



Bobby Goldsmith Foundation

(A company limited by guarantee)

ABN 65 141 126 703

Financial Report for the year

1 July 2013 to 30 June 2014

Bobby Goldsmith Foundation

(A company limited by guarantee)

Financial Report for the year 1 July 2013 to 30 June 2014

DIRECTORS' REPORT

Your directors present their report, together with the financial statements on the entity for the year ended 30 June 2014.

Directors

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

Warrick Saunders

Dr Mark Cross

Jennifer Nairne

Tracey Hamilton (Resigned 24 May 2014)

Damien Hodgkinson

Amanda Millar

Susan Darroch

Lorraine Hall (Resigned 12 December 2013;
reappointed 30 January 2014)

Justin Cudmore (Resigned 12 December 2013;
reappointed 30 January 2014)

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

Company Secretary

David Riddell

Operating Results

The excess of expenditure over revenue of the entity amounted to \$201,989 (2013: the excess of expenditure over revenue amounted to \$95,279).

Objectives

The short and long term objectives of Bobby Goldsmith Foundation ('BGF') is to support people living with HIV (PLWHIV) by providing practical, emotional and financial support, in addition to employing strategies to empower those affected.

BGF's short term objective of supporting people living with HIV by providing practical emotional and financial support in a professional and non-judgemental way through:

- emotional counseling through case manager support;
- financial assistance with essential life services including medication payments, NILS loans and financial counseling; and
- providing short term housing support through BGF House and housing support services.

BGF's long term objective is to empower people living with HIV to manage their own health through;

- the implementation of the Stanford University Chronic Condition Management programme; and
- the provision of long term aged housing support services.

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Financial Report for the year 1 July 2013 to 30 June 2014

DIRECTORS' REPORT (continued)

Strategies

To achieve its stated objectives, the entity has adopted the following strategies;

- we seek funding and use funding from Government and non-government sources in support of our activities; and
- we work collaboratively with other HIV organisations and New South Wales Health to support and contribute to the sector through the provision of new case management programmes and concepts and reduction of in-hospital days by PLWHIV.

Principal Activities

The principal activities of the entity during the financial year were to provide housing support and comfort to people living with HIV, together with emotional and financial counselling and financial assistance.

How these activities assist in achieving the objectives

Funding generated by the company from grants, donations and general fundraising allows the company in part to ensure people living with HIV have sufficient access to services of a good standard, together with emotional and financial support to assist in the leading of a normal and healthy life.

Performance Measurement

The entity measures its own performance through the use of both quantitative and qualitative indicators. These determining data are used by the directors to assess the financial sustainability of the entity and whether the entity's short term and long-term objectives are being achieved. These data measures are set out each year in the Annual Impact Report.

Review of Operations

The company's financial statements incorporate the operation of Supported Housing Project which was transferred to the company in July 2012. BGF generated a deficit of \$201,989 as compared to a deficit of \$95,279 for the 2013 financial year. The increased deficit of \$106,710 was made up of three items. The Board of BGF made a strategic decision to increase funding for the Stanford Programme and committed a further \$32,161 in staff development costs for staff training. The Board also made a decision to invest a further \$51,887 in rebranding the organisation to raise its profile and improve its online presence. The organisation also incurred one off costs of \$15,550 in relation to a legal dispute. If these costs have not been incurred and these initiatives not undertaken, then BGF would have incurred a deficit of \$102,391.

BGF is continuing to focus on programmes designed to improve its revenue base while managing its costs at a sustainable level. BGF is looking at alternative methods of delivery for its supported housing programme and will divest of some of its non-core assets to further improve the organisation's financial position and delivery of its strategic initiatives.

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

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DIRECTORS' REPORT (continued)

Dividends Paid or Recommended

The entity is a not for profit company limited by guarantee. In accordance with the company's constitution no dividend is payable.

Matters Subsequent to the End of the Financial Year

BGF and NSW Housing have agreed to the disposal of the land and buildings designated as BG House and anticipate that the proceeds of sale will be higher than the carrying value of such property.

BGF has finalised with NSW Health its grant funding for the year ending 30 June 2015 and anticipates that the NSW Government will continue its funding of BGF beyond 2015 when the new funding arrangements for NSW Health funded NGOs are finalised.

Apart from the foregoing, no other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely Developments and expected results of operations

The company in going forward will be reassessing the method of delivery of its supported housing arrangements in conjunction with NSW Housing and will divest some of its non core assets, together with the processes associated with the enhancement of grants awarded to the company by NSW Health and inclusive of the new funding arrangements to be adopted with respect to NGOs beyond 30 June 2015.

Other than the foregoing, information on likely developments in the operations of the company and the expected results of operations have not been included in this report.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Bobby Goldsmith Foundation

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DIRECTORS' REPORT (continued)

Information on Directors in Office at the Date of this Report

Damien Hodgkinson

President

November 2008 - current

Damien is a Chartered Accountant and Managing Director of DEM Australasia Group Limited. He began his career in corporate insolvency with Arthur Young (Ernst & Young) in Melbourne in 1988 before moving to Sydney to boutique insolvency advisors Ferrier Hodgson. In 1996 he relocated to Hong Kong where he was a senior partner of one of Asia's largest corporate restructuring firms RSM Nelson Wheeler where he oversaw the restructuring of Akai Electric Japan, and OMC Asia (Johnson & Evinrude). He was a partner of KPMG's Australian practice from 2008 to 2012.

Damien holds board roles with MU Australia Ltd, DEM Group of companies and is a director on the Bequest Committee of the Franklin Foundation. Damien is also the director and treasurer of the Sydney Gay and Lesbian Mardi Gras Limited.

He has a Bachelor of Commerce (Economics, Accounting & Law) from the University of Melbourne.

Amanda Millar

Vice-President

October 2010 - current

Amanda is a specialist in public relations, corporate communications and marketing with over 12 years experience managing global brands. Currently a Director – Trade Marketing and Corporate Affairs, Yahoo!7. Amanda has provided strategic advice at a senior executive level for global companies including Oracle, Microsoft (including ninemsn) and Yahoo!

Amanda has a Bachelor of Arts from the University of Queensland and a Masters in Communications from UTS.

Jennifer Nairne

Treasurer

September 2012 - Current

Jennifer is a Chartered Accountant and Registered Company Auditor, and currently is a partner in the BDO Private Clients team. Jennifer has extensive expertise and industry experience garnered over a 30 year period, including extensive experience gained in a Big Four accounting firm. She has been involved with the undertaking of audit and internal control and process reviews for many years and is completely familiar with the processes involved and the necessary reporting to regulatory authorities.

In addition to Jennifer's career expertise, Jennifer has been an activist of the Sporting Chance Foundation – a Not-for-Profit Organisation with a focus on Children with Cancer. Jennifer acts as the honorary administrator of the foundation.

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Financial Report for the year 1 July 2013 to 30 June 2014

DIRECTORS' REPORT (continued)

Information on Directors in Office at the Date of this Report (continued)

Warrick Saunders

October 2010 - current

Warrick has 20 years experience as a marketing and communications specialist and has worked for large national corporations developing a range of successful marketing strategies and campaigns for companies such as Optus Communications and Telstra. He specialises in delivering professional communications, research, marketing campaigns, exhibitions, events and product launches and has worked for the last 9 years in the not-for-profit sector providing strategic direction and business planning for organisations such as Amnesty International, The National Heart Foundation and WWF to maximise their fundraising opportunities. He is currently the Marketing Manager at Medecins San Frontieres Australia, the world's leading independent organisation for medical humanitarian aid.

Tracey Hamilton

Nov 2011 – May 2014

Tracey is a marketing and sales professional, with expertise in Brand Development, Marketing Strategy, Retail Marketing and Category Management. She commenced her career in FMCG as a Marketing Graduate at Johnson and Johnson. This led to Senior roles with Retail Adventures, Telstra, Goodman Fielder and Diageo. In 2011, Tracey resigned from the BGF Board and spent 10 months leading Marketing and Fundraising for BGF. At the AGM in November 2011 Tracey rejoined the BGF Board.

Tracey has completed an Executive MBA at the Australian Graduate School of Management.

Susan Darroch

Nov 2011 – Current

Susan is an investment management professional with in excess of 20 years' experience in financial markets, in both equities and money markets. Currently the Head of Global Equity Beta Solutions for Asia Pacific ex Japan at State Street Global Advisors, her past experience includes positions at Commonwealth Funds Management, Rothschild Australia and Chuo Trust and Banking in London. Susan has been instrumental in collaborating within the industry to mentor and promote women in finance and has worked extensively in the philanthropic field with various partners to improve the lives of minority groups and animals.

Susan holds a Bachelor of Economics from Macquarie University and has been admitted as a fellow of the Financial Services Institute of Australasia.

Dr Mark Cross

Nov 2011 - Current

Mark is a medical specialist in mental health and is currently the Clinical Director of the Liverpool and Fairfield Mental Health Service, based at Liverpool Hospital in NSW, part of the South West Sydney LHD. He graduated as a medical doctor from the University of Cape Town in South Africa in 1990 and was a general practitioner for a while before specialising in Psychiatry. He specialised in London, UK, where he lived and practiced for 12 years before moving to Australia and taking up his current post at Liverpool Hospital in 2005.

His interests include quality of life in people with chronic illnesses, multi-cultural mental health and HIV. He has previous board experience in HIV charities in South Africa as well as a mental health charity in London.

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Financial Report for the year 1 July 2013 to 30 June 2014

DIRECTORS' REPORT (continued)

Information on Directors in Office at the Date of this Report (continued)

Lorraine Hall

Jun 2013 – December 2013; January 2014 – Current

Lorraine is a corporate lawyer and company secretary with almost 30 years' in-house, government and top tier law firm experience. She began her career with Allens Arthur Robinson (now Allens Linklaters) in 1986 before moving to Freehills (Herbert Smith Freehills), where she was engaged in a wide range of commercial transactions and corporate advisory work. After spending several years as a commercial lawyer with the CSIRO, Lorraine moved to CSC Australia as deputy general counsel and company secretary to the group's Australian subsidiaries, providing strategic advice to the board on corporate governance issues and negotiating a variety of large-scale contracts with government and private sector organisations.

Lorraine holds a Bachelor of Arts/Bachelor of Laws (Hons) from the Australian National University and is a graduate of the Australian Institute of Company Directors.

Justin Cudmore

Jun 2013 – December 2013; January 2014 – Current

Justin is a commercial lawyer with around 15 years of experience, advising clients particularly in the retail and FMCG sectors. He also has extensive commercial property experience. Currently a partner at Marque Lawyers, he was formerly a partner at Meyer Vandenberg Lawyers, Canberra's largest independent law firm.

Justin has held a board role since May 2014 with the Australian Fashion Chamber, a not-for-profit organisation which aims to promote and develop Australian fashion design.

Justin was previously a director of Galilee Inc, a not-for-profit providing assistance to young people in need in Canberra, primarily through facilitating foster care and operating a small secondary school.

He has a Bachelor of Laws (with honours) and a Bachelor of Science from the Australian National University.

Bobby Goldsmith Foundation
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Financial Report for the year 1 July 2013 to 30 June 2014

DIRECTORS' REPORT (continued)

ATTENDANCE AT DIRECTORS MEETINGS

Name			2013-14
Tracey	Hamilton	Director to 24 May 2014	6/7
Damien	Hodgkinson		8/9
Jennifer	Nairne		9/9
Justin	Cudmore	Director to 12 December 2013; reappointed 30 January 2014	8/9
Lorraine	Hall	Director to 12 December 2013; reappointed 30 January 2014	9/9
Amanda	Millar		8/9
Warrick	Saunders		7/9
Cross	Mark		7/9
Darrock	Susan		6/9

Indemnifying Officers or Auditor

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

Proceedings on Behalf of the Entity

No person has applied for leave of court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

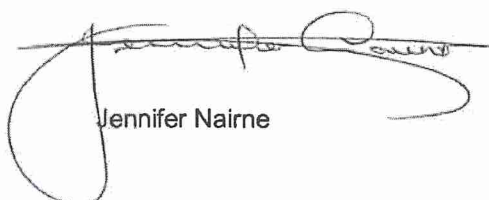
Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on page 9 of the directors' report.

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



Damien Hodgkinson



Jennifer Nairne

Dated this 6th day of November 2014

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BOBBY GOLDSMITH FOUNDATION (A COMPANY LIMITED BY GUARANTEE)**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

- (i) no contraventions of the auditors' independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Walker Wayland NSW
Chartered Accountants



Grant Allsopp
Partner

Dated this 6th day of November 2014, Sydney

Bobby Goldsmith Foundation

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Financial Report for the year 1 July 2013 to 30 June 2014

**Statement of Profit or Loss and Other
Comprehensive Income for the Year ended
30 June 2014**

		30-Jun-14	30-Jun-13
	Notes	(\$)	(\$)
Revenue			
Fundraising:			
Charitable	3	468,266	505,307
Commercial	3	65,938	70,262
Grant income	3	1,549,283	1,534,944
Bequests		101,455	134,336
Investment income	3	279,148	259,645
Net gain on disposal of investments		39,743	24,866
Increase in fair value of financial assets	7	75,051	94,856
Other income		51,846	10,964
Total Revenue	2(c)	2,630,730	2,635,180
Expenses			
Fundraising costs:			
Charitable			
Employee benefits expense		134,233	115,867
Other expenses		26,188	23,480
Commercial			
Employee benefits expense		24,820	16,115
Other expenses		29,523	59,759
Client services costs:			
Client payments		191,842	183,070
Employee benefits expense		1,114,486	1,067,659
Other expenses		156,414	188,437
Corporate services costs			
Employee benefits expense		413,249	418,790
Corporate rebranding initiatives		83,604	-
Other expenses		648,356	648,113
Other investment costs		10,004	9,169
Total Expenses	4	2,832,719	2,730,459

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Financial Report for the year 1 July 2013 to 30 Jun 2014

**Statement of Profit or Loss and Other
Comprehensive Income for the Year ended
30 June 2014 (Continued)**

	Notes	30-Jun-14 (\$)	30-Jun-13 (\$)
(Deficit) before income tax		(201,989)	(95,279)
Income tax expense	2(d)	-	-
(Deficit) for the year		(201,989)	(95,279)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		-	-
Total comprehensive loss attributable to members		(201,989)	(95,279)

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Financial Report for the year 1 July 2013 to 30 Jun 2014

Statement of Financial Position

As At 30 June 2014		30-Jun-14	30-Jun-13
	Notes	(\$)	(\$)
Assets			
Current Assets:			
Cash and cash equivalents	2(e), 5	33,653	31,813
Trade and other receivables	2(f), 6	104,552	71,511
Financial assets	2(g), 7	1,971,313	2,183,495
Assets held for sale	1(h)	1,097,356	-
Other assets		13,840	12,623
Total Current Assets		3,220,714	2,299,442
Non-Current Assets:			
Property, plant and equipment	2(i), 8	79,317	1,264,320
Total Non-Current Assets		79,317	1,264,320
Total Assets		3,300,031	3,563,762
Liabilities			
Current Liabilities:			
Trade and other payables	2(j), 9	173,213	231,888
Bank overdraft	2(e), 10	41,456	-
Provisions	11	110,149	117,423
Lease Liability	20	22,866	52,203
Grants in advance		36,702	36,706
Total Current Liabilities		384,386	438,220
Non-Current Liabilities			
Provisions	11	65,886	50,928
Lease Liability	20	-	22,866
Total Non-Current Liabilities		65,886	73,794
Total Liabilities		450,272	512,014
Net Assets		2,849,759	3,051,748
Funds			
Accumulated losses		(1,328,814)	(1,126,825)
Reserves	13	4,178,573	4,178,573
Total Funds		2,849,759	3,051,748

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Financial Report for the year 1 July 2013 to 30 Jun 2014

Statement of Cash Flows

For the year ended 30 June 2014		30-Jun-14	30-Jun-13
Comparative figures are for the year	Notes	(\$)	(\$)
Cash flows from operating activities			
Receipt of grants		1,549,283	1,534,944
Other receipts		845,120	1,068,591
Payments to suppliers and employees		(2,789,001)	(2,542,207)
Interest received		67,464	69,765
Dividends received		60,767	59,401
Interest Paid		(3,625)	(7,396)
Net cash (used in)/provided by operating activities	16(b)	(269,992)	183,098
Cash flows from investing activities			
Acquisitions of property, plant and equipment		(4,654)	(11,082)
Net disposals/(additions) of investments		287,233	(122,619)
Net cash (used in)/provided by investing activities		282,579	(133,701)
Cash flows from financing activities			
Lease payments		(52,203)	(52,203)
Net cash (used in)/provided by financing activities		(52,203)	(52,203)
Net (decrease) in cash and cash equivalents		(39,616)	(2,806)
Opening cash and cash equivalents		31,813	34,619
Closing cash and cash equivalents	16(a)	(7,803)	31,813

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Financial Report for the year 1 July 2013 to 30 Jun 2014

**Statement of Changes in
Equity****For the year ended 30 June
2014**

	Reserves	Asset Revaluation Reserve	Accumulated Losses	Total
	(\$)	(\$)	(\$)	(\$)
Balance at 1 July 2012	3,922,834	-	(1,031,546)	2,891,288
Revaluation of land and buildings to fair value based on valuation undertaken as at 30 June 2013	-	255,739	-	255,739
Loss Attributable to Members	-	-	(95,279)	(95,279)
Closing balance at 30 June 2013	3,922,834	255,739	(1,126,825)	3,051,748
Balance at 1 July 2013	3,922,834	255,739	(1,126,825)	3,051,748
Loss Attributable to Members	-	-	(201,989)	(201,989)
Closing balance at 30 June 2014	3,922,834	255,739	(1,328,814)	2,849,759

Bobby Goldsmith Foundation (a company limited by guarantee)

Notes to the Financial Statements for the year ended 30 June 2014

1. Introduction

This financial report covers Bobby Goldsmith Foundation (BGF) as an individual entity for the year 1 July 2013 to 30 June 2014. The financial report is presented in Australian currency and all values are rounded to the nearest dollar.

BGF is an unlisted public company limited by guarantee, domiciled in Australia. Its registered office and principal place of business is:

Bobby Goldsmith Foundation
Level 3, 111-117 Devonshire Street
Surry Hills NSW 2010

A description of the nature of BGF's operations and its principal activities is included on pages 2 and 3 of the directors' report.

The financial report was authorised for issue by the directors on the 6th of November 2014.

2. Summary of Accounting Policies

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

Australian Accounting standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on the basis of historical cost except for the following:

- Available-for-sale financial assets are measured at fair value.
- Land and buildings are measured at fair value less accumulated depreciation on buildings and any impairment losses

The methods used to measure the fair values of these assets are discussed in Notes 2(g). Cost is based on the fair values of the consideration given in exchange for assets.

Compliance with IFRS

The financial report also complies with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(a) Basis of Preparation (Continued)

Compliance with the Charitable Fundraising Act (NSW) 1991

The financial report also complies with the Charitable Fundraising Act (NSW) 1991 and the conditions in the company's Authority to Fundraise.

(b) Significant Accounting Judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next reporting year are:

Impairment of Property, Plant and Equipment

BGF assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets, as outlined in Note 2(i). Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. BGF recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and the specific criteria have been met for each activity as described below.

Revenue is recognised for the major business activities as follows:

Fundraising

Fundraising revenue is recognised when BGF has control of the contribution.

Grant Income

Grants from the government and other organisations are recognised at their fair value where there is a reasonable assurance that the grant will be received and that BGF will comply with all attached conditions.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(c) Revenue Recognition (Continued)

Bequests

Bequests are recognised when BGF is notified of an impending distribution or the bequest is received, whichever occurs earlier.

Revenues from bequests comprising 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.

Sales of goods

Revenue from sales of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

Interest and Investment Income

Interest and Investment income is recognised on an accrual basis.

Dividends are brought to account as they are received.

Asset Sales

The gain or loss on disposal of all non-current assets and available-for-sale financial investments is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

(d) Income Tax

BGF is exempt from income tax within the terms of Subdivision 50–5 of the *Income Tax Assessment Act 1997*.

(e) Cash and Cash Equivalents

For Statement of Cash Flows presentation purposes, cash and cash equivalents includes: cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in values.

(f) Trade Receivables

Trade receivables represent Nil Interest Loans (NILS) to clients provided by BGF, which are settled by guarantee applied to their disability pensions. Whilst the amounts are paid over a specific year, the collectability of the debts is assessed at the year-end.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i. the amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- iv. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant year and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(g) Financial Instruments (Continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those, which are not expected to mature within 12 months after the end of the reporting year, which will be classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those, which are expected to mature within 12 months after the end of the reporting year.

If during the year the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investment would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those, which are expected to be disposed of within 12 months after the end of the reporting year.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting year, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(g) Financial Instruments (Continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(h) Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale, subsequent to the determination of the classification.

The directors at year end have agreed to the future disposal of the land and buildings (namely, BG House, which as at year end has a deemed fair value of \$1,097,356) for an amount in excess of the fair and carrying value of the land and buildings as at 30 June 2014.

Classification as "held for sale" occurs when: management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification; and active marketing of the asset has commenced. Such assets are classified as current assets.

Impairment losses are recognised for any initial or subsequent write-down of an asset classified as held for sale to fair value less costs to sell. Any reversals of impairment recognised on classification as held for sale or prior to such classification are recognised as a gain in profit or loss in the period in which it occurs.

(i) Property Plant and Equipment

Bases of measurement of carrying amount

Land and buildings are measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation. Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Any property, plant and equipment donated to the company or acquired for nominal cost is recognised at fair value at the date the company obtains control of the assets.

Revaluation of land and buildings

Following initial recognition at cost, land and buildings are carried at a revalued amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and any subsequent accumulated impairment losses.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(i) Property Plant and Equipment (Continued)

Revaluation of land and buildings (Continued)

Land and buildings are treated as a class of assets. When the carrying amount of this class of assets is increased as a result of a revaluation, the increase is credited directly to the revaluation reserve, except where it reverses a revaluation decrement previously recognised in the profit and loss, in which case it is credited to the Statement of Profit or Loss and Other Comprehensive Income.

When the carrying amount of land and buildings is decreased as a result of a revaluation, the decrease is recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where a credit balance exists in the revaluation reserve, in which case it is debited to that reserve.

Depreciation

Items of property, plant and equipment are depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired year of the lease or the estimated useful life of the improvements. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

	2014 % pa	2013 % pa
Freehold Land and Buildings	3	3
Office Furniture and Equipment	20	20
Computer Equipment	33	33

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A leased asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Lease assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the entity will obtain ownership at the end of the lease term.

Operating lease payments, net any incentives received from the lessor, are charged to profit and loss on a straight-line basis over the term of the lease.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(i) Property Plant and Equipment (Continued)

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the Statement of Comprehensive Income. However, because land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

(i) Trade and Other Payables

Trade payables and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The notional amount of the creditors and payables is deemed to reflect fair value.

BGF receives grant monies to fund projects either for contractual years of time or for specific projects irrespective of the year of time required to complete those projects. It is the policy of the entity to treat grant monies as unexpended grants in the Statement of Financial Position where the entity is contractually obliged to provide the services in a subsequent financial year to when the grant is received or in the case of specific project grants where the project has not been completed.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

2. Summary of Accounting Policies (Continued)

(j) Employee Benefits

Employee benefits comprise annual, sick and long service leave and related contributions to superannuation plans.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures, and years of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

The company pays contributions to certain defined contribution superannuation plans. Contributions are recognised in the Statement of Profit or Loss and Other Comprehensive Income when they are due. The company has no obligation to pay further contributions to these plans if the plans do not hold sufficient assets to pay all employee benefits relating to employee service in current and prior years.

2. Summary of Accounting Policies (Continued)

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from or payable to the ATO is included with other receivables or payables in the Statement of Financial Position.

(m) Economic Dependence

BGF is dependent on grant revenue from the Department of Health, New South Wales to operate its business. Refer to Note 18 for further clarification on capital management.

(n) Public Company Limited by Guarantee

In the event of BGF being wound up the liability of each member is limited to an amount not exceeding \$10. BGF had 18 members as at 30 June 2014 (2013: 17).

(o) Financial Reporting by Segments

BGF operates predominantly in one business and geographical segment, being New South Wales providing housing, support and comfort to people living with HIV/AIDS.

However, to provide more detail to our clients, we have split our financial statements into these activities:

- Fundraising
- Client Services
- Corporate Services

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

(p) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the company elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective. Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011) and AASB 128: Investments in Associates and Joint Ventures (August 2011) (as amended by AASB 2012-10: Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments), and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separated Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to significantly impact the company's financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed). This Standard is not expected to significantly impact the company's financial statements.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

New Accounting Standards for Application in Future Periods

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only but is not expected to significantly impact the company's financial statements.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the company's financial statements.

- AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments and is not expected to significantly impact the company's financial statements.

- Interpretation 21: Levies (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the company's financial statements.

- AASB 2013-3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the company's financial statements.

- AASB 2013-4: Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-4 makes amendments to AASB 139: Financial Instruments: Recognition and Measurement to permit the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. This Standard is not expected to significantly impact the company's financial statements.

- AASB 2013-5: Amendments to Australian Accounting Standards – Investment Entities (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-5 amends AASB 10: Consolidated Financial Statements to define an "investment entity" and requires, with limited exceptions, that the subsidiaries of such entities be accounted for at fair value through profit or loss in accordance with AASB 9 and not be consolidated. Additional disclosures are also required. As neither the parent nor its subsidiaries meet the definition of an investment entity, this Standard is not expected to significantly impact the company's financial statements.

(q) Comparatives

The 2013 comparative figures relate to the year from 1 July 2012 to 30 June 2013.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

3. Revenue

	30-Jun-14	30-Jun-13
	\$	\$
Fundraising		
Charitable:		
Friends	127,291	141,037
Donations	89,267	92,114
Sponsorship (MAC Aids Fund)	188,004	218,492
Appeals	63,704	53,664
Total Charitable Fundraising	468,266	505,307
Commercial:		
Events	65,938	65,304
Charity Housie	-	4,958
Total Commercial Fundraising	65,938	70,262
Total Fundraising	534,204	575,569
Grant Income		
Client Services	1,088,019	955,086
AOD interim program	167,000	160,500
Financial counselling	79,580	76,960
Financial assistance	-	85,000
Corporate services	214,684	257,398
Total Grant Income	1,549,283	1,534,944
Investment Income		
Interest received	67,464	69,764
Dividends received	60,767	59,401
Brokerage	84,360	63,793
Rent	66,557	66,687
Total Investment Income	279,148	259,645

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

4. Expenses

	30-Jun-14	30-Jun-13
	(\$)	(\$)
Employee benefits expense	1,686,788	1,618,431
<u>Event costs</u>		
Direct event production costs	29,320	18,627
Indirect event costs	2,143	544
	31,733	19,171
<u>Other items</u>		
Client payments	191,842	183,386
Accountancy fees	51,400	71,440
Charity Housie – Prize money and consumables	-	2,436
Consultancy fees	65,494	94,969
Rent and outgoings	128,387	126,158
Computer expenses	25,124	34,458
NILs writeoff	-	14,250
Telephone and mobile expenses	48,433	54,299
Insurance	31,937	34,138
Staff recruitment	420	1,122
Corporate rebranding initiatives	83,604	
	626,641	616,656
<u>Depreciation</u>		
Land and Buildings	35,977	28,315
Office Furniture and Equipment	18,844	17,890
	54,821	46,205
<u>Amortisation</u>		
Leasehold Improvements	37,481	37,070
<u>Remuneration of Auditors</u>		
Audit services – Walker Wayland NSW		
Audit and review of financial report	24,544	20,556
Other expenses	370,711	372,370
Total Expenses	2,832,719	2,730,459

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

5. Cash and Cash Equivalents

	30-Jun-14	30-Jun-13
	(\$)	(\$)
Cash on hand	700	700
Cash at bank	32,789	30,951
Deposits at call	164	162
Total Cash and Cash Equivalents	33,653	31,813

6. Trade and Other Receivables

Trade receivables	68,289	53,219
Less: Provision for doubtful debts	(882)	(12,231)
Other receivables	37,145	30,523
Total Trade and Other Receivables	104,552	71,511

(i) Provision for Impairment of Receivables

Trade receivables are impaired or written off where a client has been out of contact after 18 months or is deceased.

(ii) Credit Risk – Trade and Other Receivables

The company does not have any material credit risk exposure to any single receivable or group of receivables.

Receivables are assessed for impairment by ascertaining the specific circumstances indicating that the debt may not be fully repaid to the company. Analysis of other receivables beyond terms are not considered to be impaired.

The following table details the entity's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not settled within the terms and conditions agreed between the association and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

6. Trade and Other Receivables (Continued)

(ii) Credit Risk – Trade and Other Receivables (Continued)

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
	\$	\$	<30	31-60	61-90	>90	\$
2014							
Trade and term receivables	68,289	-	-	-	-	-	68,289
Other receivables	37,145	-	-	-	-	-	37,145
Total	105,434	-	-	-	-	-	105,434
2013							
Trade and term receivables	53,219	-	-	-	-	-	53,219
Other receivables	30,523	-	-	-	-	-	30,523
Total	83,742	-	-	-	-	-	83,742

The entity does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade debtors that contain assets that are impaired and past due. It is expected that these balances will be received when due.

The comparative balances are within initial trade terms.

7. Financial assets

	(\$)
Opening Balance as at 30 June 2012	1,966,020
Increase in fair value of managed funds	94,856
Net additions/(disposals) of investments	122,619
Closing Balance as at 30 June 2013	2,183,495
Increase in fair value of managed funds	75,051
Net additions/(disposals) of investments	(287,233)
Closing Balance as at 30 June 2014	1,971,313

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

7. Financial assets (Continued)

Financial assets at fair value through profit or loss	Note	30-Jun-14 (\$)	30-Jun-13 (\$)
a. Held-for-trading Australian listed investments	17	1,399,149	1,800,367
Securities in listed corporations and trusts held for trading purposes to generate income through the receipt of dividends, distributions and capital gains.			
b. Held-for-trading International equities	17	328,525	-
c. Held-to-maturity investments comprise:			
Government and fixed interest securities	17	74,700	-
d. Other:			
UBS Cash portfolio	17	18,939	165,205
Term Deposits	17	150,000	217,923

8. Property, Plant and Equipment

Office Furniture and Equipment

At cost	118,869	114,215
Accumulated depreciation	(91,865)	(73,021)
Total Office Furniture and Equipment	27,004	41,194

Land and Buildings

At fair value	-	1,201,651
Accumulated depreciation	-	(68,318)
Total Land and Buildings	-	1,133,333

Leasehold Improvements

At cost	149,316	149,316
Accumulated depreciation	(97,004)	(59,523)
Total Leasehold Improvements	52,312	89,793
Total Property, Plant and Equipment	79,317	1,264,320

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

8. Property, Plant and Equipment (Continued)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Furniture and Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$
Balance at 1 July 2012	905,909	48,002	126,863	1,080,774
Additions at cost	-	11,082	-	11,082
Fair value adjustment	255,739	-	-	255,739
Disposals	-	-	-	-
Depreciation expense	(28,315)	(17,890)	(37,070)	(83,275)
Carrying amount at 30 June 2013	1,133,333	41,194	89,793	1,264,320
Balance at 1 July 2013	1,133,333	41,194	89,793	1,264,320
Additions at cost	-	4,654	-	4,654
Fair value adjustment	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(35,977)	(18,844)	(37,481)	(92,302)
Transfer to assets held for resale (Note 2(h))	(1,097,356)	-	-	(1,097,356)
Carrying amount at 30 June 2014	-	27,004	52,312	79,317

Valuations of land and buildings

The basis of the valuation of land and buildings is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The land and buildings were last revalued on 30 June 2012 based on independent assessments by a member of the Australian Property Institute. The fair value of the company's ownership share in the property (inclusive of the costs associated with any disposal) has been determined as in excess of the carrying value of the property as at 30 June 2014 amounting to \$1,097,356. Given the agreement of BGF and NSW Housing to dispose of the property in going forward, a further valuation of the property will be undertaken and the directors do not believe that there would be any adverse movement in the fair value of the property since its last revaluation date. Based on the aforementioned agreement for sale, the land and building asset has been reclassified to assets held for resale (refer Note 2(h)).

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

9. Trade and Other Payables

	30-Jun-14	30-Jun-13
	(\$)	(\$)
Trade payables and accruals	78,799	101,217
Other payables	94,414	130,671
Total Trade and Other Payables	173,213	231,888

10. Bank Overdraft

NAB NILS Overdraft	41,456	-
Total Bank Overdraft	41,456	-

The NILS overdraft has been provided by National Australia Bank and has been disbursed in partnership with the Good Shepard Youth and Family Services Inc. to BGF as part of its support for the expansion of NILS in Australia. The overdraft facility is \$80,000 and interest free. The purpose of the overdraft is to be exclusively utilised for NILS accredited loan purposes.

11. Provisions

Annual leave (current)

Opening balance	117,423	74,882
Additional provisions raised during year	(7,274)	42,541
Closing Balance	110,149	117,423

Long service leave (Non-current)

Opening balance	50,928	21,334
Amounts assumed from association (SHP)	-	23,087
Additional provisions raised during year	14,958	6,507
Closing Balance	65,886	50,928

Provision for Long-term employee entitlements

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee entitlements have been included in Note 2(k) to this report.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

12. Contingent Assets or Liabilities

BGF was previously a client of an investment bank during 2008 and is currently investigating losses it sustained as a consequence of the advice of such institution, in conjunction with its legal representatives. The amount of any claim cannot be quantified at this stage.

Apart from the foregoing, the directors are not aware of any other contingent assets or liabilities as at year end.

13. Reserves

Reserve funds amounting to \$3,922,834 were transferred from Bobby Goldsmith Foundation Inc as at 15 December 2009 to Bobby Goldsmith Foundation (a company limited by guarantee). It is a requirement for the funds to be used for the advancement of the company's objectives.

During the year ended 30 June 2013, the company's land and buildings were revalued upwards by an amount of \$255,739, to reflect the fair value of the company's share in the land and buildings and as recorded in the company's assets revaluation reserve.

14. Events after the Reporting Year

BGF and NSW Housing have agreed to the disposal of the land and buildings designated as BG House. This amount has been reflected in the financial statements as an asset held for sale.

BGF has finalised with New South Wales Health its grant funding for the year ending 30 June 2015 amounting to \$1,548,800.

Apart from the foregoing, no other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

15. Related Party Transactions

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

Jennifer Nairne, a director and treasurer of BGF (appointed 24 September 2012) provided Accounting and CFO Services to the company. These services were provided by Miss Nairne, via BDO Chartered Accountants, an accounting firm of which Miss Nairne is a Partner. The fees charged by BDO were discounted to below normal commercial terms. A breakdown of the fees charged for the 2014 financial year are as follows:

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

15. Related Party Transactions (Continued)

	Note	30-Jun-14 (\$)	30-Jun-13 (\$)
a. Accounting & CFO Services			
BDO		21,400	77,648
		<u>21,400</u>	<u>77,648</u>

Justin Cudmore, a director of BGF (appointed in June 2013) is a partner of the firm, Marque Lawyers, which charged \$3,500 (exclusive of GST) regarding legal services. No fees were charged by Marque Lawyers for the 2013 financial year. The 2014 fees charged by Marque Lawyers were discounted to below normal commercial terms.

Damien Hodgkinson, the president of BGF is also a director and the treasurer for Sydney Gay and Lesbian Mardi Gras Limited ('SGLMG'). BGF during the 2014 financial year paid an amount of \$8,000 (exclusive of GST) to SGLMG regarding advertising on the Mardi Gras parade route. The payment to SGLMG was on normal commercial terms and at arms length.

16. Cash Flow Information

	Note	30-Jun-14 (\$)	30-Jun-13 (\$)
a. Reconciliation of Cash			
Cash at bank	5	33,653	31,813
Bank overdraft	10	(41,456)	-
Other cash		-	-
		<u>(7,803)</u>	<u>31,813</u>
b. Reconciliation of Cash flow from Operations with deficit after Income Tax			
Net deficit		(201,989)	(95,279)
<i>Adjustments for:</i>			
Depreciation and amortisation		92,301	83,275
(Increase) in fair value of managed funds		(75,051)	(94,856)
Operating deficit before changes in working capital and provisions		<u>(184,739)</u>	<u>(106,860)</u>
(Increase)/decrease in receivables		(33,041)	283,096
(Increase) in other assets		(1,217)	(80,909)
(Decrease)/increase in trade and other payables		(58,675)	15,636
Increase in provisions and employee benefits		7,684	72,135
Net cash (used in)/provided by operating activities		<u>(269,992)</u>	<u>183,098</u>

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

17. Financial instruments

(a) Financial risk management – objectives and policies

BGF's financial instruments comprise cash and cash equivalents, as well as available-for-sale financial investments. In addition, the company has various financial assets and liabilities including amounts payable to trade and other creditors and banks.

The main risks arising from the company's financial instruments are liquidity risk, credit risk and market price risk. The company does not use derivative instruments to manage risks associated with its financial instruments.

The directors have overall responsibility for risk management, including risks associated with financial instruments. Risk management policies are established to identify and analyse the risks associated with the company's financial instruments, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits. The Board is responsible for developing and monitoring investment policies.

Liquidity risk

Liquidity risk is the risk that the company will not be able to fund its obligations as they fall due.

BGF manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid funds or unused overdraft facilities are available to meet normal operating expenses for 120 days. When necessary, cash for unforeseen events is sourced from liquidation of available-for-sale financial investments.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to two sources of credit risk – trade and other receivables, as well as counterparty risk in respect of funds deposited with banks and other financial institutions.

Funds are deposited only with those banks and financial institutions approved by the Board. At the reporting date, the company did not have any material credit risk exposures to any single receivable or group of receivables or any bank or financial institution.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

17. Financial instruments (Continued)

(a) Financial risk management – objectives and policies (Continued)

Exposures to credit risk

The carrying amount of BGF's financial assets best represents its maximum credit risk exposure.

The company's maximum exposure to credit risk at the reporting date was:

	Note	Carrying amount	
		30-June-14	30-June-13
		(\$)	(\$)
Cash and cash equivalents	5	33,653	31,813
Trade receivables	6	67,407	40,988
Other current receivables	6	37,415	30,523
Financial assets at fair value through profit and loss	7	1,971,313	2,183,495
		2,109,788	2,286,819

Impairment allowances recognised at the reporting dates have been determined after a review of amounts outstanding at those dates. The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Note	30-Jun-14	30-Jun-13
		(\$)	(\$)
Opening balance		12,231	12,231
Impairment losses recognised/(derecognised)		(11,349)	-
Closing balance	6	882	12,231

BGF writes off loans where a client has been out of contact after 18 months or is deceased.

Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. BGF is exposed to two sources of market price risk – fluctuations in interest rates and fluctuations in the value of its financial assets at fair value through profit and loss.

Interest rate risk

Interest rate risk refers to the risk that the value of financial instruments or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

BGF is exposed to interest rate fluctuations on its cash at bank and cash on deposit and on fixed interest securities included in its financial assets at fair value through profit and loss. The company actively monitors interest rates for cash at bank and on deposit to maximise interest income. The company accepts the risk in relation to fixed interest securities as they are held to generate income on surplus funds.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

17. Financial instruments (Continued)

The following table summarises the interest rate profile of the company's interest bearing financial instruments:

	Note	30-Jun-14 (\$)	30-Jun-13 (\$)
Fixed rate instruments			
Term Deposits	7	224,700	217,923
		224,700	217,923
Variable rate instruments			
Cash at bank and in hand	5	33,653	31,813
UBS cash portfolio	7	18,939	165,205
		52,592	197,018

Sensitivity analysis

A change of 100 basis points or one per cent in interest rates at the reporting date would, with all other variables held constant, have increased or decreased the company's surplus and funds by the amounts shown below. The one per cent assumption has been determined to be a reasonably possible movement in interest rates over a 12-month year based on information from various financial institutions, review of movements over the last two years, and economic forecasters' expectations.

2014

	Surplus		Funds	
	1% Increase	1% (Decrease)	1% Increase	1% (Decrease)
Variable rate instruments	111	(111)	111	(111)

2013

	Surplus		Funds	
	1% Increase	1% (Decrease)	1% Increase	1% (Decrease)
Variable rate instruments	1,970	(1,970)	1,970	(1,970)

Currency risks

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

BGF is not exposed to currency risk, as all financial instruments are designated in Australian dollars.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

17. Financial instruments (Continued)

Equity price risk

Equity price risk arises from fluctuations in the market values of available-for-sale securities.

The company has engaged UBS Wealth Management Australia to manage its investment portfolio. The Investment Committee has approved risk and return parameters for investment in financial assets at fair value through profit and loss and receives reports from the management and UBS on a monthly basis regarding the performance of the investment portfolio. Buy, sell and portfolio re-balancing decisions are based on recommendations from UBS and approved by the Investment Committee.

At the reporting date the market value of financial assets at fair value through profit and loss and the impact of a 10 per cent movement in the market value of the investments were:

2014

	Market Value	+10% Impact	-10% Impact
	(\$)	(\$)	(\$)
Australian listed shares and equities	1,382,499	138,250	(138,250)
International equities	328,525	32,852	(32,852)
Australian listed Investment trusts	16,650	1,665	(1,665)
UBS Cash portfolio	18,939	1,894	(1,894)
Term Deposits	224,700	22,470	(22,470)
	1,971,313	197,131	(197,131)

2013

	Market Value	+10% Impact	-10% Impact
	(\$)	(\$)	(\$)
Australian listed shares and equities	1,774,176	177,418	(177,418)
Australian listed Investment trusts	26,191	2,619	(2,619)
UBS Cash portfolio	165,205	16,521	(16,521)
Term Deposits	217,923	21,792	(21,792)
	2,183,495	218,350	(218,350)

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

17. Financial instruments (Continued)

Equity price risk

It should be noted that the full impact of movements in market value would not necessarily be immediately reflected in the Statement of Profit and Loss or Other Comprehensive Income and the company's funds as these investments are deemed 'fair value through profit and loss' investments. The impact of market movements would only be recognised in the Statement of Profit and Loss or Other Comprehensive Income and company funds if the investments were sold or if an impairment loss was recognised.

(b) Fair Value of Financial Instruments

Carrying amounts of financial assets and liabilities recorded in the financial statements represent their net fair values, as determined in accordance with the accounting policies disclosed in Note 2(g).

All financial assets held for trade at fair value are considered Level 1 of the hierarchy as the closing prices have been recorded at market value.

18. Capital Management

The Finance Committee controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Board ensures that the overall risk management strategy is in line with this objective.

Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The Finance Committee effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market.

The entity receives grant revenue from the Department of Health New South Wales which has been agreed for the 2014 financial year. These grants are used to fund employee and operational expenses but do not fully cover the expenses of the organisation. The deficiency is financed by drawing down on capital resources.

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

19. Fundraising Activities

Below is additional information furnished under the Charitable Fundraising Act 1991 and the Office of Charities Fundraising Authorities Conditions.

Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals

	30-Jun-14	30-Jun-13
	(\$)	(\$)
Gross Proceeds from fundraising appeals	534,204	575,569
Total costs of fundraising	(214,764)	(215,221)
Net surplus from fundraising appeals	319,440	360,348
Net margin from fundraising appeals	59.80%	62.61%

Application of Funds for Charitable Purposes

During the reporting year, Bobby Goldsmith Foundation (BGF) achieved a net surplus of \$319,440 from fundraising activities defined under the Charitable Fundraising Act. BGF received income from four sources of activity, namely Corporate Responsibility (MAC Aids Fund), Friends programme, direct donations, and direct mail appeals. The gross proceeds from these activities are disclosed in Note 3 and realised \$468,266. The costs associated with these activities, which included the pro-rata cost of direct fundraising staff was \$160,421.

BGF also runs a number of commercial events in association with its fundraising activities. These events are operated on a commercial basis and include Bake Off and a yearly charity auction. During the reporting year, the gross proceeds from these commercial activities amounted to \$65,938. The cost of these events including the cost of staffing was \$54,343, resulting in a net surplus from commercial events of \$11,595.

Fundraising appeals as classified by the Charitable Fundraising Act conducted during the reporting year:

Corporate Responsibility (MAC Aids Fund)
 Friends Programme
 Direct Donations
 Direct Mail Appeals

Comparison of monetary figures and percentages

	30-Jun-13
	(\$)
Total cost of fundraising / Gross proceeds from fundraising	215,221 / 575,569 = 37%
Net Surplus from fundraising / Gross proceeds from fundraising	360,348 / 575,569 = 63%
Total cost of services / Total expenditure	1,439,166 / 2,730,459 = 53%
Total cost of services / Total income	1,439,166 / 2,635,180 = 55%

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

19. Fundraising Activities (Continued)

Comparison of monetary figures and percentages

	30-Jun-14
	(\$)
Total cost of fundraising / Gross proceeds from fundraising	214,764 / 534,204 = 40%
Net Surplus from fundraising / Gross proceeds from fundraising	319,440 / 534,204 = 60%
Total cost of services / Total expenditure	1,462,742 / 2,832,719 = 52%
Total cost of services / Total income	1,462,742 / 2,630,730 = 56%

Detailed information of Fundraising Income and Expenses

	Cost	Proceeds	Surplus / (Deficit)	2014	2013
	(\$)	(\$)	(\$)	%	%
Specific Appeal Comparisons (Total Cost/ Gross proceeds)					
- Friends Programme	41,153	127,291	86,138	67.7	73.7
- Direct Donations	28,775	89,267	60,492	67.8	73.7
- Direct Mail Appeals	29,892	63,704	33,812	53.1	61.5
- Corporate Responsibility (MAC Aids Fund)	60,601	188,004	127,403	67.8	73.7
Total Specific Appeal Comparisons	160,421	468,266	307,845	65.7	72.4
Gross comparisons including fundraising not covered by the Charitable Fundraising Act (CFA)					
- Events	54,343	65,938	11,595	17.6	(8.8)
- Charity Housie	-	-	-	-	2.8
Total Non CFA Comparisons	54,343	65,938	11,595	17.6	(8.0)
Total Fundraising Comparisons	214,764	534,204	319,440	59.8	62.6

Bobby Goldsmith Foundation (a company limited by guarantee)
Notes to the Financial Statements for the year ended 30 June 2014

20. Commitments

	30-Jun-14	30-Jun-13
	(\$)	(\$)
<i>Lease commitments – operating</i>		
Committed at the reporting date but not recognised as liabilities payable:		
Within one year	130,186	127,771
One to five years	169,636	32,104
Total	299,822	159,875
 <i>Lease commitments – finance</i>		
Committed at the reporting date and recognised as liabilities payable:		
Within one year	23,259	55,822
One to five years	-	23,259
Total commitment	23,259	79,081
Less: Future finance charges	(393)	(4,012)
Net commitment recognised as liabilities	22,866	75,069
Representing:		
Lease liability – current	22,866	52,203
Lease liability – non-current	-	22,866
Total	22,866	75,069

The finance lease liabilities are subject to security over the assets associated with the company's office fit out.

21. Key Management Personnel Disclosures

The key management personnel include all directors as stated in the Directors' Report who all act in an honorary capacity and accordingly receive no remuneration with the exception of Miss Jennifer Nairne, a Partner of BDO and Mr Justin Cudmore as detailed in Note 15.

Directors' declaration

In the directors' opinion:

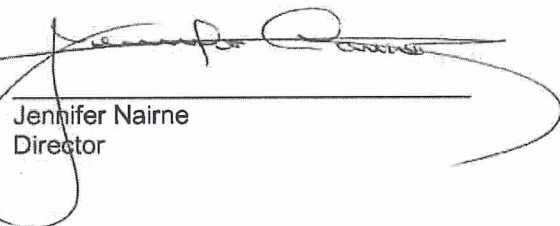
- the attached financial statements and notes as set out on pages 10 to 42 comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Damien Hodgkinson
Director



Jennifer Nairne
Director

6th November 2014
Sydney

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
BOBBY GOLDSMITH FOUNDATION (A COMPANY LIMITED BY GUARANTEE)**

Report on the Financial Report

We have audited the accompanying financial report of Bobby Goldsmith Foundation (a company limited by guarantee) which comprises the statement of financial position as at 30 June 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the Company.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001 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 Note 1, the directors also state in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Audit Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Bobby Goldsmith Foundation (a company limited by guarantee), would be provided on the same terms if provided to the directors as at the time of this auditor's report.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
BOBBY GOLDSMITH FOUNDATION (A COMPANY LIMITED BY GUARANTEE)**

Audit Opinion

In our opinion:

- a. the financial report of Bobby Goldsmith Foundation (a company limited by guarantee) is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2014 and of the performance for the year ended on that date ; and
 - ii. complying with Australian Accounting Standards and the Corporations Act 2001; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

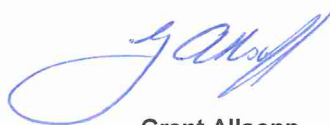
We also report that:

- 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 has 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 the debts as and when they fall due.



Walker Wayland NSW

Chartered Accountants



Grant Allsopp

Partner

Dated this 6th day of November 2014, Sydney