

# WALKLEY FOUNDATION LIMITED

ABN 99 164 809 349



**FINANCIAL REPORT**  
for the financial year ended 30 June 2022

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Index

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| <b>Contents</b>  | <b>Pages</b> |
|--|--------------|
| Directors' Report  | 3 - 7        |
| Auditor's Independence Declaration                         | 8            |
| Statement of Profit or Loss and Other Comprehensive Income | 9            |
| Statement of Financial Position                            | 10           |
| Statement of Changes in Equity                             | 11           |
| Statement of Cash Flows                                    | 12           |
| Notes to the Financial Statements                          | 13 - 22      |
| Directors' Declaration                                     | 23           |
| Independent Auditor's Report                               | 24 - 25      |

## Directors' Report

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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 2022.

### 1. Director details

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

Adele Ferguson (Chair)  
Karen Percy (Deputy Chair)  
Victoria Laurie  
Michael Brissenden (Appointed 17 August 2021)  
Leigh Tonkin (Appointed 21 February 2022)  
Erin Delahunty (Appointed 29 April 2022)  
Marcus Strom (Resigned 6 December 2021)  
Michael Janda (Resigned 6 December 2021)  
Marina Go (Former Chair - resigned 6 December 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 Walkley Foundation has been established to promote excellence in journalism in all its forms encompassing print and digital media, radio, television, documentaries, books and photography.

### 4. Key Strategic Directions

1. Encourage and recognise excellence and best practice through national journalism awards
2. Elevate the craft through professional development
3. Promote the importance and value of public interest journalism
4. Ensure the highest standards of governance

We do this by:

- Managing the annual Walkley Awards for Excellence in journalism and the related Mid-Year Awards
- Managing professional development programs including scholarships, fellowships, mentoring, masterclasses and training
- Ensuring the foundation is independent, unbiased and rigorous
- Working independently and collaboratively with all media organisations and with freelance journalists
- Advocating for quality journalism in a changing media landscape
- Seeking broad based funding to support journalism initiatives and training
- Hosting events that inspire, challenge, support and inform journalists

## Directors' Report

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### 4. Key Strategic Directions (continued)

- Recording and recognising Australia's journalism history through a digital archive and other initiatives
- Encouraging and supporting diversity and training
- Working with third party organisations to offer grants and training opportunities
- Communicating with journalists to share information, news and build community

### 5. Principal Activities

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

- Awards program (detailed below)
- Building communities: Regional Journalism Summit
- Showcasing outstanding images: The Nikon-Walkley Photography Program
- Administration of major grant programs, notably the USD12 million Facebook News Fund
- Networking opportunities: Business Lunch
- Raising awareness of strong journalism through third party events
- Expanding Communications: website, newsletter, social media, interviews with winning journalists
- Launching reviews of professional development, the Walkley Awards , philanthropy and the digital archive project
- Professional development including scholarships, fellowships, masterclasses, mentoring and training

### 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. Program Funding

In 2021 the Walkley Foundation entered a three year agreement with Facebook (now Meta) to independently distribute grants of USD12 million over three years to applicants to a Newsroom Sustainability and Public Interest Journalism Fund. This process was managed at arm's length from Facebook (now Meta) and judging was conducted by panels of skilled and senior judges, appointed by the Walkley Foundation. The first tranche of funding (USD4 million) was released in March 2022. The second tranche of funds has been received and is listed as a Program Liability in the financial statements.

### 8. Performance Measures

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


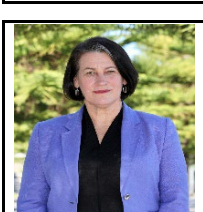

- To assess the cost-effectiveness of events;
- To assess control over the company's administrative and other indirect costs;
- To assess new sponsorship and existing sponsorship targets; and
- To assess effective revenue and income streams.

### 9. Auditor's Independence Declaration

The auditor's independence declaration, for the financial year ended 30 June 2022 has been received and can be found on page 8.




## Directors' Report

### 10. Information of Directors

|  |   |
|--|---|
|    | <p>Name: Adele Ferguson</p> <p>Title: Chair, Non-Executive Director</p> <p>Qualifications: Order of Australia AM</p> <p>Responsibilities: Chair/Independent</p>   |
| <p>Experience:</p>   | <p>Adele Ferguson is a Gold Walkley award winning journalist with The Age and Sydney Morning Herald and is a regular guest reporter on Four Corners, 7.30 and 60 Minutes. She is the author of the bestselling books Banking Bad and an unauthorised biography on Gina Rinehart. Adele started her career at The Advertiser in Adelaide and over her career has worked across various mastheads including BRW and The Australian. She is an eight-time Walkley Award winner and other awards include two Gold Quill awards, two Gold Kennedy Awards, a Logie and the Graham Perkin Journalist of the Year. In 2019 she was appointed a Member of the Order of Australia (AM) for her services to print and broadcast journalism. She has a Bachelor of Economics and a Bachelor of Arts (Honours) from Adelaide University.</p> |
|   | <p>Name: Karen Percy</p> <p>Title: Deputy Chair, Non-Executive Director</p> <p>Qualifications: GAICD</p> <p>Responsibilities: Deputy Chair/Member</p>   |
| <p>Experience:</p>   | <p>Karen Percy is a freelance reporter with extensive experience including a stint as a foreign correspondent for the ABC in South East Asia and a freelance correspondent based in Russia. Her career began with the ABC in Adelaide more than three decades ago, and has taken her to Alice Springs, Darwin, Toronto, Sydney, Bangkok and Moscow. She has also worked for Channel 10 and the Canadian Broadcasting Corporation. Karen is the Federal President of the Media section of MEAA. She's a passionate advocate for ethical, trauma-informed journalism. From 2020-2022 Karen was Chair of the Dart Centre Asia-Pacific which focuses on trauma and journalism.</p>  |
|  | <p>Name: Victoria Laurie</p> <p>Title: Non-Executive Director</p> <p>Responsibilities: Independent</p>  |
| <p>Experience:</p>   | <p>Victoria Laurie is a former senior reporter and feature writer for The Australian newspaper. She has 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. A freelance writer, she is also 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. Information of Directors (continued)

|  |   |
|--|---|
|    | <p>Name: Michael Brissenden</p> <p>Title: Non-Executive Director</p> <p>Responsibilities: Chair of the Judging Board/Member</p>   |
| <p>Experience:</p>   | <p>Michael Brissenden was a political journalist and foreign correspondent for the ABC for 35 years. He began his career covering Federal politics and has been a correspondent in Moscow, Brussels and Washington. He was the political editor for the 7.30 Report in Canberra from 2003 to 2009, the ABC's Defence and National Security Correspondent between 2013 and 2015 and the host of the AM national radio program. From 2017 to 2021 he was a reporter with the 4 Corners program. Michael is a two-time Walkley Award-winner. He has written for a number of newspapers and magazines and has published both fiction and nonfiction books.</p>  |
|   | <p>Name: Leigh Tonkin</p> <p>Title: Non-Executive Director</p> <p>Responsibilities: Finance and Audit Committee/Member</p>  |
| <p>Experience:</p>   | <p>Leigh Tonkin has been a journalist and editor for more than 15 years and is editor, features and context for ABC News. She began her career in regional newsrooms, including the Newcastle Herald where she was the masthead's first online editor. She moved to the Sydney Morning Herald and became comment editor, before joining the public broadcaster where she commissions digital analysis and news features. Leigh is media federal vice president of the Media, Entertainment and Arts' Alliance, the Pacific rep on the Federation of Asia Pacific Journalists and a member of the IFJ's gender council. She is also a trustee of MEAA's Media Safety and Solidarity Fund.</p>  |
|  | <p>Name: Erin Delahunty</p> <p>Title: Non-Executive Director</p> <p>Responsibilities: Member</p>  |
| <p>Experience:</p>   | <p>Erin Delahunty is a Victorian-based freelance journalist. After completing a print journalism cadetship, Delahunty spent close to 20 years as a news, sports and features writer and editor for major media groups in Australia and in the UK, before going freelance. She has established herself as one of Australia's pre-eminent netball writers and pundits, regularly filing for Guardian Australia and Fox Netball and appearing on ABC radio and Fox Sports' netball show Centre Circle. She is currently co-writing a book about netball for a UK publisher. Delahunty is a Federal Vice-President of the Media section of the MEAA, a trustee of the MEAA's Media Safety &amp; Solidarity Fund and is also a member of the union's national freelance committee.</p> |

## Directors' Report

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### 11. Public Fund Board

|                 |   |
|-----------------|---|
| Alan Sunderland | Senior Journalist   |
| Pamela Williams | Journalist, <i>writer at large for Australian Financial Review. Retired June 2022</i> |
| Jim Nolan       | Barrister   |
| Kate Haddock    | Founding Partner, <i>Banki Haddock Fiora</i>  |
| Kate Julius     | Partner, <i>PwC</i>   |

### 12. Walkley Judging Board

|                    |  |
|--------------------|--|
| Michael Brissenden | Chair, Reporter, <i>ABC</i>                              |
| Cameron Stewart    | Deputy Chair, Deputy editor, <i>The Australian</i>       |
| Hamish Macdonald   | Host, <i>Ten, ABC</i>                                    |
| Neil Breen         | Host, <i>4BC, Nine</i>                                   |
| Narelda Jacobs     | Presenter, <i>Ten</i>                                    |
| Jane Doyle         | Presenter, <i>Seven News</i>                             |
| Dean Lewins        | Photo Editor, <i>AAP</i>                                 |
| Anton Enus         | Presenter, <i>SBS Word News</i>                          |
| Ben Butler         | Senior Business Reporter, <i>Guardian Australia</i>      |
| Kathryn Wicks      | Managing Editor, <i>SMH</i>                              |
| Sarah-Jane Tasker  | Business Editor, <i>The Wst Australian</i>               |
| Sarah Abo          | Reporter, <i>60 Minutes, Nine</i>                        |
| Michelle Gunn      | Editor, <i>The Australian</i>                            |
| Donna Page         | Investigative Journalist, <i>Newcastle Herald, ACM</i>   |
| Stephen Hutcheon   | Supervising Producer, <i>ABC</i>                         |
| Karen Middleton    | Chief Political Correspondent, <i>The Saturday Paper</i> |

### 13. 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: 19 August 2022

**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 2022, 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 2022

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



# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Statement of Profit or Loss and Other Comprehensive Income

| Figures in Australian Dollars | Notes | 2022               | 2021               |
|-------------------------------|-------|--------------------|--------------------|
| <b>Income</b>                 | 2     | <u>2,633,186</u>   | <u>2,033,456</u>   |
| <b>Expenses</b>               |       |                    |                    |
| Employee benefits expense     | 3     | (868,112)          | (872,424)          |
| Awards expenses               |       | (276,125)          | (171,781)          |
| Office expenses               |       | (188,791)          | (189,225)          |
| Events and programs expenses  |       | (171,534)          | (81,861)           |
| Communication expenses        |       | (61,584)           | (80,734)           |
| Grant expenses                |       | (121,780)          | (136,155)          |
| Training program expenses     |       | (44,098)           | (519)              |
| Service expenses              |       | (11,767)           | (70,515)           |
| Digitisation expenses         |       | (4,542)            | (19,751)           |
| Finance costs                 |       | (2,460)            | (2,668)            |
| Travel expenses               |       | (3,350)            | (2,943)            |
| Other expenses                |       | (5,267)            | (515)              |
|                               |       | <u>(1,759,410)</u> | <u>(1,629,091)</u> |
| <b>Surplus before tax</b>     | 3     | <u>873,776</u>     | <u>404,365</u>     |
| Tax expense                   |       | -                  | -                  |
| <b>Surplus for the year</b>   |       | <u>873,776</u>     | <u>404,365</u>     |

The accompanying notes form part of these financial statements

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Statement of Financial Position as at 30 June 2022

| Figures in Australian Dollars        | Notes | 2022             | 2021             |
|--------------------------------------|-------|------------------|------------------|
| <b>Assets</b>                        |       |                  |                  |
| <b>Current Assets</b>                |       |                  |                  |
| Cash and cash equivalents            | 4     | 9,757,124        | 3,398,141        |
| Trade and other receivables          | 5     | 135,590          | 387,252          |
| Prepayments                          |       | 1,647            | 1,644            |
| <b>Total Current Assets</b>          |       | <b>9,894,361</b> | <b>3,787,037</b> |
| <b>Non-current Assets</b>            |       |                  |                  |
| Property, plant and equipment        | 6     | 22,190           | 12,483           |
| <b>Total Non-current Assets</b>      |       | <b>22,190</b>    | <b>12,483</b>    |
| <b>Total Assets</b>                  |       | <b>9,916,551</b> | <b>3,799,520</b> |
| <b>Liabilities</b>                   |       |                  |                  |
| <b>Current Liabilities</b>           |       |                  |                  |
| Trade and other payables             | 7     | 89,661           | 104,777          |
| Contract liabilities                 | 1(d)  | 820,502          | 883,107          |
| Program liability                    | 8     | 5,604,314        | 177,208          |
| Provisions                           | 9     | 125,780          | 230,790          |
| <b>Total Current Liabilities</b>     |       | <b>6,640,257</b> | <b>1,395,882</b> |
| <b>Non-current Liabilities</b>       |       |                  |                  |
| Provisions                           | 9     | 510              | 1,630            |
| <b>Total Non-current Liabilities</b> |       | <b>510</b>       | <b>1,630</b>     |
| <b>Total Liabilities</b>             |       | <b>6,640,767</b> | <b>1,397,512</b> |
| <b>Net Assets</b>                    |       | <b>3,275,784</b> | <b>2,402,008</b> |
| <b>Equity</b>                        |       |                  |                  |
| Accumulated surplus                  |       | 3,275,784        | 2,402,008        |
| <b>Total Equity</b>                  |       | <b>3,275,784</b> | <b>2,402,008</b> |

The accompanying notes form part of these financial statements

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Statement of Changes in Equity as at 30 June 2022

| <b>Figures in Australian Dollars</b> | <b>Accumulated surplus</b> | <b>Total equity</b> |
|--------------------------------------|----------------------------|---------------------|
| <b>Balance at 1 July 2020</b>        | <b>1,997,643</b>           | <b>1,997,643</b>    |
| Surplus for the year                 | 404,365                    | 404,365             |
| <b>Balance at 30 June 2021</b>       | <b>2,402,008</b>           | <b>2,402,008</b>    |
| <b>Balance at 1 July 2021</b>        | <b>2,402,008</b>           | <b>2,402,008</b>    |
| Surplus for the year                 | 873,776                    | 873,776             |
| <b>Balance at 30 June 2022</b>       | <b>3,275,784</b>           | <b>3,275,784</b>    |

The accompanying notes form part of these financial statements

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Statement of Cash Flows

| Figures in Australian Dollars                           | Notes | 2022             | 2021             |
|---|-------|------------------|------------------|
| <b>Cash flows from operating activities</b>             |       |                  |                  |
| Receipts from customers and funders                     |       | 9,428,519        | 3,318,053        |
| Payments to suppliers, employees and grant recipients   |       | (3,073,372)      | (2,666,487)      |
| Interest received                                       |       | 36,834           | 20,082           |
| Finance costs   |       | (2,460)          | (2,668)          |
| <b>Net cash flows from operating activities</b>         |       | <b>6,389,521</b> | <b>668,980</b>   |
| <b>Cash flows from investing activities</b>             |       |                  |                  |
| Purchase of property, plant and equipment               |       | (30,538)         | -                |
| <b>Net cash flows from investing activities</b>         |       | <b>(30,538)</b>  | <b>-</b>         |
| <b>Net change in cash and cash equivalents</b>          |       | <b>6,358,983</b> | <b>668,980</b>   |
| Cash and cash equivalents at the beginning of the year  |       | 3,398,141        | 2,729,161        |
| <b>Cash and cash equivalents at the end of the year</b> | 4     | <b>9,757,124</b> | <b>3,398,141</b> |

The accompanying notes form part of these financial statements

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Notes to the Financial Statements

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### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Walkley Foundation Limited (the Foundation) as an individual entity. The Foundation is a not-for-profit entity, incorporated and domiciled in Australia. The functional and presentation currency is Australian dollars.

#### (a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial statements were prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. An explanation of how the transition to Australian Accounting Standards - Simplified Disclosures has affected the reported financial position, financial performance and cash flows of the Foundation is provided below.

#### Explanation of the transition to Australian Accounting Standards – Simplified Disclosures

The date of transition to *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* is 1 July 2021. In applying this Standard, there was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Foundation as a result of the change in the basis of preparation.

#### (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 |
|---------------------|--------------|

Depreciation is recognised immediately in profit or loss.

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Notes to the Financial Statements

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### (d) Revenue and other income

When the Foundation receives government grants, donations, payments and bequests that are in the scope of AASB 1058, 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 2022

## Notes to the Financial Statements

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### (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 2022

## Notes to the Financial Statements

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### (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 2022

## Notes to the Financial Statements

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### (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 collected 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 2022

## Notes to the Financial Statements

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### **(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.

### **(n) 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.

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Notes to the Financial Statements

| Figures in Australian Dollars  | 2022             | 2021             |
|--|------------------|------------------|
| <b>2 Income</b>  |                  |                  |
| <b>Revenue comprises of:</b>   |                  |                  |
| Sponsorship and award revenue  | 1,453,748        | 973,874          |
| Donation and bequest revenue   | 124,954          | 123,829          |
| Service revenue  | 729,468          | 329,050          |
| Events and programs revenue  | 38,191           | 40,000           |
| Training and mentorship programs revenue   | 244,094          | 132,094          |
| Digitisation revenue   | -                | 38,000           |
| Grant revenue  | -                | 71,756           |
| Sundry revenue   | 2,629            | 3,696            |
| Communication revenue  | -                | 120              |
|  | <b>2,593,084</b> | <b>1,712,419</b> |
| <b>Other income comprises of:</b>  |                  |                  |
| Interest from financial institutions   | 36,834           | 20,082           |
| Sundry income and claims   | 3,268            | 45,755           |
| Government stimulus packages:  |                  |                  |
| • JobKeeper  | -                | 205,200          |
| • Cash Flow Boost  | -                | 50,000           |
|  | <b>40,102</b>    | <b>321,037</b>   |
|  | <b>2,633,186</b> | <b>2,033,456</b> |
| <b>3 Results for the year</b>  |                  |                  |
| Results for the year were derived after accounting for the following specific items: |                  |                  |
| Depreciation and amortisation  | 20,831           | 24,422           |
| Employee benefits expense comprising of:   |                  |                  |
| • Salaries   | 830,128          | 746,327          |
| • Leave provision utilisation and adjustments  | (106,130)        | 12,999           |
| • Superannuation   | 85,397           | 87,947           |
| • Other employee costs   | 58,717           | 25,151           |
|  | <b>868,112</b>   | <b>872,424</b>   |
| <b>4 Cash and cash equivalents</b>   |                  |                  |
| Term deposits  | 306,140          | 304,611          |
| Bank balances and cash on hand   | 9,450,984        | 3,093,530        |
|  | <b>9,757,124</b> | <b>3,398,141</b> |
| <b>5 Trade and other receivables</b>   |                  |                  |
| <b>Current assets</b>  |                  |                  |
| Trade receivables  | 75,157           | 282,001          |
| Related party receivables due from MEAA  | 60,433           | 105,251          |
|  | <b>135,590</b>   | <b>387,252</b>   |

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Notes to the Financial Statements

Figures in Australian Dollars 2022 2021

### 6 Property, plant and equipment

|  |               |               |
|--|---------------|---------------|
| Plant and equipment - at cost                  | 137,362       | 106,824       |
| Plant and equipment - accumulated depreciation | (115,172)     | (94,341)      |
|  | <u>22,190</u> | <u>12,483</u> |

#### Movements in carrying amounts of property, plant and equipment

| As at 30 June 2022  | Opening<br>balance | Additions | Depreciation and<br>amortisation | Closing<br>balance |
|---------------------|--------------------|-----------|----------------------------------|--------------------|
| Plant and equipment | 12,483             | 30,538    | (20,831)                         | <u>22,190</u>      |

### 7 Trade and other payables

#### Current liabilities

|                |               |                |
|----------------|---------------|----------------|
| Trade payables | -             | 1,748          |
| GST payable    | 38,934        | 60,987         |
| Accruals       | 50,727        | 97,078         |
|                | <u>89,661</u> | <u>104,777</u> |

### 8 Program liability

|                   |                  |                |
|-------------------|------------------|----------------|
| Current liability | <u>5,604,314</u> | <u>177,208</u> |
|-------------------|------------------|----------------|

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>125,780</u> | <u>230,790</u> |
|---------------------------------|----------------|----------------|

#### Non-current liabilities

|                                 |            |              |
|---------------------------------|------------|--------------|
| Provision for employee benefits | <u>510</u> | <u>1,630</u> |
|---------------------------------|------------|--------------|

#### Analysis of provisions:

| As at 30 June 2022 | Opening<br>balance | Net amounts<br>utilised | Closing<br>balances |
|--------------------|--------------------|-------------------------|---------------------|
| Provisions for:    |                    |                         |                     |
| Employee benefits  | 232,420            | (106,130)               | 126,290             |

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Notes to the Financial Statements

Figures in Australian Dollars 2022 2021

### 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 \$439,924 (2021: \$253,160).

### 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

Chief Executive Officer (including current and former officers)

#### Related party balances and transactions

##### Related party balances

|                           |        |         |
|---------------------------|--------|---------|
| Receivables due from MEAA | 60,433 | 105,251 |
|---------------------------|--------|---------|

##### Transactions with related parties

|   |         |         |
|---|---------|---------|
| Income from MEAA partnership value contribution     | 119,658 | 116,150 |
| Income from MEAA management fees and reimbursements | 59,979  | 53,687  |
| Expenses charged by MEAA                            | 1,601   | 3,058   |

##### Key management personnel remuneration

|                      |                |                |
|----------------------|----------------|----------------|
| Gross remuneration * | 274,993        | 193,711        |
| Superannuation *     | 20,103         | 19,247         |
|                      | <u>295,096</u> | <u>212,958</u> |

\* included in the 2022 balance are amounts paid to the former CEO in respect of employment costs, for part of the year, and the settlement of leave entitlements due upon termination of employment.

### 12 Auditor's remuneration

Moore Australia NSW and related network firms:

|  |               |               |
|--|---------------|---------------|
| - Audit and review of financial statements | 10,950        | 10,000        |
|  | <u>10,950</u> | <u>10,000</u> |

# Walkley Foundation Limited

Financial report for the year ended 30 June 2022

## Notes to the Financial Statements

Figures in Australian Dollars

2022

2021

### 13 Impact of COVID-19

The COVID-19 pandemic has continued to endure in 2022, 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 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 there are any further lockdown restrictions imposed, revenue from future events and sponsorship is likely to be affected, although the Foundation has reasonable reserves to carry it through 2023 and 2024. The Foundation could continue to deliver events on-line and offer stakeholder engagement through virtual activities, where required. The Foundation will also monitor costs and operational activities, making adjustments where necessary to follow the various government policies and advice, and will do its utmost to continue operations in the best and safest way possible without jeopardising the health of its people. The Board is of the view that the Foundation continues to be a going concern on the basis that it has significant cash reserves and that the results for the next financial year are estimated to be a net surplus.

### 14 Events after the reporting period

Other than the ongoing significance of COVID-19, as referred to in Note 13 above, 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.

### 15 Corporate information

The Foundation's registered office and its principal place of business are as follows:

**Registered office**

245 Chalmers Street  
Redfern  
NSW, 2016, Australia

**Principal place of business**

245 Chalmers Street  
Redfern  
NSW, 2016, Australia

## Directors' Declaration

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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 - Simplified Disclosures 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: \_\_\_\_\_



Dated: \_\_\_\_\_

*19 August 2022*

## **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 2022, 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 2022, and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Simplified Disclosures 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 (including Independence Standards) (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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf) . This description forms part of our auditor's report.

A handwritten signature in black ink that reads "Moore Australia".

Name of Firm: Moore Australia Audit NSW

Name of Partner:

A handwritten signature in black ink, appearing to be "C. Oosthuizen".

Charles Oosthuizen

Date: 25 August 2022

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