

WALKLEY FOUNDATION LIMITED

ABN 99 164 809 349



FINANCIAL REPORT
for the financial year ended 30 June 2023

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

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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 2023.

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 (Vice-Chair)
Victoria Laurie
Michael Brissenden
Leigh Tonkin
Erin Delahunty

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

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)
- Showcasing outstanding images: The Nikon-Walkley Photography Program
- Administration of major grant programs, notably the USD12 million Meta 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 was released in February 2023. The third tranche has not been received as at 30 June 2023.

8. Performance Measures

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

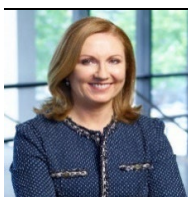
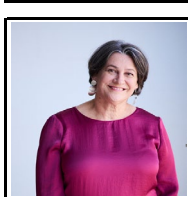
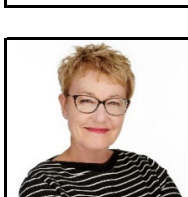
- To assess the cost-effectiveness of events;
- To assess control over the company's administrative and other indirect costs;
- To assess new sponsorship and existing sponsorship targets; and
- To assess effective revenue and income streams.

9. Auditor's Independence Declaration

The auditor's independence declaration, for the financial year ended 30 June 2023 has been received and can be found on page 8.




Directors' Report

10. Information of Directors

	<p>Name: Adele Ferguson Title: Chair, Non-Executive Director Qualifications: Order of Australia AM Responsibilities: Chair/Independent</p>
<p>Experience:</p>	<p>Adele Ferguson is a Gold Walkley award winning Senior Investigative Journalist and Business Columnist with the ABC. 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 Title: Deputy Chair, Non-Executive Director Qualifications: GAICD 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 Title: Non-Executive Director 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 worked in national and regional newsrooms for 15 years and is the editor of features and context for ABC News. Previously, she was comment editor at the Sydney Morning Herald, where she worked in various roles for six years, online editor at the Newcastle Herald and a sub-editor at the Cairns Post. She has been a house committee and national media section activist with the Media, Entertainment and Arts' Alliance for nearly a decade and represents Asia-Pacific on the International Federation of Journalists' gender steering committee. Her priorities include workplace fairness for women, diverse and young journalists and building a union culture that helps journalists thrive.</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 and is also a member of the union's national freelance committee.</p>

Walkley Foundation Limited

Financial report for the year ended 30 June 2023



Directors' Report

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>
Dean Lewins	Photo Editor, <i>AAP</i>
Anton Enus	Presenter, <i>SBS Word News</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>
Donna Page	Investigative Journalist, <i>Newcastle Herald, ACM</i>
Karen Middleton	Chief Political Correspondent, <i>The Saturday Paper</i>
Suzanne Dredge	Head of Indigenous News, <i>ABC</i>
Rashell Habib	Head of Digital News and Strategy, <i>10 News</i>
Gabrielle Jackson	Editor, <i>Guardian Australia</i>
Kate Kyriacou	Journalist, <i>The Courier-Mail</i>
Mark Riley	Political Editor, <i>Seven</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: _____

23 Aug 2023

Dated: _____



BYRONS

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**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 2023, 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: Byrons
Byrons

Name of Director: [Signature]
Dudley Belling

Date: 30 August 2023

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

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Statement of Profit or Loss and Other Comprehensive Income

Figures in Australian Dollars	Notes	2023	2022
Income	2	<u>2,422,713</u>	<u>2,633,186</u>
Expenses			
Employee benefits expense	3	(1,282,040)	(868,112)
Awards expenses		(304,869)	(276,125)
Office expenses		(236,946)	(188,791)
Events and programs expenses		(176,070)	(171,534)
Communication expenses		(81,498)	(61,584)
Grant expenses		(101,781)	(121,780)
Training program expenses		-	(44,098)
Service expenses		(87,105)	(11,767)
Digitisation expenses		(15,884)	(4,542)
Finance costs		(2,808)	(2,460)
Travel expenses		(13,586)	(3,350)
Other expenses		(6,294)	(5,267)
		<u>(2,308,881)</u>	<u>(1,759,410)</u>
Surplus before tax	3	<u>113,832</u>	<u>873,776</u>
Tax expense		-	-
Surplus for the year		<u>113,832</u>	<u>873,776</u>

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

Figures in Australian Dollars	Notes	2023	2022
Assets			
Current Assets			
Cash and cash equivalents	4	3,798,926	9,757,124
Trade and other receivables	5	185,895	135,590
Prepayments		74,074	1,647
Total Current Assets		4,058,895	9,894,361
Non-current Assets			
Property, plant and equipment	6	21,384	22,190
Total Non-current Assets		21,384	22,190
Total Assets		4,080,279	9,916,551
Liabilities			
Current Liabilities			
Trade and other payables	7	139,197	89,661
Contract liabilities	1(d)	442,296	820,502
Program liability	8	-	5,604,314
Provisions	9	109,170	125,780
Total Current Liabilities		690,663	6,640,257
Non-current Liabilities			
Provisions	9	-	510
Total Non-current Liabilities		-	510
Total Liabilities		690,663	6,640,767
Net Assets		3,389,616	3,275,784
Equity			
Accumulated surplus		3,389,616	3,275,784
Total Equity		3,389,616	3,275,784

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Statement of Changes in Equity as at 30 June 2023

Figures in Australian Dollars	Accumulated surplus	Total equity
Balance at 1 July 2021	2,402,008	2,402,008
Surplus for the year	873,776	873,776
Balance at 30 June 2022	3,275,784	3,275,784
Balance at 1 July 2022	3,275,784	3,275,784
Surplus for the year	113,832	113,832
Balance at 30 June 2023	3,389,616	3,389,616

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Statement of Cash Flows

Figures in Australian Dollars	Notes	2023	2022
Cash flows from operating activities			
Receipts from customers and funders		1,942,864	9,428,519
Payments to suppliers, employees and grant recipients		(7,970,163)	(3,073,372)
Interest received		85,389	36,834
Finance costs		(2,808)	(2,460)
Net cash flows from operating activities		(5,944,718)	6,389,521
Cash flows from investing activities			
Purchase of property, plant and equipment		(13,480)	(30,538)
Net cash flows from investing activities		(13,480)	(30,538)
Net change in cash and cash equivalents		(5,958,198)	6,358,983
Cash and cash equivalents at the beginning of the year		9,757,124	3,398,141
Cash and cash equivalents at the end of the year	4	3,798,926	9,757,124

The accompanying notes form part of these financial statements

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

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 a not-for-profit entity, incorporated and domiciled in Australia.

The functional and presentation currency is Australian dollars.

The financial report was authorised for issue by the Directors on 23 August 2023.

(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*.

The financial statements have been prepared on an accruals 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Amounts presented in the financial report have been rounded to the nearest Australian 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 2023

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, 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 2023

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 2023

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 2023

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 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 2023

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.

(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 2023

Notes to the Financial Statements

Figures in Australian Dollars	2023	2022
2 Income		
Revenue comprises of:		
Sponsorship and award revenue	1,398,806	1,453,748
Donation and bequest revenue	18,072	124,954
Service revenue	738,188	729,468
Events and programs revenue	29,967	38,191
Training and mentorship programs revenue	150,291	244,094
Sundry revenue	2,000	2,629
	2,337,324	2,593,084
Other income comprises of:		
Interest from financial institutions	85,389	36,834
Sundry income and claims	-	3,268
	85,389	40,102
	2,422,713	2,633,186
3 Results for the year		
Results for the year were derived after accounting for the following specific items:		
Depreciation and amortisation	14,286	20,831
Employee benefits expense comprising of:		
• Salaries	1,108,366	830,128
• Leave provision utilisation and adjustments	(17,120)	(106,130)
• Superannuation	124,267	85,397
• Other employee costs	66,527	58,717
	1,282,040	868,112
4 Cash and cash equivalents		
Term deposits	1,316,344	304,611
Bank balances and cash on hand	2,482,582	9,452,513
	3,798,926	9,757,124
<p>The cash and cash equivalents balance at 30 June 2022 included \$5.4m held in relation to the Meta Program Liability (which is included in the balance referred in Note 8). The Meta funding for the second round was paid out in February 2023.</p>		
5 Trade and other receivables		
Current assets		
Trade receivables	127,540	75,157
Related party receivables due from MEAA	58,355	60,433
	185,895	135,590

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Notes to the Financial Statements

Figures in Australian Dollars	2023	2022
6 Property, plant and equipment		
Plant and equipment - at cost	150,842	137,362
Plant and equipment - accumulated depreciation	(129,458)	(115,172)
	<u>21,384</u>	<u>22,190</u>

Movements in carrying amounts of property, plant and equipment

As at 30 June 2023	Opening balance	Additions	Depreciation and amortisation	Closing balance
Plant and equipment	22,190	13,480	(14,286)	<u>21,384</u>

7 Trade and other payables

Current liabilities

Trade payables	12,745	5,973
GST payable	49,060	38,934
Accruals	77,392	44,754
	<u>139,197</u>	<u>89,661</u>

8 Program liability

Current liability	-	<u>5,604,314</u>
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Under the terms of various service agreements, organisations had engaged the Walkley Foundation to manage programs, some of which were projected to continue into the next financial year. The organisations had provided funding to the Walkley Foundation which was 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. At 30 June 2023, the balance of the unspent funds were \$nil (30 June 2022: \$5,604,314).

9 Provisions

Current liabilities

Provision for employee benefits	109,170	<u>125,780</u>
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Non-current liabilities

Provision for employee benefits	-	<u>510</u>
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Analysis of provisions:

As at 30 June 2023	Opening balance	Net amounts utilised	Closing balances
Provisions for:			
Employee benefits	126,290	(17,120)	<u>109,170</u>

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Notes to the Financial Statements

Figures in Australian Dollars 2023 2022

10 Commitments

MEAA obligations to the Foundation

The Foundation entered into an agreement with MEAA, effective from 1 July 2023 to 30 June 2024, whereby MEAA will:

- Reimburse the Foundation for entry fees of paid members that have been waived up to a cap of \$100,000 per annum. ; and
- Pay the Foundation \$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 \$537,871 (2022: \$439,924).

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

Related party balances and transactions

Related party balances

Receivables due from MEAA	58,355	60,433
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Transactions with related parties

Income from MEAA partnership value contribution	113,023	119,658
Income from MEAA management fees and reimbursements	63,419	59,979
Expenses charged by MEAA	4,471	1,601

Key management personnel remuneration

Gross remuneration	241,679	274,993
Superannuation	25,810	20,103
	<u>267,489</u>	<u>295,096</u>

12 Auditor's remuneration

Byrons (formerly Moore Australia NSW) and related network firms:

- Audit and review of financial statements	10,250	10,950
	<u>10,250</u>	<u>10,950</u>

Walkley Foundation Limited

Financial report for the year ended 30 June 2023

Notes to the Financial Statements

Figures in Australian Dollars	2023	2022
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13 Events after the reporting period

No 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 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

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 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2022.

Director:  _____

Dated: 23 Aug 2023

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 2023, 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 2012, including:

- (a) giving a true and fair view of the Foundation's financial position as at 30 June 2023, 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 Regulations 2022.

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-Simplified Disclosures 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 . This description forms part of our auditor's report.

Name of Firm: Byrons
Byrons

Name of Director: Dudley Belling
Dudley Belling

Date: 30 August 2023

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