CENTENNIAL PARKLANDS FOUNDATION

FINANCIAL REPORT 2017-18

Building a better working world

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Auditor's Independence Declaration to the Directors of Centennial Parklands Foundation

In relation to our audit of the financial report Centennial Parklands Foundation for the financial year ended 30 June 2018, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Ernst & Young

M J Wright

Michael Wright
Partner
26 October 2018

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Independent auditor's report to the governors of Centennial Parklands Foundation

Report of Financial Report

Opinion

We have audited the financial report of Centennial Parklands Foundation (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Governors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2018 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

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 Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Governors' responsibility for the Financial Report

The governors of the company 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 2012* and for such internal controls as the governors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.

- Conclude on the appropriateness of the Governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Ernst & Young

Ernst & Young

M J Wright

Michael Wright
Partner
Sydney
26 October 2018

INCOME **STATEMENT**

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $	2017 $
CONTINUING OPERATIONS			
Revenue			
Grants and donations received	3(a)	248,893	541,591
Goods and services received free of charge	3(a),13(b)	273,325	377,653
Fund raising campaign revenue	3(a)	-	77,027
Finance revenue	3(a)	79,463	72,117
Other revenue	3(a)	-	20,000
Total revenue		**601,681**	**1,088,388**
Expenses			
Grants and donations paid	3(b), 13(c)	(2,637,485)	(232,232)
Fund raising campaign expenses	3(b)	(5,162)	(35,844)
Other expenses		(106,224)	(50,719)
Consumption of goods and services received free of charge	3(a)	(273,325)	(377,653)
Total expenses		**(3,022,196)**	**(696,448)**
Surplus/(Loss) for the year	**8**	**(2,420,615)**	**391,940**
Other Comprehensive Income		–	–
Total Other Comprehensive Income for the year		–	–
Total Comprehensive Income for the year		**(2,420,615)**	**391,940**

The accompanying notes form part of these financial statements.

BALANCE **SHEET**

AS AT 30 JUNE 2018

	Notes	2018 $	2017 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,846,003	3,254,292
Receivables	5	266,280	59,371
Total Current Assets		**2,112,283**	**3,313,663**
Total Assets		**2,112,283**	**3,313,663**
LIABILITIES			
Current Liabilities			
Payables	6	1,234,813	15,578
Total Current Liabilities		**1,234,813**	**15,578**
Total Liabilities		**1,234,813**	**15,578**
NET ASSETS		**877,470**	**3,298,085**
EQUITY			
Contributed capital	7	10	10
Accumulated funds	8	877,460	3,298,075
Total Equity		**877,470**	**3,298,085**

The accompanying notes form part of these financial statements.

STATEMENT OF **CHANGES IN EQUITY**

FOR THE YEAR ENDED 30 JUNE 2018

	Contributed Capital $	Accumulated funds $	Total equity $
At 1 July 2016	10	2,906,135	2,906,145
Surplus for the year	–	391,940	391,940
Other comprehensive income	–	–	–
Total Comprehensive income for the year	–	**391,940**	**391,940**
At 30 June 2017	10	3,298,075	3,298,085
Surplus for the year	–	(2,420,615)	(2,420,615)
Other comprehensive income	–	–	–
Total Comprehensive Income for the Year	–	(2,420,615)	(2,420,615)
At 30 June 2018	**10**	**877,460**	**877,470**

The accompanying notes form part of these financial statements.

CASH FLOW **STATEMENT**

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $	2017 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Grants and donations received		282,560	559,573
Receipts from fundraising		1,079	111,644
Interest received		79,463	72,117
Grants and donations paid		(1,573,284)	(253,503)
Payments to suppliers		(229,264)	(95,446)
GST received (net)		31,157	13,955
Net (used in)/provided by operating activities	**9**	**(1,408,289)**	**408,340**
Cash flows from investing activities		–	–
Cash flows from financing activities		–	–
Net (decrease)/increase in cash held		(1,408,289)	408,340
Cash and cash equivalents at beginning of year	4	3,254,292	2,845,952
Cash and cash equivalents at end of year	**4**	**1,846,003**	**3,254,292**

The accompanying notes form part of these financial statements.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) Reporting Entity

The Centennial Parklands Foundation is a foundation established by deed and is a reporting entity.

The financial statements are for the consolidated reporting entity comprising the Centennial Parklands Foundation and the Centennial Parklands Foundation Limited (the Group).

The transactions of the Centennial Parklands Foundation Limited are included with those of the Centennial Parklands Foundation. Refer to note 12 for parent entity transactions.

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Board of Governors on 25 October 2018.

b) Basis of Preparation

The Group's financial statements have been prepared as general purpose financial statements on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the Australian Charities and Not-for-profits Commission Act 2012.

Financial statements items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations that management has made, are disclosed in the relevant notes to the financial statements.

c) Statement of compliance

The financial statements comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Centennial Parklands Foundation and its controlled entity Centennial Parklands Foundation Limited as at 30 June (the Group).

Controlled entities are all those entities over which the Group has the power to govern the financial and voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

d) Basis of consolidation (continued)

The financial statements of controlled entities are normally prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Controlled entities are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. Investments in Controlled Entities held by Centennial Parklands Foundation are accounted for at cost in the separate financial statements of the parent entity. However, as Centennial Parklands Foundation Limited is a company limited by guarantee the parent entity holds no equity investment.

e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

i) Donations and Grants

Donations and grants are generally recognised as revenue when the Group obtains control over the assets comprising the donations and grants. Control over donations and grants are normally obtained upon the receipt of cash. There is no GST payable on donations.

ii) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset) to the net carrying amount of the financial asset.

iii) Membership fees

Membership fees are generally recognised as revenue when the Group obtains control over the assets comprising the membership fees. Control over membership fees is normally obtained upon the receipt of cash.

iv) Fundraising campaign revenue

Fundraising campaign revenues are generally recognised as revenue when the Group obtains control over the assets comprising the fundraising campaign revenue. Control over fund raising campaign revenues is normally obtained upon the receipt of cash.

f) Taxes

Income tax: the Foundation is exempt from income tax as it has been endorsed as an income tax exempt charitable entity under Subdivision 50-B of the *Income Tax Assessment Act 1997*.

Goods and services tax: the Foundation, as a charitable entity is registered for the goods and services tax (GST) applicable from 1 July 2000. The tax is paid on revenues from membership subscriptions, grants, sponsorships and fund raising activities. Most input tax credits are credited except for expenses related to non-creditable transactions. Revenues, expenses and assets are recognised net of GST except:

(i) where the amount of GST incurred is not recoverable from the ATO, it is recognised as part of the cost of the acquisition of an asset or as part of an item of expense; or
(ii) for receivables and payables which are recognised inclusive of GST.

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

g) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at call deposits with banks and term deposits with banks with an original maturity of less than 3 months. Cash flows are included in the Statement of Cash Flows on a gross basis.

h) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Statement of Comprehensive Income when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

i) Impairment of Financial Assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

i) Impairment of Financial Assets (continued)

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Statement of Comprehensive Income.

Any reversals of impairment losses are reversed through the Statement of Comprehensive Income, where there is objective evidence. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

j) De-recognition of Financial Assets and Financial Liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Group transfers the financial asset where:

- substantially all the risks and rewards have been transferred; or
- the Group has not transferred substantially all the risks and rewards, if the Group has not retained control.

Where the Group has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Group's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

k) Payables

These amounts represent liabilities for goods and services provided to the Group and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

l) Disposal of Surplus

Annual surplus: Rule 3.5 of the Foundation's constitution prohibits the distribution of any surplus to Members. All income must be applied solely towards the promotion of the objects of the Foundation.

Surplus on termination: As required by the Charitable Fundraising Act 1991, the Income Tax Assessment Act

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

l) Disposal of Surplus (continued)
1997 and Taxation Ruling 2000/12 and Rule 14 of the Constitution, any assets remaining upon the termination of the Foundation must be applied for the objects or purposes for which they were raised.

m) Restricted/Unrestricted Funds
Restricted funds are funds received or reserves held that must be spent on the purpose for which they are received or are held. They comprise:

- Government funding and related interest that must be spent in accordance with the terms of the funding agreement
- Donations and bequests where the donor indicates a preference for the use to which the funds are to be used
- Donations received in response to specific purpose appeals

All other funds are unrestricted in that Trustees have discretion to spend them on purposes for which the charity is established.

n) Fundraising Activities
Charitable Fundraising Act 1991: this Act and supporting Charitable Fundraising Regulation prescribe the manner in which fundraising appeals are conducted, controlled and reported in NSW. The Foundation raised funds during the year through a fund raising dinner and gallery event; and revenue and expenses from these events are disclosed in Note 3.
Donations and bequests: are recognised as income as and only when received at the Foundation's administration office or when deposited to the Foundation's bank account. As specified in the Act, unsolicited donations, members' donations and bequests are not treated as fundraising income when determining information required under the Act. Unsolicited donations and members' donations are treated as gifts under the Income Tax Legislation and deposited in the Gift Fund Bank Account whilst bequests are deposited in the Foundation Fund Bank Account.

o) New Australian Accounting Standards Issued but not Effective
Australian Accounting Standards that have recently been issued or amended but not yet effective have not been adopted for the financial reporting year ended 30 June 2018. The governors have assessed the impact of these new or amended standards (to the extent relevant to the group) and interpretations and believe that these new or amended standards and interpretations do not have any material effect on the financial statements presented.

p) Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Valuation of donations-in-kind
The estimation of donations-in-kind valuation is based on discussions with the third party donor of the goods or services, or, whether required, expert valuation.

NOTE 2: ACTIVITIES OF THE FOUNDATION

The Foundation was established on 30 July 1998 for the purpose of enabling and facilitating the promotion, advancement and encouragement of charitable purposes. The Foundation is listed on the Register of Environmental Organisations maintained by the Department of Sustainability, Environment, Water, Pollution and Communities and therefore is able to accept tax deductible donations.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

	2018 $	2017 $
NOTE 3: REVENUE AND EXPENSES		
(a) Revenue		
– donations	248,893	511,519
– grants	–	30,072
– goods and services received free of charge*	273,325	377,653
– fund raising campaign revenue	–	77,027
– interest revenue	79,463	72,117
– other revenue	–	20,000
Total revenue	601,681	1,088,388
Revenue by Fund		
– Endowment Fund	5,061	4,962
– Labyrinth Fund	1,185	1,473
– Foundation Fund	273,846	510,587
– Gift Fund	321,489	571,366
	601,581	1,088,388

**Goods and services free of charge*
Includes goods and services provided by Centennial Park and Moore Park Trust of $259,025 (2017: $289,756) and volunteer hours contributed and various sponsors of Foundation activities $14,300 (2017: $87,897). All of these goods and services were consumed during the financial year.

(b) Expenses		
– fund raising campaign expenses	5,162	35,844
– grants and donations paid		
Centennial Park and Moore Park Trust*	2,637,485	232,232
	2,642,647	258,076

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

	2018 $	2017 $
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank		
– Endowment Fund	258,135	253,073
– Labyrinth Fund	51,756	61,797
– Foundation Fund	27,014	96,194
– Gift Fund*	1,509,094	2,843,224
Cash on hand – Foundation Fund	4	4
	1,846,003	3,254,292

* The Gift Fund includes an amount of $1.0m (2017: $2.5m) raised for The Ian Potter Wild Play Children's Garden which will be paid to the Centennial Park and Moore Park Trust post 30 June 2018.

	2018 $	2017 $
NOTE 5: RECEIVABLES		
GST receivable	263,168	22,792
Other receivables	3,112	36,579
	266,280	59,371
NOTE 6: PAYABLES		
Other payables – Centennial Park and Moore Park Trust	1,217,344	3,578
Other payables	5,469	–
Accrued expenses	12,000	12,000
	1,234,813	15,578
NOTE 7: CONTRIBUTED CAPITAL		
Settlement sum	10	10
	10	10

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

	2018 $	2017 $
NOTE 8: ACCUMULATED FUNDS		
Balance at the beginning of the year	3,298,075	2,906,135
(Loss)/Surplus for the year	(2,420,615)	391,940
Balance at the end of the year	877,470	3,298,075
The balance comprises:		
Endowment Fund	258,135	253,073
Labyrinth Fund	51,932	61,806
Gift Fund	549,250	2,870,109
Foundation Fund	18,143	113,087
	877,470	3,298,075

Endowment Fund – To provide a long term capital fund for the Foundation the income from which can be applied in accordance with the objects of the Foundation.

Labyrinth Fund – Holds gifts received for the purpose of constructing a labyrinth in Centennial Park.

Gift Fund – this fund holds tax deductible gifts received from the general public. Where the funds are donated for a specific purpose the funds are applied for that purpose in a manner consistent with the objects of the Foundation.

Foundation Fund – this fund holds revenues received which are of a non-gift nature i.e. bequests, sponsorship, membership fees and grants. The funds are used for the purpose set out in the grant agreement or other agreements entered into.

	2018 $	2017 $
NOTE 9: CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operations with the (Loss)/Surplus for the year		
(Loss)/Surplus for the year	(2,420,615)	391,940
(Increase)/Decrease in receivables	(206,910)	14,771
Increase in payables	1,219,236	1,629
Net cash (used in)/provided by operating activities	(1,408,289)	408,340

NOTE 10: FINANCIAL INSTRUMENTS

The Group's principal financial instruments are outlined below. These financial instruments arise directly from the Group's operations or are required to finance its operations. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's main risks arising from financial instruments are outlined below, together with its objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board of the Foundation has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Group, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Board on a continuous basis.

(a) Financial instrument categories

Class:	Notes	Category	Carrying amount 2018 $	Carrying amount 2017 $
Financial Assets				
Cash and cash equivalents	4		1,846,003	3,254,292
Receivables	5	Receivables (at amortised cost)	266,280	59,371
			2,122,283	3,313,663
Financial Liabilities				
Payables	6	Financial liabilities (at amortised cost)	1,234,813	15,578
			1,234,813	15,578

(b) Credit risk

Credit risk arises when there is the possibility of the Group's debtors defaulting on their contractual obligations, resulting in a financial loss to the Group. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Group, which comprises cash and receivables. No collateral is held by the Group.

Credit risk associated with the Group's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

(i) Cash on hand and cash equivalents

Cash comprises cash on hand and bank balances the Westpac Bank. Interest is earned on daily bank balances at the Westpac daily cash rate.

(ii) Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Group will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions

NOTE 10: FINANCIAL INSTRUMENTS *(CONTINUED)*

and debtor credit ratings. No interest is earned on trade debtors. The majority of receivables arise from grants and the terms of payment are set out in the grant agreements.
The Group is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2018: $Nil 2017: $Nil) and less than 3 months past due (2018:$1,800 $; 2017: $33,779) are not considered impaired and together these represent 60% of the total trade debtors (2017: 92%). There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

There are no financial assets that are past due or impaired in 2018 (2017:$1,300).

The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7.

(c) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due. The Group continuously manages risk through monitoring future cash flows to ensure adequate holding of high quality liquid assets. The objective is to maintain continuity of funding and cash and cash equivalent balances to maximise earnings and to meet payment commitments as they fall due.

During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Group's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced.

The table below summarises the maturity profile of the Group's financial liabilities, together with the interest rate exposure.

			Interest rate exposure ($)			**Maturity dates ($)**		
	Weighted average effective interest rates	**Nominal amount**	**Fixed interest rate**	**Variable interest rate**	**Non-interest bearing**	**<1 year**	**1-5 years**	**5 years**
2018								
Payables:								
Accruals	N/A	12,000	–	–	12,000	12,000	–	–
Creditors	N/A	1,222,813	–	–	1,222,813	1,222,813	–	–
Total	N/A	1,234,813	–	–	1,234,813	1,234,813	–	–
2017								
Payables:								
Accruals	N/A	12,000	–	–	12,000	12,000	–	–
Creditors	N/A	3,578	–	–	3,578	3,578	–	–
Total	N/A	15,578	–	–	15,578	15,578	–	–

Note: The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities, therefore the amounts disclosed above may not reconcile to the balance sheet.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 10: FINANCIAL INSTRUMENTS *(CONTINUED)*

(d) Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group has no exposure to market risk in respect of price risk or foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Group operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the balance sheet date. The analysis is performed on the same basis for 2018. The analysis assumes that all other variables remain constant.

(i) Interest rate risk
Exposure to interest rate risk arises primarily through the Group's cash assets. This risk is minimised as the majority of cash is held in interest bearing at call accounts and the Group holds no fixed rate financial instruments. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Group's exposure to interest rate risk is set out below.

		-1%		+1%	
	Carrying amount $	**Profit $**	**Equity $**	**Profit $**	**Equity $**
2018					
Financial assets					
Cash and cash equivalents	1,846,003	(18,460)	(18,460)	18,460	18,460
Total	1,846,003	(18,460)	(18,460)	18,460	18,460
2017					
Financial assets					
Cash and cash equivalents	3,254,292	(32,543)	(32,543)	32,543	32,543
Total	3,254,292	(32,543)	(32,543)	32,543	32,543

(ii) Other price risk
The Group is not exposed to any material other price risk in respect of its financial assets and liabilities.

(e) Fair value
Financial instruments are generally recognised at cost.

The amortised cost of other financial instruments recognised in the balance sheet approximates the fair value, because of the short term nature of many of the financial instruments.

NOTE 11: AUDIT FEES

Audit fees of $11,000 (2017: $11,000) were charged for the audit of the Group.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 12: PARENT ENTITY INFORMATION

	2018 $	2017 $
Information relating to Centennial Parklands Foundation		
Current assets	2,060,338	3,251,843
Total assets	2,060,338	3,251,843
Current liabilities	1,234,813	15,578
Total liabilities	1,234,813	15,578
Total equity	825,525	3,236,265
(Loss)/Surplus for the year	(2,410,741)	393,450
Total comprehensive income	(2,410,741)	393,450

NOTE 13: RELATED PARTIES

(a) The names of the Governors (Trustees) who have held office during the financial year are:

R. Giles	F. de Jong	D. Janes
F. McVay	M. Hunter	S. Blinman
C. Gurney	J. Penn	

(b) Centennial Park and Moore Park Trust has provided goods and services to the Group amounting to $259,025 during the year ended 30 June 2018 (2017: $289,756). No matching grants were provided in 2017 and 2018.

(c) The Group has provided grants to Centennial Park and Moore Park Trust amounting to $2,637,485 (2017: $232,232).

Centennial Park and Moore Park Trust has paid remuneration of $160,447 (2017:$156,534) for one of the key management personnel of the Foundation. The amount paid is included as an expense under consumption of goods and services free of charge and is offset by revenue of the same amount in the Statement of Comprehensive Income.

Based on advice provided by KMP's, and transactional reviews undertaken, the Trust did not enter into any transactions with key management personnel, their close family members and any entities controlled or jointly controlled thereof during the year.

NOTE 14: MEMBERS

	2018	2017
Number of members at the end of the year	62	68

END OF AUDITED FINANCIAL STATEMENTS

CENTENNIAL PARKLANDS FOUNDATION **GOVERNORS' DECLARATION**

In accordance with a resolution of the Governors of Centennial Parklands Foundation, I state that in the opinion of the Governors:

1. the financial statements and notes of the Foundation and its controlled entity satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012, including:

   i) giving a true and fair view of the Foundation and its controlled entity's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
   ii) are prepared in accordance with the accounting policies described in Note 1 to the financial statements; and

2. there are reasonable grounds to believe that Centennial Parklands Foundation will be able to pay its debts as and when they become due and payable.

On behalf of the Board

R. Giles
Chair
Dated 25 October 2018

GOVERNORS' DECLARATION **UNDER THE CHARITABLE FUNDRAISING ACT 1991**

In accordance with a resolution of the governors of Centennial Parklands Foundation, I state that in the opinion of the Governors:

a) the financial statements give a true and fair view of all consolidated income and expenditure of the Foundation with respect to fundraising appeals; and
b) the statement of financial position gives a true and fair view of the state of affairs of the Foundation with respect to fundraising appeals; and
c) the provisions of the NSW Charitable Fundraising Act 1991 and the conditions attached to the authority have been complied with by the Foundation; and
d) the internal controls exercised by the Foundation are appropriate and effective in accounting for all income received and applied by the Foundation from any of its fundraising appeals.

On behalf of the Board

R.Giles
Chair
Dated 25 October 2018