and notes of Gondwana Choirs Ltd are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including;
  - (i) Giving a true and fair view of its financial position as at 31 December 2015 and of its performance for the financial year ended on that date; and
  - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- (b) There are reasonable grounds to believe that Gondwana Choirs Ltd will be able to pay its debts as and when they become due and payable. (Refer Note 3.9)

Signed in accordance with a resolution of the Responsible Entities.



**KATE LIDBETTER**  
Responsible Entity

Sydney

Dated 2 / 5 / 2016



# Declaration by Chair of Directors in respect of Fundraising Appeals

I, Kate Lidbetter, a director of Gondwana Choirs, declare in my opinion;

- (a) the financial report gives a true and fair view of all income and expenditure of Gondwana Choirs with respect to fundraising appeal activities for the year ended 31 December 2015;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 31 December 2015;
- (c) the provisions of the Charitable Fundraising Act 1991 and Regulations and the conditions attached to the authority have been complied with for the year ended 31 December 2015; and
- (d) the internal controls exercised by Gondwana Choirs are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

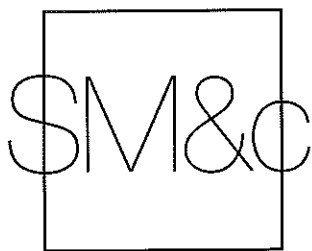


**KATE LIDBETTER**

Chair and Responsible Entity

Sydney

Dated 2 / 5 / 2016



# Independent Auditor's Report

To the members of Gondwana Choirs

## Report on the Financial Report

I have audited the accompanying financial report of Gondwana Choirs Ltd, which comprises the statement of financial position as at 31 December 2015, the statement of surplus or deficit and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of accounting policies and other explanatory information, and the Responsible Entities' declaration.

## Responsible Entities' Responsibility for the Financial Report

The Responsible Entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the responsible entities 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.

## Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Responsible Entities' preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Responsible Entities, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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# Independent Auditor's Report

To the members of Gondwana Choirs

## Opinion

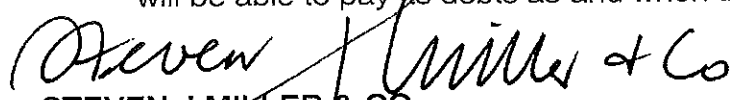
In my opinion the financial report of Accessible Arts Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) Giving a true and fair view of the registered entity's financial position as at 31 December 2015 and of its financial performance and cash flows for the year ended on that date; and
- (b) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

## Report on Other Legal and Regulatory Requirements

I also report that:

- a. the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- b. the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the Regulations;
- c. money received as a result of fundraising appeals conducted during the year have been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the Regulations; and
- d. at the date of this report, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

  
**STEVEN J MILLER & CO**  
Chartered Accountants

  
**S J MILLER**  
Registered Company  
Auditor No 4286

Sydney

Dated 2, 5, 16