

**Lilla Foundation Limited**

**Financial Statements**

**For the Year Ended 30 June 2015**

# Lilla Foundation Limited

For the Year Ended 30 June 2015

## CONTENTS

	Page
<b>Financial Statements</b>	
Directors' Report	3
Statement of Comprehensive Income	4
Statement of Financial position	5
Statement of Cash Flows	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8
Directors' Declaration	11
Independent Audit Report	12

# Lilla Foundation Limited

## For the Year Ended 30 June 2015

The directors of the company present the financial statements for Lilla Foundation Limited for the year ended 30 June 2015.

### Directors

The following persons held office as directors of the company during the period and up to the date of this report:

Mr Reginald Richard Ramsden

Mr Jason Hardy

Mr Paul Jensen

Appointed 15 July 2014

Mr Sadie Williams

Resigned 29 January 2015

Mr Vera Williams

Resigned 29 January 2015

### Principal Activities

The principal activity of the company is to raise funds to send to the Aboriginal community in the Northern Territory. The foundation supplies goods and services required by the Aboriginal communities which are funded by the donations received.

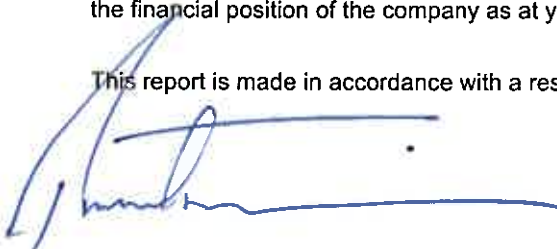
### Review of Operations

The net deficit of the company for the period ended 30 June 2015 was \$21,688 (2014: net surplus \$51,368).

### Matters Subsequent to the End of the Period

There have been no events occurring subsequent to the end of the period which would have a material impact on the financial position of the company as at year end.

This report is made in accordance with a resolution of the directors of the company.



**Paul Jensen**  
Director

Sydney, NSW

Dated:

*8 February 2016.*

# Lilla Foundation Limited

## Statement of Comprehensive Income

For the Year Ended 30 June 2015

		2015	2014
	Note	\$	\$
Revenue	2	25,352	82,206
Cost of Sales: Community Support Expenses		(44,486)	(21,072)
Gross Profit		(19,134)	61,134
Other expenses from ordinary activities	3	(2,554)	(9,766)
<b>Net (deficit)/surplus for the period</b>		<b>(21,688)</b>	51,368

The accompanying notes form part of these financial statements.

# Lilla Foundation Limited

## Statement of Financial Position

As at 30 June 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	32,971	53,981
Other receivables		2,301	5,836
<b>Total Current Assets</b>		<b>35,272</b>	<b>59,817</b>
<b>TOTAL ASSETS</b>		<b>35,272</b>	<b>59,817</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	2,605	5,462
<b>Total Current Liabilities</b>		<b>2,605</b>	<b>5,462</b>
<b>TOTAL LIABILITIES</b>		<b>2,605</b>	<b>5,462</b>
<b>NET ASSETS</b>		<b>32,667</b>	<b>54,355</b>
<b>Equity</b>			
Retained earnings		32,667	54,355
<b>TOTAL Equity</b>		<b>32,667</b>	<b>54,355</b>

The accompanying notes form part of these financial statements.

# Lilla Foundation Limited

## Statement of Cash Flows

For the Year Ended 30 June 2015

		2015	2014
	Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donors		28,800	78,522
Payments to suppliers and employees		(49,897)	(29,177)
Interest received		87	-
<b>Net cash (used in)/provided by operating activities</b>	10	<b>(21,010)</b>	<b>49,345</b>
<b>Net (decrease)/increase in cash held</b>		<b>(21,010)</b>	<b>49,345</b>
Cash at beginning of the period		53,981	4,636
<b>Cash and cash equivalents at end of the period</b>	5	<b>32,971</b>	<b>53,981</b>

The accompanying notes form part of these financial statements.

# Lilla Foundation Limited

## Statement of Changes in Equity For the Year Ended 30 June 2015

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2013</b>	2,987	2,987
Surplus for the period	51,368	51,368
<b>Balance at 30 June 2014</b>	<u>54,355</u>	<u>54,355</u>
<b>Balance at 1 July 2014</b>	54,355	54,355
Deficit for the year	(21,688)	(22,688)
<b>Balance at 30 June 2015</b>	<u>32,667</u>	<u>31,667</u>

The accompanying notes form part of these financial statements.

# Lilla Foundation Limited

## Notes to the Financial Statements (cont)

For the Year Ended 30 June 2015

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

#### Accounting Policies

**a. Revenue**

Revenue arising from donations is recognised on a cash receipts basis.

All revenue is stated net of GST.

**b. Income Tax**

The Company is exempt from income tax as a charitable entity under subdivision 30-B of The Income Tax Assessment Act 1997 (Cth). This exemption is to be reviewed annually.

**c. Other Creditors**

These amounts represent liabilities for goods and services provided to Lilla Foundation prior to the end of the period and which are unpaid.

**d. 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.

**e. Financial Instruments**

**Recognition**

Financial instruments and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

**f. Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

There were no estimates incorporated into the financial statements at 30 June 2015.



# Lilla Foundation Limited

## Notes to the Financial Statements (cont)

### For the Year Ended 30 June 2015

#### NOTE 2: REVENUE

		2015	2014
		\$	\$
Cash Revenue from Operating Activities			
— Donations		25,265	82,193
— Other income	13	87	13
<b>Total Revenue</b>		<b>25,352</b>	<b>82,206</b>

#### NOTE 3: PROFIT

##### a. Significant Revenue and Expense

The following significant revenue and expense item is relevant in explaining the financial performance:

Donations		25,265	82,193
<b>Total Revenue</b>		<b>25,265</b>	<b>82,193</b>
Travel expenses		-	(2,847)
Labour expenses		-	(4,100)
Accounting expenses		(1,200)	-
Cost of Sales: Community Support Expense		(42,694)	(21,072)

#### NOTE 4: AUDITOR'S REMUNERATION

The audit of the financial statements has been conducted by RSM Australia Partners.

RSM Australia Partners have not charged a fee for this service.

RSM Australia Partners provided no other services during the period.

#### NOTE 5: CASH AND CASH EQUIVALENTS

Cash at bank		32,971	53,981
		<b>32,971</b>	<b>53,981</b>

The deposits are available on an at call basis.

#### NOTE 7: TRADE AND OTHER PAYABLES

##### CURRENT

Accounts payable		2,605	5,462
		<b>2,605</b>	<b>5,462</b>

#### NOTE 8: SEGMENT REPORTING

The Company operates in one business and geographical segment, being a charitable institution to raise funds for goods and services for the Aboriginal communities in the Northern Territory.

# Lilla Foundation Limited

## Notes to the Financial Statements (cont)

For the Year Ended 30 June 2015

### NOTE 9: DIRECTORS' REMUNERATION

The constitution of Lilla Foundation Limited does not permit the payment of any fees to a Director for performing that person's duties and responsibilities as a Director. Accordingly, no director of the company received, or was due to receive remuneration directly or indirectly for the period ended 30 June 2015.

### NOTE 10: CASH FLOW INFORMATION

	2015	2014
	\$	\$
<b>Reconciliation of Cash Flow from Operations with (Deficit)/Surplus</b>		
(Deficit)/Surplus for the period	<u>(21,688)</u>	51,368
Changes in assets and liabilities:		
Decrease/(Increase) in other receivables	3,535	(5,836)
(Decrease)/Increase in trade and other payables	<u>(2,857)</u>	3,813
<b>Net cash (used in)/provided by operating activities</b>	<u><u>(21,010)</u></u>	<u>49,345</u>

### NOTE 11: EVENTS AFTER THE REPORTING DATE

There have been no events occurring subsequent to the end of the period which would have a material impact on the financial position of the Company as at year end.

### NOTE 12: COMPANY DETAILS

The registered office and principal place of business of the company is 43 Spicer Crescent, Araluen NT. Its principal activities are to raise funds to purchase and distribute goods and services for the Aboriginal community in the Northern Territory.

### NOTE 13: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with related parties:

Cost of Sales paid to a Director related entity - Remote Tours Pty Limited	13,501	10,252
	<u>13,501</u>	<u>10,252</u>

# Lilla Foundation Limited

## Directors' Declaration


### For the Year Ended 30 June 2015

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 4 to 10, present fairly the company's financial position as at 30 June 2015 and its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
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.



**Paul Jensen**  
Director

Sydney, NSW

Dated: 8 February 2016.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
LILLA FOUNDATION LIMITED**

We have audited the accompanying financial report, being a special purpose financial report, of Lilla Foundation Limited, which comprises the statement of financial position as at 30 June 2015 and the statement of 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.

*Director's Responsibility for the Financial Report*

The directors responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the director's determine is necessary to enable the preparation of a financial report that 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. These Auditing Standards require that we comply with relevant ethical requirements 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 Australian professional accounting bodies.

### *Basis for Qualified Opinion*

Cash donations are a significant source of fundraising income for Lilla Foundation Limited. The company has determined that it is not practical to establish control over the collection of cash donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash donations had to be restricted to the amounts recorded in the financial records. We therefore are unable to express a conclusion as to whether cash donations of the company recorded are complete.

### *Qualified Opinion*

In our opinion, with the exception of the matter described in the preceding paragraph, the financial report presents fairly, in all material respects, the financial position of Lilla Foundation Limited as of 30 June 2015 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financials.

### *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 has been prepared to assist Lilla Foundation Limited to meet the requirements of the members. As a result, the financial report may not be suitable for another purpose



**RSM AUSTRALIA PTY LTD**



**C J Hume**  
Director

Sydney, NSW  
Dated: 8 February 2016