

**The New Democracy
Foundation**

ABN 28 349 680 213

Financial report

For the year ended 30
September 2016

PPNSW Services Pty Limited
Level 22, MLC Centre
19 Martin Place
Sydney NSW 2000

THE NEW DEMOCRACY FOUNDATION
ABN 28 349 680 213

DETAILED PROFIT AND LOSS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Income		
Project Income	413,178	142,928
Project expenses	<u>(238,188)</u>	<u>(59,604)</u>
	174,990	83,324
Interest income	669	646
Donations	183,091	75,889
Activities income	<u>1,835</u>	<u>-</u>
Total income	360,585	159,859
Less Expenses		
Accounting fees	2,250	250
Advertising	14	10,633
Amortisation	1,804	1,804
Bank charges	107	298
Bookkeeping Fees	9,900	6,600
Catering	2,447	4,210
Communications	3,746	3,429
Consultancy fees	241,859	182,748
Filing fees	46	45
Promotional and Function expenses	7,898	-
General expenses	385	3
Insurance	1,568	779
Legal costs	1,179	-
Postage	351	478
Printing and stationery	453	405
Salaries and wages	6,575	-
Workers compensation	159	-
Superannuation	625	-
Telephone	5,328	2,272
Travelling expenses	7,592	4,741
Website maintenance	<u>4,578</u>	<u>1,377</u>
Total expenses	<u>298,864</u>	<u>220,072</u>
Surplus / (Deficit)	<u>61,721</u>	<u>(60,213)</u>

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INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Revenue	360,585	159,859
Expenses	<u>(298,864)</u>	<u>(220,072)</u>
Surplus / (Deficit)	<u>61,721</u>	<u>(60,213)</u>
Accumulated surplus at the beginning of the year	<u>12,008</u>	<u>72,221</u>
Total available for distribution	<u><u>73,729</u></u>	<u><u>12,008</u></u>

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
Cash flows from operating activities		
Net Income	61,721	(60,212)
Increase in Trade Creditors	19,536	908
(Increase) / Decrease in Accounts Receivable	(6,490)	6,973
Increase in Sundry creditors	6,485	-
Amortisation	1,804	1,804
GST Collected	480	5,214
GST Paid	-	(1,970)
(Increase) in Prepaid expenses	(4,069)	-
Website Development	-	(3,840)
(Decrease) / Increase in Research holding account	(7,100)	79,943
Net cash provided by operating activities	72,367	28,819
Cash flows from investing activities	-	-
Net cash provided by investing activities	-	-
Cash flows from financing activities	-	-
Net cash provided by financing activities	-	-
Net increase in cash held	72,367	28,819
Cash and cash equivalents at beginning of financial year	86,643	57,824
Cash and cash equivalents at end of financial year	159,010	86,643

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BALANCE SHEET
AS AT 30 SEPTEMBER 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	2	159,010	86,643
Receivables	3	6,490	480
Other assets		<u>4,069</u>	<u>-</u>
Total current assets		<u>169,569</u>	<u>87,123</u>
Non-current assets			
Intangible assets	4	<u>3,942</u>	<u>5,746</u>
Total non-current assets		<u>3,942</u>	<u>5,746</u>
Total assets		<u>173,511</u>	<u>92,869</u>
Current liabilities			
Payables	5	<u>26,929</u>	<u>908</u>
Total current liabilities		<u>26,929</u>	<u>908</u>
Non-current liabilities			
Other liabilities	6	<u>72,843</u>	<u>79,943</u>
Total non-current liabilities		<u>72,843</u>	<u>79,943</u>
Total liabilities		<u>99,772</u>	<u>80,851</u>
Net assets		<u>73,739</u>	<u>12,018</u>
Trust funds			
Settled sum		10	10
Retained surplus		<u>73,729</u>	<u>12,008</u>
Total trust funds		<u>73,739</u>	<u>12,018</u>

**THE NEW DEMOCRACY FOUNDATION
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**STATEMENT OF CHANGES IN EQUITY
AS AT 30 SEPTEMBER 2016**

	Trust Funds \$	Retained Profits \$	Total \$
Balance at 1 October 2014	10	72,221	72,231
Comprehensive income (Deficit) attributable to beneficiaries		(60,213)	(60,213)
Total comprehensive income for the year attributable to beneficiaries of the trust	-	(60,213)	(60,213)
Balance at 30 September 2015	10	12,008	12,018
Balance at 1 October 2015	10	12,008	12,018
Comprehensive income Surplus attributable to beneficiaries	10	61,721	61,731
Total comprehensive income for the year attributable to beneficiaries of the trust	-	61,721	61,721
Balance at 30 September 2016	10	73,729	73,739

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The director of the trustee company has prepared the financial statements of the trust on the basis that the trust 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 needs of beneficiaries.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the director has determined are appropriate to meet the needs of the member and *Australian Charities and Not-for-profit Commission Act (ACNC) 2012*. 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 stated otherwise in the notes. The accounting policies have been adopted in the preparation of the financial statements are as follows:

(a) Revenue Recognition

Revenue recognition in relation to project income is determined with reference to the signing of the project proposal (contract) at which point a deposit is received and is recognised as revenue in advance. The contract outlines the relevant fee scope schedule and payment due dates at each stage of completion of the project. Revenue is recognised in line with the stage of completion and is determined with reference to the contract as agreed. Where a project does not proceed, revenue is only recognised to the extent that payment was received in accordance with the contract. Project expenses are recognised when incurred.

(b) Intangibles Other Than Goodwill

Research and Development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Capitalised development costs are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(c) 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 borrowings in current liabilities on the statement of financial position.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) 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 Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

NOTE 2: CASH AND CASH EQUIVALENTS

Cash on hand	10	10
Cash at bank		
Commonwealth Bank Account No 06 2009 10467976	131,258	86,633
Commonwealth Bank Account No 06 2000 1641 1564	27,645	-
Paypal account	<u>97</u>	<u>-</u>
	<u><u>159,010</u></u>	<u><u>86,643</u></u>

NOTE 3: RECEIVABLES

CURRENT

Trade debtors	6,490	-
Other receivables		
- GST Refundable	<u>-</u>	<u>480</u>
	<u><u>6,490</u></u>	<u><u>480</u></u>

NOTE 4: INTANGIBLE ASSETS

Website at Cost	4,658	4,658
Less accumulated amortisation	<u>(4,658)</u>	<u>(4,658)</u>
	-	-
Website Development Expenditure	9,020	9,020
Less accumulated amortisation	<u>(5,078)</u>	<u>(3,274)</u>
	<u><u>3,942</u></u>	<u><u>5,746</u></u>
Total intangible assets	<u><u>3,942</u></u>	<u><u>5,746</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016	2015
	\$	\$
NOTE 5: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	20,444	908
Sundry creditors and accruals		
- PAYG Withheld	850	-
- Superannuation	625	-
- GST Payable	<u>5,010</u>	<u>-</u>
	<u>6,485</u>	<u>-</u>
	<u>26,929</u>	<u>908</u>
NOTE 6: OTHER LIABILITIES		
NON CURRENT		
Research Holding Account	<u>72,843</u>	<u>79,943</u>

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DIRECTOR'S DECLARATION OF THE TRUSTEE COMPANY

The director of the trustee company declares that the trust 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 director of the trustee company declares that:

- the financial statements and notes, which comprise the balance sheet as at 30 September 2016, the profit and loss statement for the year then ended, a summary of significant accounting policies and other explanatory notes, present fairly the trust's financial position as at 30 September 2016 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements, and satisfy the requirements of the *Australian Charities and Not-for-profit Commission Act 2012*;
- in the director's opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Mr Luca Belgiorno-Nettis
Director

Dated on