

WALKLEY FOUNDATION LIMITED

ABN 99 164 809 349



FINANCIAL REPORT
for the financial year ended 30 June 2021

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

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Directors' Report

The directors present their report, together with the financial statements, on Walkley Foundation Limited (referred to hereafter as the 'Foundation') for the year ended 30 June 2021.

1. Director details

The following persons were directors of the Foundation during or since the end of the financial year:

Marina Go (Chair)

Michael Janda

Karen Percy

Marcus Strom

Adele Ferguson

Victoria Laurie (Appointed as alternate director 14 April 2021)

Lenore Taylor (Resigned 21 June 2021)

2. About

The Walkley Awards were established by Ampol Petroleum founder Sir William Gaston Walkley in 1956. The Walkley Foundation is today independently funded, and registered with the Register of Cultural Organisations, the Australian Charities and Not-for-Profit Commission and has tax deductible status (DGR). Our funding comes from media companies, corporate Australia, government, philanthropy and donations. We draw on the expertise of senior journalists and editors, chosen from a diverse cross-section of media organisations, formats and backgrounds. They guide our leadership and share their experience and insights through judging, projects and public talks. They uphold the integrity and credibility of the Walkley processes.

Our mission is to celebrate and support great Australian journalism.

3. Objectives

The Foundation has been established to promote excellence in journalism in all its forms including visual arts, literature, film, video, television, photography, documentary and radio.

4. Key Strategic Directions

1. Encourage excellence and best practice through national journalism awards
2. Elevate the craft through professional development
3. Support and value journalism
4. Organisational health and good governance

We do this by:

- Managing the Walkley Awards for Excellence in journalism
- Maintaining and developing a digital archive of award-winning journalism
- Managing professional development programs including: scholarships, fellowships, mentoring, masterclasses and training
- Seeking broad based funding to support journalism
- Providing events and networking opportunities for journalists
- Working independently and collaboratively with all media
- Maintaining independence and good governance

Directors' Report

5. Principal Activities

During the financial year the principal continuing activities of the Foundation were:

- Awards Program;
- Building communities and networking: conferences and public talks;
- Showcasing outstanding images: The Nikon-Walkley Photography Program;
- Keeping in touch: Communications and research, website, social media platforms;
- Encouraging Long-form journalism: The Walkley Literary and Documentary Programs;
- Professional Development programs including scholarships, fellowships, training, masterclasses, mentoring;
- Walkley grants program.

6. Awards Program

The Walkley Foundation has two awards programs, The Walkley Awards and the Mid-Year Celebration. It administers awards programs on behalf of other organisations including the Our Watch Awards, Media Diversity Australia and the MEAA State Awards.

7. Performance Measures

The Foundation measures performance through the establishment and monitoring of financial KPIs:

- To assess the cost-effectiveness of events;
- To assess control over the company's administrative and other indirect costs;
- To assess new sponsorship and existing sponsorship targets; and
- To assess effective revenue and income streams.

8. Auditor's Independence Declaration




The auditor's independence declaration, for the financial year ended 30 June 2021 has been received and can be found on page 8.

9. Information of Directors

	<p>Name: Marina Go</p> <p>Title: Chair, Non-Executive Director</p> <p>Qualifications: MBA from Australian Graduate School of Management, BA (Mass Communications), Macquarie University, MAICD</p> <p>Responsibilities: Chair, Finance & Audit Committee</p>
<p>Experience:</p>	<p>In addition to her role as Chair of the Walkley Foundation, Marina Go has extensive experience as a journalist, editor, business founder and non-executive director. She is Chair of Netball Australia and Ovarian Cancer Australia, a non-executive director of Energy Australia, Autosports Group, 7-Eleven, and Pro-Pac, a member of UNSW's Business School Council and author of the business book for women, Break Through: 20 Success Strategies for Female Leaders. Boss magazine named her as one of 20 True Leaders of 2016. Marina has over 30 years of leadership experience in the media industry, having started her career as a journalist. She is a former CEO of Private Media and Publisher of Crikey and was a founder of the female leadership website Women's Agenda. Marina is the Diversity Champion and former Chair of the Wests Tigers NRL Club. She has an MBA from The Australian Graduate School of Management and is a member of the Australian Institute of Company Directors and Chief Executive Women.</p>




Directors' Report

9. Information of Directors (continued)

	<p>Name: Adele Ferguson</p> <p>Title: Non-Executive Director</p> <p>Qualifications: Order of Australia AM</p> <p>Responsibilities: No special responsibilities</p>
<p>Experience:</p>	<p>Adele Ferguson is a multi-award winning journalist and columnist for The Age, The Sydney Morning Herald and The Australian Financial Review. She is a regular guest reporter on ABC's Four Corners and 7.30. She is the author of Banking Bad: Whistleblowers, corporate cover-ups and one journalist's fight for the truth, and the best-selling unauthorised biography Gina Rinehart: The untold story of the richest person in Australian history. Adele Ferguson started her career in journalism at The Advertiser in Adelaide. She has been deputy editor and chief business commentator at BRW magazine and a senior columnist at The Australian. Ms Ferguson has a Bachelor of Economics and a Bachelor of Arts (Honours) from Adelaide University. Her journalism honours include eight Walkleys including the Gold Walkley, a series of Quill awards including two Gold Quill Awards, a series of Kennedy Awards including two Gold Kennedy Awards, a Logie, National Press Club awards including Journalist of the Year, and the Graham Perkin Journalist of the Year award from the Melbourne Press Club. In 2019 Adele Ferguson was appointed a Member of the Order of Australia (AM).</p>
	<p>Name: Michael Janda</p> <p>Title: Non-Executive Director</p> <p>Qualifications: Bachelor of Economics (Social Sciences) Hon I and a Bachelor of Laws Degree.</p> <p>Responsibilities: Finance, Audit and Risk Committee Member</p>
<p>Experience:</p>	<p>Michael Janda has worked at the ABC for more than a decade across online, radio and television news and current affairs. He started out as the national broadcaster's inaugural business and finance cadet in 2008 which, in a stroke of luck, was probably the best year to cover economics and the markets since 1929. For most of his time at the ABC, Michael has been responsible for editing the business news page, as well as writing much of its content. He has also worked as a reporter and producer for The Business and as a business and economics reporter for PM, The World Today and AM, and remains a regular contributor to the ABC's finance coverage on TV and radio. Michael is also co-Vice President of the Media Section of the Media Entertainment and Arts Alliance.</p>
	<p>Name: Lenore Taylor</p> <p>Title: Non-Executive Director</p> <p>Responsibilities: Chair of the Walkley Judging Board</p>
<p>Experience:</p>	<p>Lenore Taylor is the editor of Guardian Australia. Over almost three decades of political reporting, she has won two Walkley awards and twice won the Paul Lyneham Award for excellence in press gallery journalism. She was the Australian Financial Review's Europe correspondent in the early 2000s. She co-authored the book Shitstorm: Inside Labor's Darkest Days, which examined the Rudd government's response to the global economic crisis.</p>

Directors' Report

9. Information of Directors (continued)

	<p>Name: Karen Percy GAICD Title: Non-Executive Director Qualifications: Bachelor of Arts, Graduate of the Australian Institute of Company Directors Responsibilities: No special responsibilities</p>
<p>Experience:</p>	<p>Karen Percy's career began with the ABC in Adelaide more than three decades ago, and has also taken her to Alice Springs, Darwin, Sydney, Bangkok and Moscow. She has also worked for Channel 10 and the Canadian Broadcasting Corporation. From 2006-2009 she was the ABC's Southeast Asia correspondent, based in Bangkok. In 2010 she went to Moscow and freelanced for a number of agencies including CBC, SBS, Radio France International, Deutsche Welle, Orf in Austria and Radio New Zealand. Karen is a co-Vice President of the Media section of MEAA and she's been active with Women In Media Victoria, which offers workplace support and networking opportunities. She is Chair of the Dart Centre Asia-Pacific which focuses on trauma and journalism.</p>
	<p>Name: Marcus Strom Title: Non-Executive Director, Member Qualifications: Bachelor of Science (honours - first class) from the University of Sydney Responsibilities: Chief Executive Remuneration Committee</p>
<p>Experience:</p>	<p>Marcus Strom is president of MEAA Media, Australia's journalist union. He has been a journalist for more than two decades in both Australia and Britain and was a Walkley finalist in 2015 and a finalist for the Eureka Prize for science journalism in 2017. Marcus worked for 13 years at the Sydney Morning Herald in senior roles including deputy foreign editor and morning news director. He was also the chair of the Herald's MEAA committee for almost a decade. Marcus was most recently the Herald's science editor. Marcus is now the science media adviser at the University of Sydney.</p>
	<p>Name: Victoria Laurie Title: Alternate Director Responsibilities: No special responsibilities</p>
<p>Experience:</p>	<p>Alternate Director Victoria Laurie is a senior reporter and feature writer for The Australian newspaper. She worked in current affairs for ABC TV and radio and freelanced for The Bulletin, The Monthly, HQ, Australian Geographic and The Weekend Australian Magazine. Victoria is founder and national co-patron of Women in Media, a not-for-profit initiative to support women working in the sector. She is the author of natural history books The Kimberley: Australia's Last Great Wilderness and The Southwest: Australia's Biodiversity Hotspot (UWAP). She has been a three-time Walkley feature finalist.</p>

Directors' Report

10. Walkley Judging Board

Lenore Taylor	Chair, Editor, <i>Guardian Australia</i>
Claire Harvey	Deputy chair, Deputy editor, <i>The Sunday Telegraph</i>
Natalie Ahmat	Presenter/producer, <i>NITV News</i>
Michael Bachelard	Investigations editor, <i>The Age</i>
Neil Breen	Host, <i>4BC Breakfast</i>
Michael Brissenden	Reporter, <i>4Corners, ABC</i>
Deborah Knight	Presenter, <i>Weekend News, Nine</i>
Stella Lauri	Network news director, <i>WIN Television</i>
Jane Doyle	Presenter, <i>Seven News Adelaide</i>
Narelda Jacobs	Presenter, <i>Network Ten</i>
Dean Lewins	Photojournalist, <i>AAP</i>
Cameron Stewart	Associate editor, <i>The Australian</i>
Mark Mallabone	Deputy editor, <i>The West Australian</i>
Tory Shepherd	State editor, <i>The Advertiser</i>
Hamish Macdonald	Host, <i>Q&A, ABCTV</i>
Bhakthi Puvanenthiran	Editor, <i>ABC Life</i>

11. Public Fund Board


Alan Sunderland	Journalist
Pamela Williams	Journalist, <i>Australian Financial Review</i>
Jim Nolan	Barrister
Kate Haddock	Lawyer, <i>Banki Haddock Fiora</i>
Kate Julius	Accountant, <i>Price Waterhouse Coopers</i>

12. Contributions on winding up

In the event of the Foundation being wound up, ordinary members are required to contribute a maximum of \$100 each. Honorary members are not required to contribute for:

- (a) payment of the debts and liabilities of the Foundation contracted before the time at which he or she ceases to be a member;
- (b) the costs, charges and expenses of winding up the Foundation; and
- (c) the adjustment of the rights of the contributories among themselves.

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



Director: _____

Dated: 23/08/2021

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT
TO THE DIRECTORS OF WALKLEY FOUNDATION LIMITED**

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act, as lead auditor for the audit of Walkley Foundation Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Name of Firm: Moore Australia Audit NSW



Name of Partner: Charles Oosthuizen

Date: 25 August 2021

Address: Level 14, 9 Castlereagh Street, Sydney NSW 2000

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Statement of Profit or Loss and Other Comprehensive Income

Figures in Australian Dollars	Notes	2021	2020
Income	2	<u>2,033,456</u>	<u>2,049,797</u>
Expenses			
Employee benefits expense	3	(872,424)	(978,931)
Awards expenses		(171,781)	(228,209)
Office expenses		(189,225)	(218,388)
Events and programs expenses		(81,861)	(115,031)
Communication expenses		(80,734)	(71,270)
Grant expenses		(136,155)	(89,031)
Training program expenses		(519)	(14,614)
Service expenses		(70,515)	(4,311)
Digitisation expenses		(19,751)	(20,674)
Finance costs		(2,668)	(3,215)
Travel expenses		(2,943)	(16,982)
Other expenses		(515)	(6,347)
		<u>(1,629,091)</u>	<u>(1,767,003)</u>
Surplus before tax	3	<u>404,365</u>	<u>282,794</u>
Tax expense		-	-
Surplus for the year		<u>404,365</u>	<u>282,794</u>

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Statement of Financial Position as at 30 June 2021

Figures in Australian Dollars	Notes	2021	2020
Assets			
Current Assets			
Cash and cash equivalents	4	3,398,141	2,729,161
Trade and other receivables	5	387,252	1,279,344
Prepayments		1,644	44,989
Total Current Assets		3,787,037	4,053,494
Non-current Assets			
Property, plant and equipment	6	12,483	36,905
Total Non-current Assets		12,483	36,905
Total Assets		3,799,520	4,090,399
Liabilities			
Current Liabilities			
Trade and other payables	7	104,777	159,813
Contract liabilities	1(d)	883,107	790,989
Program liability	8	177,208	922,533
Provisions	9	230,790	218,381
Total Current Liabilities		1,395,882	2,091,716
Non-current Liabilities			
Provisions	9	1,630	1,040
Total Non-current Liabilities		1,630	1,040
Total Liabilities		1,397,512	2,092,756
Net Assets		2,402,008	1,997,643
Equity			
Accumulated surplus		2,402,008	1,997,643
Total Equity		2,402,008	1,997,643

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Statement of Changes in Equity as at 30 June 2021

Figures in Australian Dollars	Accumulated surplus	Total equity
Balance at 1 July 2019	1,714,849	1,714,849
Surplus for the year	282,794	282,794
Balance at 30 June 2020	1,997,643	1,997,643
Balance at 1 July 2020	1,997,643	1,997,643
Surplus for the year	404,365	404,365
Balance at 30 June 2021	2,402,008	2,402,008

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Statement of Cash Flows

Figures in Australian Dollars	Notes	2021	2020
Cash flows from operating activities			
Receipts from customers and funders		3,318,053	5,881,677
Payments to suppliers, employees and grant recipients		(2,666,487)	(5,397,291)
Interest received		20,082	38,026
Finance costs		(2,668)	(3,215)
Net cash flows from operating activities		668,980	519,197
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(8,135)
Net cash flows from investing activities		-	(8,135)
Net change in cash and cash equivalents		668,980	511,062
Cash and cash equivalents at the beginning of the year		2,729,161	2,218,099
Cash and cash equivalents at the end of the year	4	3,398,141	2,729,161

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Walkley Foundation Limited (the Foundation) as an individual entity. The Foundation is incorporated and domiciled in Australia.

The financial statements were authorised for issue by the Directors on 23 August 2021.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act. The Foundation is not-for-profit for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board 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 the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(b) Income tax

As the Foundation is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

(c) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets commencing from the time the asset is held ready for use.

Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

Plant and equipment	2 to 3 years
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Depreciation is recognised immediately in profit or loss.

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

(d) Revenue and other income

When the Foundation receives government grants, donations, payments and bequests that are in the scope of AASB 1058 (being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable the Foundation to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

When both these conditions are satisfied, the Foundation accounts for revenue in accordance with AASB 15 by:

- identifying each performance obligation relating to the transaction;
- recognising a contract liability for its obligations under the agreement; and
- recognising revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Foundation:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Foundation recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest income is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax.

(e) Finance costs

Finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other finance costs are recognised as an expense in the period in which they are incurred.

(f) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

(g) Provisions

Provisions are recognised when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting period date. If the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost in profit or loss.

(h) Employee benefits

Short-term employee benefits

Provision is made for the liability for employee benefits arising from services rendered by employees to end of the reporting period date. Employee benefits expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave which will be settled after one year, are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits.

Long-term employee benefits

The Foundation classifies employees' long service leave as long-term employee benefits, when they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Foundation's obligation for other long-term employee benefits, which is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefit expense.

The Foundation's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where they do not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

Retirement benefit obligations

All employees of the Foundation receive defined contribution superannuation entitlements, for which the Foundation pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Foundation's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as part of current trade and other payables in the Foundation's statement of financial position.

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

(i) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Foundation 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 profit or loss, which are measured initially 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 in accordance with AASB 15, 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)
- debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss 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 Foundation's business model for managing the financial asset
- the contractual cash flow characteristics of the financial assets

Classification and measurement of financial liabilities

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

The Foundation'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 Foundation designated a financial liability at fair value through profit or loss.

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 profit or loss.

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

(i) Financial instruments (continued)

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

Subsequent measurement 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 Foundation's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as government bonds that were previously classified as held-to-maturity under AASB 139.

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 profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital.

Debt instruments at fair value through other comprehensive income (Debt FVOCI)

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of collecting the contractual cash flows and selling the assets are accounted for at debt FVOCI.

Any gains or losses recognised in OCI will be reclassified to profit or loss upon derecognition of the asset. This category includes corporate bonds that were previously classified as 'available-for-sale' under AASB 139.

(j) Accounts receivable

Accounts receivable and other debtors include amounts due to the Foundation as well as amounts receivable from donors. Receivables expected to be collect within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

(k) Accounts payable

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Foundation during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of twelve months or less.

(m) Impairment of assets

At the end of each reporting period, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

(k) Critical accounting estimates and judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

Key estimates - impairment of property, plant and equipment

The Foundation assesses impairment at the end of each reporting period by evaluating conditions specific to the Foundation that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - employee benefits

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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Notes to the Financial Statements

Figures in Australian Dollars	2021	2020
2 Income		
Revenue comprises of:		
Sponsorship and award revenue	973,874	1,275,713
Donation and bequest revenue	123,829	129,934
Service revenue	329,050	360,581
Events and programs revenue	40,000	59,713
Training and mentorship programs revenue	132,094	29,167
Digitisation revenue	38,000	22,000
Grant revenue	71,756	5,000
Sundry revenue	3,696	7,640
Communication revenue	120	23
	1,712,419	1,889,771
Other income comprises of:		
Interest from financial institutions	20,082	38,026
Sundry income and claims	45,755	-
Government stimulus packages:		
• JobKeeper	205,200	72,000
• Cash Flow Boost	50,000	50,000
	321,037	160,026
	2,033,456	2,049,797
3 Results for the year		
Results for the year were derived after accounting for the following specific items:		
Depreciation and amortisation	24,422	42,724
Employee benefits expense comprising of:		
• Salaries	746,327	793,840
• Leave provision adjustments	12,999	40,921
• Superannuation	87,947	89,153
• Other employee costs	25,151	55,017
	872,424	978,931
4 Cash and cash equivalents		
Term deposits	304,611	802,949
Bank balances and cash on hand	3,093,530	1,926,212
	3,398,141	2,729,161
5 Trade and other receivables		
Current assets		
Trade receivables	282,001	1,101,641
Related party receivables due from MEAA	105,251	153,703
Sundry receivables	-	24,000
	387,252	1,279,344

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

Figures in Australian Dollars	2021	2020
6 Property, plant and equipment		
Plant and equipment - at cost	106,824	106,824
Plant and equipment - accumulated depreciation	(94,341)	(69,919)
	<u>12,483</u>	<u>36,905</u>

Movements in carrying amounts of property, plant and equipment

As at 30 June 2021	Opening balance	Depreciation and amortisation	Closing balance
Plant and equipment	36,905	(24,422)	<u>12,483</u>

7 Trade and other payables

Current liabilities

Trade payables	1,748	2,298
GST payable	60,987	90,165
Accrued expenses	42,042	67,350
	<u>104,777</u>	<u>159,813</u>

8 Program liability

Current liability	<u>177,208</u>	<u>922,533</u>
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Under the terms of various service agreements, organisations have engaged the Walkley Foundation to manage programs, some of which are projected to continue into the next financial year. The organisations have provided funding to the Walkley Foundation which is required to be used for services such as marketing the program, managing staff, processes, events and in some instances involve distributing funds to participants in the program. This liability account represents the balance of unspent funds which will be distributed early in the next financial year.

9 Provisions

Current liabilities

Provision for employee benefits	<u>230,790</u>	<u>218,381</u>
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Non-current liabilities

Provision for employee benefits	<u>1,630</u>	<u>1,040</u>
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Analysis of provisions:

As at 30 June 2021	Opening balance	Net additional amounts raised	Closing balances
Provisions for:			
Employee benefits	219,421	12,999	<u>232,420</u>

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

Figures in Australian Dollars

2021

2020

10 Commitments

MEAA obligations to the Foundation

The Foundation entered into an agreement with MEAA, effective from 1 July 2018 to 30 June 2023, whereby MEAA will provide the Foundation with:

- secure office space for the duration of the agreement;
- two underground car parking spaces;
- insurance coverage under MEAA insurance policies;
- \$100,000 per annum for communications activities to be indexed by CPI; and
- \$15,000 per annum as a contribution to Walkley-run conferences, seminars and workshops to be indexed by CPI.

Grant commitments

The Foundation has entered into several agreements, under varying terms and conditions, whereby it is committed to future grant payments totalling a maximum of \$253,160 (2020: \$109,051).

11 Related parties

The Foundation's main related parties are as follows:

Trustee

The Foundation's trustee is Media Entertainment and Arts Alliance (MEAA).

Key management personnel

The Chief Executive Officer and Secretary of the Foundation.

Related party balances and transactions

Related party balances

Receivables due from MEAA	105,251	153,703
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Transactions with related parties

Income from MEAA partnership value contribution	116,150	117,530
Income from MEAA management fees and reimbursements	53,687	78,773
Expenses charged by MEAA	3,058	2,523

Key management personnel remuneration

Gross remuneration	193,711	193,893
Superannuation	19,247	19,516
	212,958	213,409

Walkley Foundation Limited

Financial report for the year ended 30 June 2021

Notes to the Financial Statements

Figures in Australian Dollars

2021

2020

12 Impact of COVID-19

The COVID-19 pandemic has developed rapidly in 2021, with a significant number of cases recorded in Australia. Measures taken by various governments to contain the virus have affected economic activity. The Foundation has taken a number of measures to monitor and mitigate the effects of COVID-19, such as implementing safety and health measures for its people (such as social distancing and working from home) and securing the supply of services that are essential to the Foundation such as IT, Human Resources and Financial Services. At this stage, the impact on the Foundation's business and results has not been significant. If the lockdown restrictions imposed by COVID-19 continue, revenue from future events and sponsorship is likely to be affected, although the Foundation has reasonable reserves to carry it through 2022 and 2023. The Foundation will continue to deliver events on-line and offer stakeholder engagement through virtual activities. We will also monitor costs and operational activities, making adjustments where necessary as we follow the various government policies and advice. We will do our utmost to continue operations in the best and safest way possible without jeopardising the health of our people. The Board is of the view that the Foundation continues to be a going concern on the basis that it has in excess of \$3m cash reserves and has approved a budget for the next financial year which has an estimated surplus of \$138k.

13 Events after the reporting period

The ongoing significance of COVID-19, as referred to in Note 12 above, is not expected to have an impact on the Foundation as a going concern. Whilst it is expected to have an impact on events such as the Walkley Awards, management is taking action to mitigate any substantial financial impact in the future. No other matters or circumstances have arisen since the end of the reporting period which have significantly affected or could significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

14 Financial risk management

The Foundation's financial instruments consist mainly of deposits with banks, accounts receivable and trade and other payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

Financial assets	Note		
Financial assets at amortised cost:			
- cash and cash equivalents	4	3,398,141	2,729,161
- trade receivables	5	387,252	1,255,344
Total financial assets		3,785,393	3,984,505
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	8	27,551	43,903
Total financial liabilities		27,551	43,903

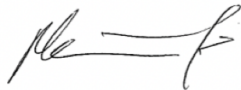
Directors' Declaration

In accordance with a resolution of the Directors of Walkley Foundation Limited, the Directors of the Foundation declare that:

1. In the opinion of the Directors, responsible for the financial report as set out on pages 1 to 22:
 - a. there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable; and
 - b. the financial report and notes satisfy the requirements of the Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act.

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

Director:

A handwritten signature in black ink, appearing to be "M. F.", written over a horizontal line.

Dated:

23/08/2021

INDEPENDENT AUDITOR'S REPORT

To the members of Walkley Foundation Limited

Opinion

We have audited the financial report of Walkley Foundation Limited, which comprises the statement of financial position as at 30 June 2021, the statement of 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 our opinion, the accompanying financial report of Walkley Foundation Limited, is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act, including:

- (a) giving a true and fair view of the Foundation's financial position as at 30 June 2021, and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Act.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Foundation in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance

Management and those charged with governance of the Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act and for such internal control as they determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



In preparing the financial report, management is responsible for assessing the Foundation'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 management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and those charged with governance.
- 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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation 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.



MOORE

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Moore Australia

Name of Firm: Moore Australia Audit NSW

[Signature]

Name of Partner: Charles Oosthuizen

Date: 25 August 2021

Address: Level 14, 9 Castlereagh Street, Sydney NSW 2000