



Annual Report  
31 December 2018

# Contents

Gondwana Choirs Ltd

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# Corporate Information

Gondwana Choirs Ltd

Directors	Name	Special Responsibilities
	Dr Tessa Boyd-Caine Nicholas James  Kate Lidbetter  David Longmuir  Karen-Louise Mundine Caroline Sharpen  Lyn Williams	Member of Finance & Audit sub-committee  Chair Member of Finance & Audit sub-committee  Chair of Finance & Audit sub-committee  Member of Philanthropy and Sponsorship Strategy Committee  Founder & Artistic Director
Company Secretary	Ms Bernie Heard	
Registered Office and Principal Place of Business	Suite 202, 52-58 William Street Woolloomooloo NSW 2011	
Bankers	St George Bank (a Division of Westpac Banking Corporation)	
Auditors	Steven J Miller & Co Chartered Accountants	

# Directors' Report

## Gondwana Choirs Ltd

The Directors of Gondwana Choirs Ltd present their report together with the financial statements for the year ended 31 December 2018 and the Independent Audit Report thereon.

### Directors' details and meetings

The following persons were Directors of Gondwana Choirs Ltd during or since the end of the financial year.

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director are as follows:

Name	Date of Appointment	Date of cessation	Board Meetings		Finance & Audit Committee	
			A	B	A	B
Dr Tessa Boyd-Caine	26 May 2015	continuing	6	6		
Nicholas James	13 Feb 2007	continuing	6	3	5	4
Kate Lidbetter	23 May 2012	continuing	6	6	5	5
David Longmuir	16 June 2003	continuing	6	5	5	3
Karen-Louise Mundine	10 Mar 2011	continuing	6	4		
Caroline Sharpen	18 Feb 2016	continuing	6	5		
Lyn Williams	28 June 1994	continuing	6	6		

A Number of meetings the Director was entitled to attend

B Number of meetings the Directors attended

Details of Directors' qualifications, experience and special responsibilities can be found on pages 12 and 13 of this report.

### Company secretary

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

### Operating Result

The operating deficit for the year ended 31 December 2018 was \$(34,517). This compares to an operating surplus of \$16,092 in the previous financial year.

### Review of operations

In 2018, Gondwana Choirs' continued to be the Voice of young Australia. Our comprehensive programs achieved the core mission of providing leadership in choral training and performance and reaching new audiences of all ages. Our performing ensembles include the Sydney Children's Choir and Young Men's Choir, Gondwana Voices, Gondwana Chorale, the Gondwana Indigenous Children's Choir, and in 2018 the newest performing ensemble, Marliya. All of these performing ensembles were supported by the regular and seasonal training programs of Gondwana Choirs, engaging up to 1000 young people nationally throughout the year. We continued to create and present innovative new choral work and drive collaborations which redefine how audiences perceive choirs, and what they are capable of.

# Directors' Report

Gondwana Choirs Ltd

## Review of operations continued

A definitive highlight of the year was Marliya's performance of 'Spinifex Gum', a new full-length stage work at the Adelaide Festival. Written by singer/song writer Felix Riebl, this contemporary work featured Marliya and guest artists Peter Garrett, Emma Donovan and Briggs. Through the unique blend of choral music, electronica derived from sounds of the Pilbara, and stunning visuals, Spinifex Gum challenges audiences to consider confronting social issues such as Indigenous youth incarceration. The performance received considerable acclaim and coverage.

National Choral School continued to gather young choristers from every state including regional and remote areas to form Australia's national youth choirs. The season now culminates in a four day 'Festival of Summer Voices', and for the first time in 2018 also included a comprehensive series of elective studies, opening up music of other cultures, community engagement and new collaborations. These electives included Acehnese dancing, Taiko drumming, composition, classical choral works and music theatre. This new development was a great success with choristers. Our partnership with UNSW greatly facilitated the implementation of new artistic activities.

Gondwana Choirs' artistic reputation is recognised through invitations to collaborate with some of Australia's leading arts organisations and artists, and in the shadow of increased funding pressure, we continued to develop innovative new work and present compelling performances.

Significant artistic events of the year included an SCC tour to the Festival of Voices in Hobart and the Marliya's performances at Dreamtime at the G and the Closing Ceremony of the Invictus games. Sydney Children's Choir Junior Performing Choir presented a Songfest project in Albury, and a performance in Wagga. A new children's choir has started in Albury as a result of this project. We also presented our own Eternal Voices and Voices of Angels, in partnership with City Recital Hall.

Sydney Children's Choir engages with local cultural institutions, and in 2018 commenced a two-year partnership with Sydney Living Museums. Through this partnership, choristers of all ages visited various SLM sites, and composer Ella Macens was commissioned to write a suite of songs depicting various aspects of their historical sites. Several were premiered at the Spring Time concert and the remainder will be heard in 2019.

In 2018 we presented a range of unique programs to develop emerging conductors and composers, as well as offering professional learning experiences for educators and community music leaders. Most significantly, the Choral Ideas Symposium through National Choral School provided a NESA accredited three-day curated program of professional learning for choral educators.

Artistic staff travelled to the Torres Strait, leading workshops with children from Thursday and nearby islands, and continuing our connection with the rich cultural heritage of this region. Several children from the workshops were then offered the opportunity to travel to Cairns and join the Gondwana Indigenous Children's Choir camp in May. Also attending this camp were members of the Gerib Sik dance troupe, who collaborated with Gondwana Choirs to create a new commissioned song cycle by Alice Chance, drawing on songs and dances from Mer Island in Eastern Torres Strait.

# Directors' Report

Gondwana Choirs Ltd

## Review of operations continued

The work was commissioned through grant funding from the Federal government's Indigenous Language and Arts program, and was premiered in October 2018 by Cairns GICC, Gondwana Voices, a local Cairns Songfest choir and the Australian Chamber Orchestra's Inspire Quartet. This performance marked the end of a two-week tour through northern and far north Queensland, incorporating performances, community workshops and Songfests in Rockhampton, Innisfail, Mackay, Townsville and Cairns.

In Western Sydney, the Gondwana Indigenous Children's Choir in Rosemeadow was integral to the creation of a new song, Yandel'ora, which was written by composer Alice Chance in consultation with D'harawal elder Fran Bodkin, for performance in the Campbelltown Songfest by a combined schools ensemble in September 2018.

Schools in La Perouse, Glebe and Darlington also participated in ongoing choral training as part of the Gondwana Indigenous Children's Choir program, culminating in a combined performance titled Strong Threads at St Scholastica's College in Glebe.

Special acknowledgement to the Principal Partner of the Gondwana Indigenous Children's Choir, Rio Tinto. With Rio Tinto's ongoing support since its inception, this program for young Indigenous people has reached an inspiring level of artistic excellence and cultural significance and identity. A core value of Gondwana Choirs is to ensure access for young people from disadvantaged backgrounds, and this would not be possible without further support from the Crown Resorts Foundation, the Kirby Foundation, the Marion Flack Trust, the Magnolia Foundation, and many generous individual donors and family trusts.

A significant activity for management was the office relocation to alternative space in Woolloomooloo in June. Gondwana Choirs is grateful to Create NSW for facilitating the new office premises and supporting this move as the much-anticipated Walsh Bay redevelopment commenced. We welcomed a venue sponsorship with Notre Dame University, which provided a welcoming community space for some of our SCC choirs, especially Saturday school.

Alongside the relocation, we implemented a comprehensive upgrade of our IT hardware, security and remote access, and thoroughly reviewed all archives, merchandise and library storage offsite.

The company reported a small deficit result for the 2018 calendar year, reflecting increasing pressure following the loss of multiyear funding from the Australia Council from 2017. The company has maintained careful controls on expenditure and has undertaken significant fundraising and new partnerships and project grants. This fundraising has in some ways mitigated the decrease in government funding (from 14% in 2016 to 8.5% in 2018) and enables ongoing innovative projects and touring.

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# Directors' Report

Gondwana Choirs Ltd

## Performance Against Goals

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

Strategy	Key Activity	2018 Outcome
Perform at significant national and international events	Participate in one international collaboration, tour or major festival per year.	Marliya performed at the Adelaide Festival GICC performed at 'Dreamtime at the G' Sydney Children's Choir performed at the Festival of Voices in Hobart.
Perform alongside the finest artists and ensembles	Develop relationships and undertake collaborations with at least one performing arts company per year	Ongoing collaboration with the Australian Chamber Orchestra, Felix Riebl, performed with artists Briggs, Emma Donovan, Archie Roach, Peter Garrett.
Present artistically excellent and innovative performances	Gondwana Choirs performances are reviewed positively and invitations from leading artists and ensembles continue.	Live and delayed broadcasts on ABC Classic FM, Fine Music FM. Strong reviews received for performances in the Adelaide Festival.

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	2018 Outcome
Use the digital environment and innovative approaches to performance that extend our reach beyond traditional platforms to new audiences	Incorporate digital innovation in all major new works	Spinifex Gum performed by Marliya incorporates film projections as integral part of the stage show.
Create innovative new work through entrepreneurial collaborations with other leading arts organisations	Increased invitations to collaborate with a range of leading artists and organisations.	Major collaborations in 2018 included: - Spinifex Gum (led by Felix Riebl, with Indigenous ensemble Marliya) - Australian Chamber Orchestra (commission & performance in Cairns) - City Recital Hall, co-presentation (Eternal Voices, and Voices of Angels) - Elective study artists at National Choral School, including Suara Indonesia Dance, Taikoz, Mara Kiek.

# Directors' Report

Gondwana Choirs Ltd

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

Strategy	Key Activity	2018 Outcome
Support the development of emerging composers through National Choral School, Composer in Residence programs, and mentoring opportunities	National Choral School Composer School, Emerging composer and conductor in residence program with SCC.	Seven emerging composers at NCS. Ella Macens commissioned to write a suite of new works as incoming Composer in Residence. Performance of suite of new works by Composer in residence, Alice Chance, with SCC at Barangaroo.
Commission, write and perform works celebrating Australian stories including Indigenous culture	Major choral presentations are composed and presented by Gondwana Choirs in partnership with communities in GICC priority regions.	A suite of new works written in collaboration with composer Alice Chance, and Kay & Noel Zaro, leading the Geribik dance troupe, featuring Miriam Mir traditional songs and stories. Performed in the Cairns Songfest in October 2018. Yandel'ora was written by composer Alice Chance in consultation with Dharawal elder Fran Bodkin, for performance in the Campbelltown Songfest by a combined schools ensemble in September 2018.
Continue to develop the Australian choral sound through commissions from leading Australian composers	Engage three Australian composers to write new works for performance by our choirs.	10 world premieres performed by the choirs in 2017, and over 50% of repertoire performed overall was by Australian composers.
We involve young people and communities in composition and the creation of new works	Engage composers to present workshops with SCC choristers, developing new work collaboratively in the context of a major cultural institution.	A two-year collaboration commenced with Sydney Living Museum, including the commissioning of a suite of new works, and on site visits by the SCC choirs. NCS choristers actively engaged with composition school participants, rehearsing, refining and performing new works during the two week project.



# Directors' Report

Gondwana Choirs Ltd

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	2018 Outcome
Train young people with ongoing, internationally acclaimed choral training programs in the Sydney region and via GICC 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 held in 2018.
	Continue Cairns hubs in Cairns, Western Sydney, Inner Sydney.	Cairns program continues to develop. A trial free bus service in term 4 was particularly successful in increasing numbers. Western Sydney program continued, including a Songfest with local schools. Inner Sydney programs run directly through schools, including La Perouse Public School, St Scholastica's College, and Darlington Public School. hub in Inner Sydney established. North Coast NSW and Darwin did not proceed due to funding shortfall.
Provide excellent professional learning opportunities for teachers and choral education community	Present a series of open rehearsals, keynote presentations and teacher workshops.	Choral Ideas Symposium was a successful project, including a curated 3-day program of NESA accredited professional learning workshops and lectures, especially for music educators.

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

Strategy	Key Activity	2018 Outcome
Reduce financial barriers to participation in our programs	Maintain free access to Gondwana Indigenous Children's Choir (GICC) programs across the country.	Principal Partner Rio Tinto enables GICC to continue to be offered at no cost for participants.
	Offer more young singers, composers and conductors bursaries to participate in our programs, funds raised through private donors and foundation support.	\$10,985 (SCC) + \$25,251 (NCS) awarded in bursary support = 3% of overall participation fees.

# Directors' Report

Gondwana Choirs Ltd

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

Strategy	Key Activity	2018 Outcome
Reduce the physical barriers to participation in our programs including by using digital technologies	Host massed combined educational choral projects.	Songfest successfully staged in Cairns with 250 participants and Gondwana Voices, marking the end of the regional Queensland tour. Workshops presented in a range of Cairns schools. Songfest successfully staged in Campbelltown with 180 participants and the Campbelltown GICC, and members of the Sydney Children's Choir.
	Increase membership and activity for Western Sydney GICC hub. Online collaboration with NSW Regional Conservatorium network.	Significant efforts to boost the Western Sydney hub through a series of concentrated workshops and Songfest performance in September. NSW Regional Conservatorium staff enjoyed free attendance to the Choral Ideas Symposium, collaboration with Albury Regional Conservatorium in 2018.
	Hold annual auditions in all capital cities and key regional centres.	Held annual auditions in all capital cities and key regional centres in NSW. Video auditions online for other regional and remote applicants.

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

Strategy	Key Activity	2018 Outcome
Build brand awareness and attract artists and funders	Measure digital metrics	Significant local, national and international media in 2018, for the Songs of my Country program. Increased international profile through 3 international tours in 2018. Increased digital reach, YouTube over 1.7 million views in 2018.
Pursue recording opportunities for commercial and self-release	Record and release new albums featuring different choirs.	No new recording released in 2018, due to increased collaborations and tours.

# Directors' Report

Gondwana Choirs Ltd

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 energised; and attract the financial support required to realise our artistic plans)

Strategy	Key Activity	2018 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.	Personal KPI plans for all staff.
Invest in appropriate artistic staff (conductors) to assist Artistic Director to run programs	Recruit artistic staff for salaried position/s.	4 artistic staff on payroll in 2018 – 1 full time and 3 part time.
Invest in Development staff, knowledge management system and build public affairs strategy in order to acquire and develop funders	Invest in Development resources and build strategy to attract and retain funders.	8.5% funding from government income and 23% from corporate and philanthropic.

Vision of the financial situation in the next three years

The organisation's new Strategic Plan for 2019-2023 reflects a vision to be a truly national institution, including a diverse representation of Australia's youth, and providing access to these opportunities for talented young artists by reducing barriers.

Multiyear operational funding at a state and federal level is crucial to enable accessible participation fees and for the organisation to create and present innovative new work to broader audiences nationally and internationally.

The loss of federal multiyear funding was and still is significant for the organisation. While we continued to present innovative new work, its scope and impact was reduced. Our strategic target is to substantially increase certain activities which support a diverse and accessible choral program, and therefore we will work to significantly increase the organisation's overall revenue and income.

# Directors' Report

## Gondwana Choirs Ltd

### Directors' qualifications and experience

Name	Dr Tessa Boyd-Caine
Qualifications	PhD (London School of Economics) Graduate, Company Director's Course (AICD) BA (USYD) Masters in Criminology (UYSD)
Date appointed	26 May 2015
Experience	Founding CEO of Health Justice Australia. 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	Nicholas James
Qualifications	BA Com with Merit, UNSW
Date appointed	13 February 2007
Experience	Formerly Director of Campus Living Funds Management, 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
Name	Kate Lidbetter
Qualifications	Chair 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. Parent of former Sydney Children's Choir chorister.
Name	David Longmuir
Qualifications	B Eng (Civil), MBA, M Applied Finance
Date appointed	16 June 2003
Experience	Management Consultant with over 35 years experience in engineering construction throughout Australia and Asia. Co-founder of Everything Infrastructure Group. Parent of former Sydney Children's Choirs and Gondwana National Choir choristers.
Name	Karen Louise-Mundine
Qualifications	BA Communications, Advanced Cert Management
Date appointed	10 March 2011
Experience	CEO at Reconciliation Australia. Formerly Executive Officer, Aboriginal and Torres Strait Islander Program Department of Foreign Affairs and Trade and other government positions.

# Directors' Report

Gondwana Choirs Ltd

Directors' qualifications and experience continued

Name	Caroline Sharpen
Qualifications	MBA, BMus (Hons I), Grad Dip Mus
Date appointed	18 February 2016
Experience	Management Consultant in the Creative Industries. CEO of the Tasmanian Symphony Orchestra 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.

Name	Lyn Williams
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


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 Company. At 31 December 2018, the total amount that members of the Company are liable to contribute if the Company wound up is \$300 (2017: \$300).

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 in page 14 of this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the Directors.

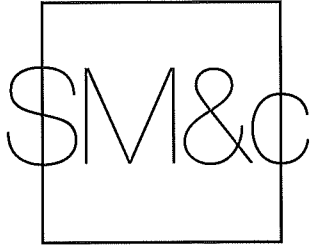


KATE LIDBETTER  
Director  
Sydney



LYN WILLIAMS  
Founder and Director

Dated 3/5/19



# Auditor's Independence Declaration

To the Directors of the 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 the Gondwana Choirs Ltd for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (b) No contraventions 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 3, 5, 19

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# Statement of Surplus or Deficit and Other Comprehensive Income

For the year ended 31 December 2018  
Gondwana Choirs Ltd

	Note Sch	2018 \$	2017 \$
Revenue	4	2,502,252	3,298,700
Other income	4	11,074	26,609
Administration expenses		(235,438)	(235,764)
Amortisation expense	11	(4,787)	(12,328)
Depreciation expense	10	(14,955)	(7,403)
Employee benefits expense	13	(1,363,828)	(1,381,070)
Marketing expenses		(47,063)	(57,833)
Merchandising expenses		(19,768)	(23,663)
Production expenses		(862,004)	(1,591,156)
Surplus/(deficit) before income tax		(34,517)	16,092
Income tax expense	3.8	-	-
Surplus/(deficit) for the year		(34,517)	16,092
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		(34,517)	16,092

This statement should be read in conjunction with the notes to the financial statements.

# Statement of Financial Position

For the year ended 31 December 2018

Gondwana Choirs Ltd

	Note	2018 \$	2017 \$
Assets			
Current			
Cash and cash equivalents	5	1,742,242	1,733,363
Trade and other receivables	6	73,634	311,241
Inventories	7	87,712	95,319
Other current assets	9	466,154	47,565
Current assets		2,369,742	2,187,488
Non-current			
Plant and equipment	10	54,264	26,938
Intangible assets	11	10,614	2,947
Non-current assets		64,878	29,885
Total assets		2,434,620	2,217,373
Liabilities			
Current			
Trade and other payables	12	136,159	120,957
Employee provisions	13	149,355	143,873
Other current liabilities	14	1,186,481	956,285
Current liabilities		1,471,995	1,221,115
Non-current			
Employee provisions	13	9,591	8,707
Non-current liabilities		9,591	8,707
Total liabilities		1,481,586	1,229,822
Net assets		953,034	987,551
Equity			
Unrestricted funds		953,034	987,551
Total equity		953,034	987,551

This statement should be read in conjunction with the notes to the financial statements.



# Statement of Changes in Equity

For the year ended 31 December 2018  
Gondwana Choirs Ltd

	Note	Unrestricted funds \$	Total equity \$
Balance at 1 January 2017		971,459	971,459
Surplus for the year		16,092	16,092
Other comprehensive income		-	-
Total comprehensive income for the year		16,092	16,092
Balance at 31 December 2017		987,551	987,551

	Note	Unrestricted funds \$	Total equity \$
Balance at 1 January 2018		987,551	987,551
Deficit for the year		(34,517)	(34,517)
Other comprehensive income		-	-
Total comprehensive loss for the year		(34,517)	(34,517)
Balance at 31 December 2018		953,034	953,034

This statement should be read in conjunction with the notes to the financial statements.

# Statement of Cash Flows

For the year ended 31 December 2018  
Gondwana Choirs Ltd

	Note	2018 \$	2017 \$
Operating activities			
Receipts from:			
• Client contributions		2,317,950	1,861,954
• Donations received		338,672	450,231
• Government grants		299,129	276,829
• Interest income		17,734	24,208
• Sponsorships received		231,748	282,359
Payments to clients, suppliers and employees		(3,141,619)	(3,119,543)
Net cash provided by operating activities		63,614	(223,962)
Investing activities			
Purchases of plant and equipment and intangibles	10/11	(54,735)	(21,595)
Net cash used in investing activities		(54,735)	(21,595)
Net change in cash and cash equivalents		8,879	(245,557)
Cash and cash equivalents, beginning of year		1,733,363	1,978,920
Cash and cash equivalents, end of year		1,742,242	1,733,363

This statement should be read in conjunction with the notes to the financial statements.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 1 General information and statement of compliance

The financial report includes the financial statements and notes of the 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 2018 were approved and authorised for issuance by the Board of Directors.

## 2 Changes in accounting policies

### 2.1 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 2018. Information on the more significant standard(s) is presented below.

#### AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The adoption of this amendment has not had a material impact on the Company.

## 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, services income, 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 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### Sale of goods

Revenue from the sale of goods comprises revenue earned from the sale of goods donated and purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.

### 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 method.  
Dividend income is recognised at the time the right to receive payment is established.

## 3.3 Operating expenses

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

## 3.4 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.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.4 Intangible assets continued

#### 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 3.16. The following useful lives are applied:

- Software: 3-5 years
- Website: 5 years

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.

### 3.5 Plant and equipment

Plant and other equipment 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:

- Office furniture: 5-10 years
- Office machines: 3-10 years

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 surplus or deficit within other income or other expenses.

### 3.6 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.

### 3.7 Financial instruments

#### Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through surplus or deficit,

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.7 Financial instruments continued

which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in the statement of surplus or deficit are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in surplus or deficit are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

#### Subsequent measurement of financial assets

##### Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.7 Financial instruments continued

#### Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

#### Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to surplus or deficit. Dividend from these investments continue to be recorded as other income within the surplus or deficit unless the dividend clearly represents return of capital.

#### Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. The Company allows 1% for amounts that are 30 to 60 days past due, 1.5% for amounts that are between 60 and 90 days past due and writes off fully any amounts that are more than 90 days past due.

#### Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Company's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Company's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through surplus or deficit.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in surplus or deficit (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in surplus or deficit are included within finance costs or finance income.

#### Accounting policies applicable to comparative period (31 December 2017)

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through surplus or deficit, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.7 Financial instruments continued

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss (FVPL)
- Held-to-maturity (HTM) investments
- Available-for-sale (AFS) financial assets

All financial assets except for those at fair value through profit or loss (FVPL) are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in surplus or deficit are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

#### Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in surplus or deficit. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

#### HTM investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the company has the intention and ability to hold them until maturity. The company currently holds long-term deposits designated into this category.



# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.7 Financial instruments continued

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

#### AFS financial assets

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The company's AFS financial assets include listed securities.

All AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in surplus or deficit. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to surplus or deficit and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognised in surplus or deficit within 'revenue' (see Note 3.2).

Reversals of impairment losses for AFS debt securities are recognised in surplus or deficit if the reversal can be objectively related to an event occurring after the impairment loss was recognised. For AFS equity investments impairment reversals are not recognised in surplus or deficit and any subsequent increase in fair value is recognised in other comprehensive income.

#### Classification and subsequent measurement of financial liabilities

The company's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in surplus or deficit.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in surplus or deficit are included within finance costs or finance income.

### 3.8 Income taxes

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.

### 3.9 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.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.10 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, provisions for annual leave and long service leave and non-monetary benefits. 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 if 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 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.

### 3.11 Employee benefits

#### Defined contribution plans

The company pays fixed contributions into independent entities in relation to several state superannuation plans 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.

### 3.12 Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 3 Summary of accounting policies continued

### 3.13 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.

### 3.14 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. 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.

### 3.15 Economic dependence

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.

### 3.16 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.

#### 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.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 4 Revenue

The company's revenue may be analysed as follows for each major product and service category:

	Note	2018 \$	2017 \$
Revenue			
Audience sales		187,378	418,229
Donations received		338,672	450,231
Fees and services		1,166,853	1,188,146
Tour fees		141,940	555,526
Fundraising income		-	19,380
Government grants	4.1	240,473	230,485
Investment income:			
• Interest received		18,009	23,867
Merchandise sales		23,790	35,206
Reimbursements and recoveries		143,137	84,180
Sponsorships received		242,000	293,450
		2,502,252	3,298,700
Other income			
Sundry income		11,074	26,609
		11,074	26,609
Total revenue and other income		2,513,326	3,325,309

### 4.1 Government grants

	Note	2018 \$	2017 \$
Grants in advance – 1 January	4.2	81,500	109,840
Unexpended grants – 1 January	4.3	49,518	-
Add: Grants received during the year	4.4	287,335	251,663
		418,353	361,503
Less:			
Grants in advance – 31 December	4.5	(111,550)	(81,500)
Unexpended grants – 31 December	4.6	(66,330)	(49,518)
		(177,880)	(131,018)
		240,473	230,485

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 4 Revenue continued

### 4.2 Grants in advance – 1 January

	Note	2018 \$	2017 \$
Australian Government through:			
• Department of the Communications and the Arts - Indigenous Languages & Arts Program	4.5	81,500	99,840
Cairns Regional Council		-	10,000
	14	81,500	109,840

### 4.3 Unexpended grants – 1 January

	Note	2018 \$	2017 \$
Australian Government through:			
• Department of the Communications and the Arts - Indigenous Languages & Arts Program	4.6	49,518	-
	14	49,518	-

### 4.4 Grants received during the year

	Note	2018 \$	2017 \$
Federal Government through:			
• Australia Council for the Arts – project		-	33,928
• Department of the Communications and the Arts - Indigenous Languages & Arts Program		96,150	81,500
• Department of Foreign Affairs and Trade		-	6,235
Department of the Premier and Cabinet QLD		10,385	-
Cairns Regional Council		10,000	-
NSW Government through:			
• Create NSW – general		140,000	130,000
• Create NSW – Decant Program		30,800	-
		287,335	251,663

### 4.5 Grants in advance – 31 December

	Note	2018 \$	2017 \$
Australian Government through:			
• Department of the Communications and the Arts - Indigenous Languages & Arts Program		96,150	81,500
• Create NSW – Decant Program		15,400	-
	14	111,550	81,500

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 4 Revenue continued

### 4.6 Unexpended grants - 31 December

	Note	2018 \$	2017 \$
Australian Government through:			
• Department of the Communications and the Arts - Indigenous Languages & Arts Program		66,330	49,518
	14	66,330	49,518

## 5 Cash and cash equivalents

Cash and cash equivalents consist the following:

	Note	2018 \$	2017 \$
Cash at bank and on hand		1,142,242	1,133,363
Cash on deposit		600,000	600,000
	5.1	1,742,242	1,733,363

### 5.1 Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled in the statement of financial position as follows:

	Note	2018 \$	2017 \$
Cash and cash equivalents	5	1,742,242	1,733,363
		1,742,242	1,733,363

## 6 Trade and other receivables

	Note	2018 \$	2017 \$
Current			
Trade receivables, gross		52,570	275,816
Less: provision for impairment		(783)	(1,260)
		51,787	274,556
Interest receivable		3,473	3,198
GST receivable		4,926	11,087
Supplier and venue deposits		13,448	22,400
		73,634	311,241

All of the company's trade and other receivables have been reviewed for indicators of impairment. All material debts are considered to be fully recoverable.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 6 Trade and other receivables continued

The movement in the allowance for credit losses can be reconciled as follows:

	Note	2018 \$	2017 \$
Balance 1 January		1,260	-
Amounts written off (uncollectable)		(477)	-
Impairment loss		-	1,260
Balance 31 December		783	1,260

## 7 Inventories

inventories consist the following:

	Note	2018 \$	2017 \$
At cost:			
Inventory – finished goods		87,712	95,319
		87,712	95,319

## 8 Financial assets and liabilities

### 8.1 Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	Note	2018 \$	2017 \$
Financial assets			
Financial assets measured at amortised cost			
• Cash and cash equivalents	5	1,742,242	1,733,363
• Trade and other receivables	6	73,634	311,241
		1,815,876	2,044,604
Financial liabilities			
Financial liabilities measured at amortised cost			
• Trade and other payables	12	136,159	120,957
		136,159	120,957

See Note 3.8 for a description of the accounting policies for each category of financial instruments. Information relating to fair values is presented in the related notes.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 9 Other assets

Other assets consist the following:

	Note	2018 \$	2017 \$
Current:			
Prepayments		466,154	47,565
		466,154	47,565

## 10 Plant and equipment

Details of the company's plant and equipment and their carrying amount are as follows:

	Instruments and music library \$	Office furniture and equipment \$	Uniforms \$	Total 2018 \$	Total 2017 \$
Gross carrying amount					
Balance 1 January	13,562	91,940	9,371	114,873	93,278
Additions	13,512	24,903	3,866	42,281	21,595
Balance 31 December	27,074	116,843	13,237	157,154	114,873
Depreciation and impairment					
Balance 1 January	(5,453)	(79,953)	(2,529)	(87,935)	(80,532)
Depreciation	(2,847)	(11,038)	(1,070)	(14,955)	(7,403)
Balance 31 December	(8,300)	(90,991)	(3,599)	(102,890)	(87,935)
Carrying amount 31 December	18,774	25,852	9,638	54,264	26,938

## 11 Intangible assets

Details of the company's intangible assets and their carrying amounts are as follows:

	Software \$	Website \$	Total 2018 \$	Total 2017 \$
Gross carrying amount				
Balance 1 January	15,763	23,000	38,763	38,763
Additions	12,454	-	12,454	-
Balance 31 December	28,217	23,000	51,217	38,763
Amortisation and impairment				
Balance 1 January	(13,238)	(22,578)	(35,816)	(23,488)
Amortisation	(4,365)	(422)	(4,787)	(12,328)
Balance 31 December	(17,603)	(23,000)	(40,603)	(35,816)
Carrying amount 31 December	10,614	-	10,614	2,947



# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 12 Trade and other payables

Trade and other payables recognised consist of the following:

	Note	2018 \$	2017 \$
Current:			
Trade payables		42,272	24,690
Sundry creditors and accruals		93,887	96,267
		136,159	120,957

## 13 Employee remuneration

### 13.1 Employee benefits expense

Expenses recognised for employee benefits are analysed below:

	Note	2018 \$	2017 \$
Wages, salaries and fees		1,233,078	1,249,639
Workers compensation insurance		10,640	8,104
Staff recruitment		2,287	1,722
Staff training and amenities		4,527	594
Superannuation – defined contribution plans		106,930	107,486
Employee benefit provisions		6,366	13,525
Employee benefits expense		1,363,828	1,381,070

### 13.2 Employee provisions

The liabilities recognised for employee benefits consist of the following amounts:

	Note	2018 \$	2017 \$
Current:			
Annual leave		73,316	73,446
Long service leave		76,039	70,427
		149,355	143,873
Non-current:			
Long service leave		9,591	8,707
		9,591	8,707

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 14 Other liabilities

Other liabilities can be summarised as follows:

	Note	2018 \$	2017 \$
Grants in advance	4.5	111,550	81,500
Unexpended grant	4.6	66,330	49,518
Membership fees received in advance		837,261	622,607
Sponsorships in advance		171,340	202,660
		1,186,481	956,285

Deferred income consists of government grants received in advance for services to be rendered by the company. Deferred income is amortised over the life of each contract.

## 15 Contingent liabilities

There are no contingent liabilities that have been incurred by the company in relation to 2018 or 2017.

## 16 Post-reporting date events

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

## 17 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 \$20 each towards meeting any outstanding obligations of the entity. At 31 December 2018, the total amount that members of the Company are liable to contribute if the Company wound up is \$300 (2017: \$300).

## 18 Related party transactions

The company's related parties 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.

### 18.1 Transactions with key management personnel

#### (a) Transactions with related entities

The directors act in an honorary capacity and receive no compensation for their services.

Where legal services have been provided by a director, these services were provided on a pro-bono basis and no remuneration was received.

#### (b) Transactions with key management personnel

Key management positions of the company are those that have authority for planning and controlling the company's activities, directly or indirectly (other than directors). The company's key management personnel is the General Manager and non-executive members of the Board of

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 18 Related party transactions continued

### 18.1 Transactions with key management personnel continued

Directors. Key management personnel remuneration includes the following expenses:

	2018 \$	2017 \$
Total key management personnel remuneration	417,361	419,152

## 19 Lease Commitments

### Operating lease as lessee

The company's future minimum operating lease payments are as follows:

	Minimum lease payments due			
	Within 1 year \$	1 to 5 years \$	After 5 years \$	Total \$
31 December 2017	-	-	-	-
31 December 2018	32,118	26,765	-	58,883

Lease expense during the year amount to \$58,883 representing the minimum lease payments.

The company's lease of premises at Pier 4, Hickson Road, Millers Point NSW 2000 expired in December 2017, and since that time Gondwana Choirs Ltd and all other tenant organisations at the wharf have been negotiating new agreements for the redeveloped premises. Gondwana Choirs Ltd relocated in June 2018 and will be returning under a new lease once the wharf has been rebuilt. Estimated time to be completed is 18 months or more.

Temporary premises are located at Level 2, 52 William St, East Sydney NSW 2011 and the lease is exercised until 31 October 2020 with an option to renew upon the completion of the redevelopment of the original premises.

# Notes to the Financial Statements

For the year ended 31 December 2018  
Gondwana Choirs Ltd

## 20 Charitable fundraising

The company holds an authority to fundraise under the Charitable Fundraising Act, 1991 (NSW) and conducts fundraising appeals throughout the year. Additional information and declarations required to be furnished under the Act are as follows:

(a) Details of gross income and expenditure from fundraising activities:

	Note	2018 \$	2017 \$
General donations		243,172	206,119
Fundraising events		-	19,380
Total income		243,172	225,499
Administration fee		3,507	2,074
Advertising and promotions		2,944	18,061
Salaries and wages		78,756	78,913
Total expenses		85,207	99,048
Net surplus from fundraising appeals		157,965	126,451
Application of funds to total operating expenses		(157,965)	(126,451)
		-	-

(b) Statement showing how funds were applied for charitable purposes

All funds raised from fundraising activities, net of direct costs, were applied to the company's normal operations. The company did not conduct any appeals in which traders were engaged

(c) Fundraising appeals conducted throughout the year

No targeted fundraising events were held during the year. General donations appeal had been held throughout the year via programs and website.

(d) Assets and liabilities resulting from fundraising

No assets and liabilities remained at year end as all the funds were applied to the company's normal operations.

# Directors' Declaration

For the year ended 31 December 2018  
Gondwana Choirs Ltd

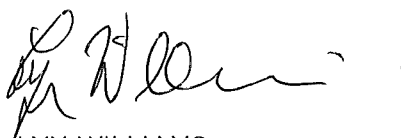
In the opinion of the Directors of the Gondwana Choirs Limited:

- (a) The financial statements and notes of the 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 2018 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 3.16).

Signed in accordance with a resolution of the Directors.



KATE LIDBETTER  
Director  
Sydney



LYN WILLIAMS  
Founder and Director

Dated 3/5/19

# Declaration by Chair of Directors in respect of Fundraising Appeals

For the year ended 31 December 2018  
Gondwana Choirs Ltd

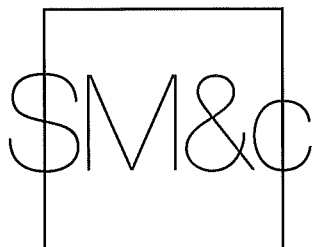
I, Kate Lidbetter, a director of Gondwana Choirs, declare in my opinion;

- (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 2018;
- (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 2018;
- (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 2018; 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  
Director  
Sydney

Dated 3 / 5 / 19



# Independent Auditor's Report

To the members of the Gondwana Choirs Ltd

## Report on the Audit of the Financial Report

### Opinion

I have audited the financial report of Gondwana Choirs Limited, which comprises the statement of financial position as at 31 December 2018, the statement of surplus or deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In my opinion the financial report of Gondwana Choirs Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Charitable Fundraising Act 1991* including:

- (a) Giving a true and fair view of the company's financial position as at 31 December 2018 and of its financial performance and cash flows for the year then ended; and
- (b) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2012* and *Charitable Fundraising Act 1991*.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards – Reduced Disclosure Requirements. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), *Charitable Fundraising Act 1991* (CFA Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

### Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 December 2018, but does not include the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Steven J Miller & Co  
Chartered Accountants  
18-20 Victoria Street  
PO Box 477 Erskineville NSW 2043  
Tel (+61 2) 9560 3777  
service@stevenjmillers.com.au  
www.stevenjmillers.com.au  
ABN 23 690 541 177



# Independent Auditor's Report

To the members of the Gondwana Choirs Ltd

## Directors' Responsibility for the Financial Report

The directors of the Trustee company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, The ACNC Act, The CFA Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

## Auditor's Responsibility for Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards – Reduced Disclosure Requirements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards – Reduced Disclosure Requirements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



# Independent Auditor's Report

To the members of the Gondwana Choirs Ltd

## Auditor's Responsibility for Audit of the Financial Report continued

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## 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 3 / 5 / 19

# Additional Financial Information Disclaimer

Gondwana Choirs Ltd

The additional financial data presented on pages 43 to 45 are in accordance with the books and records of the company which have been subjected to the auditing procedures applied in my statutory audit of the company for the year ended 31 December 2018. It will be appreciated that my statutory audit did not cover all details of the additional financial information. Accordingly, I do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with my firm's policy, I advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the consolidated entity) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.



STEVEN J MILLER & CO  
Chartered Accountants



S J MILLER  
Registered Company  
Auditor No 4286

Sydney

Dated 3 / 5 / 19

# Detailed Statements of Surplus or Deficit

For the year ended 31 December 2018  
Gondwana Choirs Ltd

SCHEDULE 1 – GENERAL OPERATIONS	Note Sch	2018 \$	2017 \$
INCOME			
Audience sales		187,378	418,229
Donations received		338,672	450,231
Fees and services		1,166,853	1,188,146
Tour fees		141,940	555,526
Fundraising income		-	19,380
Government grants	4.1	240,473	230,485
Investment income:			
• Interest		18,009	23,867
Net merchandise income	Sch 1	4,022	11,543
Reimbursements and recoveries		143,137	84,180
Sponsorships received		242,000	293,450
Sundry revenue		11,074	26,609
TOTAL INCOME		2,493,558	3,301,646
LESS: EXPENDITURE	Sch 2	(2,528,075)	(3,285,554)
NET SURPLUS / (DEFICIT)		(34,517)	16,092

The above UNAUDITED detailed statement of surplus or deficit should be read in conjunction with the disclaimer.

# Detailed Statements of Surplus or Deficit

For the year ended 31 December 2018  
Gondwana Choirs Ltd

SCHEDULE 1 - NET MERCHANDISE INCOME	Note	2018 \$	2017 \$
Merchandise sales		23,790	35,206
Less Cost of sales:			
Opening stock		95,319	95,417
Add: purchases		12,161	23,565
		107,480	118,982
Less: closing finished goods	7	(87,712)	(95,319)
Total cost of sales		19,768	23,663
Net merchandise income		4,022	11,543

The above UNAUDITED detailed statement of surplus or deficit should be read in conjunction with the disclaimer.

# Detailed Statements of Surplus or Deficit

For the year ended 31 December 2018  
Gondwana Choirs Ltd

SCHEDULE 2 - EXPENDITURE	Note	2018 \$	2017 \$
EXPENSES			
Amortisation of intangibles		4,787	12,328
Annual leave provided/(written back)		(130)	8,008
Auditor's remuneration		8,787	8,610
Bad debt expense		777	1,577
Bank charges		11,257	11,978
Depreciation of plant and equipment		14,955	7,403
Hospitality expenses		3,307	2,573
Filing fees		330	490
Fundraising expenses		1,348	18,061
General expenses		4,380	5,386
Insurance		33,763	32,263
Long service leave provided		6,496	5,517
Production expenses		186,538	356,199
Parking		4,001	4,886
Postage		1,328	3,075
Printing, stationery and photocopying		34,060	32,219
Publicity and promotion		47,063	57,833
Rates and cleaning		14,990	6,473
Rent - administration office		31,600	30,883
Salaries and wages		1,233,078	1,249,639
Software expenses		5,975	2,324
Staff recruitment		2,287	1,722
Staff training and amenities		4,527	594
Storage fees		15,677	8,908
Subscriptions and memberships		1,257	1,363
Superannuation		106,930	107,486
Telephone, facsimile and internet expenses		59,488	60,266
Travel and accommodation expenses		675,466	1,240,320
Website maintenance		13,753	7,170
		2,528,075	3,285,554