

First Nations Foundation

ACN 117 794 466

Financial Statements

For the Year Ended 30 June 2016

First Nations Foundation

ACN 117 794 466

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For the Year Ended 30 June 2016

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First Nations Foundation

ACN 117794 466

Directors' Report

30 June 2016

The directors present their report on First Nations Foundation for the financial year ended 30 June 2016.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Ian Hamm (Chair)

Gary Hearst (Treasurer)

Karen Milward (Deputy Chair)

Raylene Bellottie (Director)

Michelle Crawford (Director)

Jayde Geia (Director)

April Long (Resigned on 14/10/2016)

Steve Rothfield (Resigned on 30/11/2015)

Trevor Pearce (Resigned on 5/01/2016)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of First Nations Foundation during the financial year was direct assistance to indigenous Australians and their communities.

No significant changes in the nature of the Company's activity occurred during the financial year.

Members' guarantee

First Nations Foundation is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$20 for members that are corporations and \$20 for all other members, subject to the provisions of the company's constitution.

At 30 June 2016 there were seven members having a collective liability of \$ 140 (2015:\$140).

2. Operating results and review of operations for the year

Operating result

The deficit of the Company for the financial year amounted to \$(39,525) (2015 Deficit: \$88,855).

Directors' Report

30 June 2016

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of First Nations Foundation.

4. Sign off information

Signed in accordance with a resolution of the Board of Directors:

Director:
Ian Hamm (Chair)

Director:
Gary Hearst (Treasurer)

Dated 18 November 2016

First Nations Foundation

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Auditor's Independence Declaration to the Directors of First Nations Foundation

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Andrew Fisher FCA, Partner (auditor Registration number 306364) on behalf of
Banks Group Assurance Pty Ltd, Chartered Accountants
Authorised audit company number 294178 (ACN 115 749 598)

Melbourne, Australia

18 November 2016

First Nations Foundation

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

		2016	2015
	Note	\$	\$
Revenue	2	460,531	718,625
Administration expenses		(169,624)	(314,697)
Depreciation expense		(2,635)	(2,664)
Employee benefits expense		(257,722)	(242,743)
Project expenses		(70,075)	(247,376)
(Deficit) for the year		<u>(39,525)</u>	<u>(88,855)</u>
Total comprehensive income for the year		<u>(39,525)</u>	<u>(88,855)</u>

The accompanying notes form part of these financial statements.

First Nations Foundation

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Statement of Financial Position**30 June 2016**

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	169,359	152,864
Trade and other receivables	4	24,200	18,825
TOTAL CURRENT ASSETS		193,559	171,689
NON-CURRENT ASSETS			
Trade and other receivables	4	6,050	6,050
Property, plant and equipment	5	3,603	4,740
TOTAL NON-CURRENT ASSETS		9,653	10,790
TOTAL ASSETS		203,212	182,479
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	47,113	21,697
Other liabilities	7	90,580	50,949
Employee benefits	8	7,953	12,742
TOTAL CURRENT LIABILITIES		145,646	85,388
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		145,646	85,388
NET ASSETS		57,566	97,091
EQUITY			
Accumulated surplus		57,566	97,091
TOTAL EQUITY		57,566	97,091

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2015	97,091	97,091
Deficit attributable to members	(39,525)	(39,525)
Balance at 30 June 2016	57,566	57,566

2015

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2014	185,946	185,946
Deficit attributable to members	(88,855)	(88,855)
Balance at 30 June 2015	97,091	97,091

The accompanying notes form part of these financial statements.

First Nations Foundation

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Statement of Cash Flows
For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	477,022	507,621
Payments to suppliers and employees	(460,723)	(840,012)
Interest received	1,694	7,609
Net cash provided/(used in) operating activities	10 <u>17,993</u>	<u>(324,782)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(1,498)	(2,361)
Net cash used by investing activities	<u>(1,498)</u>	<u>(2,361)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	16,495	(327,143)
Cash and cash equivalents at beginning of year	152,864	480,007
Cash and cash equivalents at end of financial year	3 <u>169,359</u>	<u>152,864</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*

The financial statements have been prepared in accordance with recognition and measurement criteria in the Australian Accounting Standards and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AAS108 Accounting Policies and Changes in Accounting Estimates and Errors.

The significant accounting policies disclosed below are those which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes.

(b) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

(c) Income Tax

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

(d) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When conditions are attached to grant revenue relating to the use of those grants for specific purposes, the revenue is recognised as a liability until such conditions are met or services provided.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

Donations

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, in which case they are recognised as a liability until the relevant conditions are met.

First Nations Foundation may receive non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income

Interest revenue

Interest is recognised using the effective interest method.

(e) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost model, whereby the asset is carried at its cost less any accumulated depreciation and any impairment losses.

Plant and equipment

Plant and equipment are measured using the cost model.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a reducing balance method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the asset's useful life.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

2 Revenue and Other Income

Revenue from continuing operations

	2016	2015
	\$	\$
Finance income		
- Bank deposits	4,194	12,343
Other revenue		
- Project contributions and other income	456,337	706,282
Total Revenue	460,531	718,625

3 Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank and in hand	169,359	152,864

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2016	2015
	\$	\$
Cash and cash equivalents	169,359	152,864
Balance as per statement of cash flows	169,359	152,864

Notes to the Financial Statements

For the Year Ended 30 June 2016

4 Trade and other receivables

	2016	2015
	\$	\$
CURRENT		
GST receivable	-	2,618
Other receivables	24,200	16,207
Total current trade and other receivables	24,200	18,825
NON-CURRENT		
Deposits	6,050	6,050
Total non-current trade and other receivables	6,050	6,050

5 Property, plant and equipment

PLANT AND EQUIPMENT

Office equipment		
At cost	18,329	16,922
Accumulated depreciation	(14,726)	(12,182)
Total office equipment	3,603	4,740
Total property, plant and equipment	3,603	4,740

Movements in carrying amounts of property, plant and equipment

	Office Equipment	Total
	\$	\$
Year ended 30 June 2016		
Balance at the beginning of year	4,740	4,740
Additions	1,498	1,498
Depreciation expense	(2,635)	(2,635)
Balance at the end of the year	3,603	3,603

	Office Equipment	Total
	\$	\$
Year ended 30 June 2015		
Balance at the beginning of year	5,043	5,043
Additions	2,361	2,361
Depreciation expense	(2,664)	(2,664)
Balance at the end of the year	4,740	4,740

Notes to the Financial Statements

For the Year Ended 30 June 2016

6 Trade and other payables

	2016	2015
	\$	\$
CURRENT		
Unsecured liabilities		
GST payable	5,305	-
Sundry payables and accrued expenses	28,113	17,192
ANZ credit card facility	13,695	4,505
Total trade and other payables	47,113	21,697

7 Other Liabilities

	2016	2015
	\$	\$
CURRENT		
Deferred income	90,580	50,949

8 Employee Benefits

	2016	2015
	\$	\$
Current liabilities		
Annual leave	7,953	12,742

9 Members' 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 outstandings and obligations of the Company. At 30 June 2016 the number of members was 7 (2015: 7).

Notes to the Financial Statements

For the Year Ended 30 June 2016

10 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2016	2015
	\$	\$
(Deficit) for the year	(39,525)	(88,855)
Cash flows excluded from (deficit) attributable to operating activities		
Non-cash flows in (deficit):		
- depreciation	2,635	2,664
Changes in assets and liabilities:		
- (increase) in trade and other receivables	(7,993)	(3,680)
- decrease in other assets	-	10,860
- increase/(decrease) in income in advance	39,631	(199,714)
- increase/(decrease) in trade and other payables	26,770	(60,125)
- (decrease)/increase in employee benefits	(3,525)	14,068
Cashflow from operations	17,993	(324,782)

11 Company Details

The registered office and principal place of business of the company is:

First Nations Foundation
Suite 114, Level 1
343 Collins Street
Melbourne Victoria 3000

First Nations Foundation

ACN 117 794 466

Directors' Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director
Ian Hamm (Chair)

Director
Gary Hearst (Treasurer)

Dated 18 November 2016

First Nations Foundation

ACN 117 794 466

Independent Audit Report to the members of First Nations Foundation**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report of First Nations Foundation, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we 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 Company's 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

First Nations Foundation

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Independent Audit Report to the members of First Nations Foundation

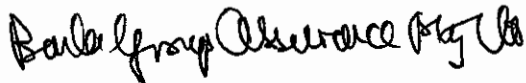
Opinion

In our opinion the financial report of First Nations Foundation is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, 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) complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared to assist First Nations Foundation to comply with the financial reporting provisions of Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.



Banks Group Assurance Pty Ltd, Chartered Accountants
Authorised audit company number 294178 (ACN 115 749 598)



Andrew Fisher, Partner
Registration number 306364

Melbourne, Australia

18 November 2016