

WATARRKA FOUNDATION LIMITED

ABN 96 159 963 943

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

WATARRKA FOUNDATION LIMITED
ABN 96 159 963 943

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**WATARRKA FOUNDATION LIMITED
ABN 96 159 963 943**

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

The directors of the of the Watarrka Foundation Limited (“the Company” or “the Foundation”) present the financial statements of the Company for the year ended 30 June 2022.

Directors

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

Mr Richard Ramsden
Mr Jonathan Trollip
Mr Paul Jensen
Mr Anslem Impu (resigned 1 July 2021).
Ms Josie Gardiner
Mr Manny Bell

Advisory Group

The Board of the Foundation acknowledge that it does not possess the gender and ethnic diversity, range of expertise and skills sets to best carry out its vision, mission and objectives. Specialist expertise and skills in areas such as education, health, aboriginal issues, specific women issues social media, IT, fund raising and project management would assist the Foundation.

In 2018 the Board established the Advisory Group to:

- provide for the Foundation an expanded leadership group more representative and better able to assist the community which the Foundation seeks to serve;
- provide the Board with access on an as and when needed basis to a wide range of expertise and skills sets not possessed by Directors; and
- enable persons who are committed to assisting the Foundation to make a valuable contribution by volunteering to serve as an Advisory Group Member without the legal responsibilities and administrative duties and obligation incumbent upon directors under the Corporations Law

The Advisory Group members during the period to 30 June 2022 were:

Campbell Hudson: Campbell is a senior partner in the Sydney office of international law firm Dentons. Working with Reg Ramsden, Campbell was responsible for the establishment of the Watarrka Foundation and he served as a Director until early 2017.

Aileen Keenan: Aileen is based in Melbourne and has an extensive background in communications, journalism and corporate proposals writing and management. Aileen’s expertise is instrumental in assisting the Watarrka Foundation with its funding submissions and communication initiatives. Aileen is the Watarrka Primary School’s Principal (Christine Munro’s) sister. Subsequent to 30 June 2022, Aileen has stepped down from the Advisory Group.

Christine Munro: Christine Munro is the Principal of the Watarrka Primary School at Lilla since 2013. The Watarrka Primary School has become one of the Northern Territory’s most successful remote primary schools.

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Chris Hakanson: Chris is the Primary Health Care Manager at the Kings Canyon medical centre and has extensive interaction with the local Watarrka community since moving his family to Kings Canyon in 2014. During the course of the year, Chris resigned from his position at the Kings Canyon Medical Centre and subsequent to 30 June 2022 he has stepped down from the Advisory Group.

Principal Activities

The principal activity of the Company is to raise funds and deliver programs for the Aboriginal community in the Watarrka region of the Northern Territory. The Foundation supplies goods and services required by the Aboriginal communities which are funded by the donations received.

Focused on young people, we deliver programs that support a sustainable environment, education, healthy lifestyles and independent livelihoods for Aboriginal communities in the Watarrka region and surrounding communities.

Our objectives are:

- (a) To alleviate poverty, sickness, destitution and helplessness among the aboriginal community in the Watarrka region.
- (b) To carry out projects to alleviate poverty, sickness, destitution and helplessness among the aboriginal community in the Watarrka region.
- (c) To provide programs and projects to promote life skills, independence and resilience among the aboriginal community in the Watarrka region.
- (d) To provide examples for other organisations to adopt of programs and projects that make a positive difference to Aboriginal communities in need.
- (e) To secure funds from the public and other available funding sources to further the objects of the Watarrka Foundation.

We are committed to the creation of thriving, independent and self reliant aboriginal communities living on their ancestral land. We aim to achieve this by working directly and collaboratively with likeminded organisations.

Initiatives and projects undertaken during the year

Remote Aboriginal communities were severely impacted by the COVID19 pandemic. With travel restrictions in force and significantly reduced services in remote areas many community members moved to larger communities and into Alice Springs.

A vicious circle was created, as community members moved away from the area, NT Government reduced services to the area, forcing community members to move to larger communities. The Watarrka School did not reopen for the 2022 school year, the Kings Canyon Medical Centre services were significantly reduced and with no visiting tourist most commercial operations in the region were placed in hibernation.

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The Watarrka Foundation engaged with local community members providing financial support where appropriate, no new initiatives were undertaken. Our focus became ensuring the maintenance and security of prior year investments undertaken at the Watarrka School.

(a) Transfer of the Fat Bikes to Papunya School

With the closure of the Watarrka School, we organised for the fat bikes and ancillary equipment to be transferred to the Papunya School. The Papunya community is within the broader Watarrka region approx. 250km north of Kings Canyon. The board believed it was better for the Fat Bikes to be in active use rather than being in storage.

(b) Painting and renovations to community houses at Lilla

A project was undertaken to improve the living conditions of Vera Williams' house at Lilla.

(c) Maintenance of the Watarrka School (buildings, grounds fruit trees and vegetable gardens)

The Foundation worked with the local National Park Rangers and Remote Tours (Reg Ramsden) to implement a maintenance program for the fruit trees and vegetable gardens. And we are grateful to Remote Tours (Reg Ramsden) for implementing a maintenance and security plan for the new and old classrooms and outdoor playground equipment at the Watarrka School.

Partners & Donors

The Foundation acknowledges the support and commitment that the below organisations have provided during the year to 30 June 2022. Without their support many of our projects would not have been possible.

Alpitye Art Studio; Ashurst; CBA; Dentons; Engraphics; HM Franchise Group (The Bulk Source Food); Kings Canyon Resort; Kings Creek Station; Moorabbin Rotary Club; Remote Tours; and Westpac.

The Foundation acknowledges the financial support and commitment of the schools over the course of the year.

The Foundation also acknowledges the support and commitment of our many private donors.

Operations

The Company does not have any paid employees. The Directors of the Company and Advisory Group members provide their services on a pro bono basis. Several of the Company's service providers also provide their services on a pro bono basis. The directors also thank these organisations.

All initiatives and projects undertaken by the Foundation are budgeted and the actual expenditures incurred are reported against the budget to the board.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The Foundation engages the services of Camille Softley to assist us with our communication. We thank Camille for the service provided and her generosity of providing these at a discounted rate.

Review of Operations

The deficit of the Foundation for the year ended 30 June 2022 was \$11,811 (2021: deficit of \$14,997).

The Foundation's total expenditure on community projects for the year ended 30 June 2022 was \$16,222 (2021: \$20,230).

As at 30 June 2022 the Foundation had net assets comprising mainly cash at bank of \$80,525 (2021: \$92,336). The activities of the Company during the year can be found on the company's website.

www.watarrkafoundation.org.au

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: 2 March 2023

WATARRKA FOUNDATION LIMITED
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021 \$
Income			
Revenue	2	11,801	19,877
Less Cost of goods sold			
Direct expenses	3	<u>16,221</u>	<u>20,230</u>
Gross (Loss)/profit		<u>(4,420)</u>	<u>(353)</u>
Less Expenses			
Operational and Administration Expenses	4	7,391	14,645
Net (Deficit)/Surplus for the year		<u>(11,811)</u>	<u>(14,997)</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	6	76,017	90,468
Other Current Assets	7	4,508	1,868
Total current assets		80,525	92,336
Total assets		80,525	92,336
Current liabilities			
Trade and other payables		-	-
Total current liabilities		-	-
Non-current liabilities			
Other non-current liabilities		-	-
Total non-current liabilities		-	-
Total liabilities		-	-
Net assets		80,525	92,336
Equity			
Retained earnings		80,525	92,336
Total equity		80,525	92,336

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	2022
	\$
Balance at 1 July 2019	128,008
Deficit for the year	<u>(20,674)</u>
Balance at 30 June 2020	<u>107,334</u>
Balance at 1 July 2020	107,334
Deficit for the year	<u>(14,997)</u>
Balance at 30 June 2021	<u>92,336</u>
Balance at 1 July 2021	92,336
Deficit for the year	<u>(11,811)</u>
Balance at 30 June 2022	<u>80,525</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from donors	11,786	16,205
Payments from procurement of goods and services	(26,252)	(19,281)
Interest received	16	66
Net cash (used)/provided by operating activities	(14,450)	(3,011)
Net decrease in cash held	(14,450)	(3,011)
Cash at the beginning of the year	90,468	93,479
Cash and cash equivalents at end of the year	76,018	90,468

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: 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 grants and 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 Watarrka Foundation Limited 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

NOTE 2: REVENUE AND OTHER INCOME

	2022	2021
	\$	\$
Cash revenue from Operating Activities		
Grants & Donations	11,786	16,639
Sales	-	3,172
Other Income	16	66
	11,801	19,877
	11,801	19,877

NOTE 3: OPERATIONAL AND ADMINISTRATION EXPENSES

Areyonga School Gardens	-	-
Watarrka School Basketball court paving	-	-
Watarrka School Fat Bike Maintenance	-	1,000
Feed the Community, COVID	-	-
Watarrka School air conditioner	-	-
Watarrka School Laptops	-	-
Watarrka School Melbourne trip	-	-
Annual Sports & Story Telling Festival	-	-
Community Support	8,858	6,749
Lilla House Painting & Renovations	7,364	9,091
Online Art Sales	-	2,936
Other	-	454
	16,222	20,230
	16,222	20,230

NOTE 4: OPERATIONAL AND ADMINISTRATION EXPENSES

Regulatory, Accounting and Marketing fees	5,696	13,053
Insurance	1,696	1,319
Travel	-	273
Other	-	-
	7,391	14,645
	7,391	14,645

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 5: AUDITOR'S REMUNERATION

The audit of the financial statements has been conducted by RSM Australia Pty Ltd. RSM Australia Pty Ltd have not charged a fee for this service. RSM Australia Pty Ltd provided no other services during the period.

NOTE 6: CASH AND CASH EQUIVALENTS	2022	2021
	\$	\$
Cash at bank	76,017	90,468
	76,017	90,468

NOTE 7: OTHER CURRENT ASSETS

GST refundable	4,530	1,868
Loan -Paul Jensen	(22)	-
	4,508	1,868

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.

NOTE 9: DIRECTORS' REMUNERATION

The constitution of Watarrka 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 year ended 30 June 2022.

NOTE 10: 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 11: COMPANY DETAILS

The registered office of the company is 12 Village High Road, Vaucluse NSW 2030 and principal place of business of the company is 43 Spicer Crescent, Araluen NT 0870. Its principal activities are to raise funds to purchase and distribute goods and services for the Aboriginal community in the Northern Territory.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 12: 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:

	2022	2021
	\$	\$
Cost of Sales paid to a Director related entity - Remote Tours Pty Limited	10,221	12,236
	<u>10,221</u>	<u>12,236</u>

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DIRECTORS' DECLARATION

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 6 to 12 comply with the *Corporations Act 2001 and*:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the financial year ended on that date.
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: 2 March 2023