

Lizard Island Reef Research Foundation
ABN 51 856 560 421

Annual Report
30 June 2015

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Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the trustees of Lizard Island Reef Research Foundation

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Cameron Roan
Partner

Sydney

23 October 2015

Lizard Island Reef Research Foundation

Statement of financial position as at 30 June 2015

	Note	2015 \$	2014 \$
Current assets			
Cash and cash equivalents	4	68,655.90	49,119.40
Trade and other receivables	5	<u>319,100.40</u>	<u>38,021.30</u>
Total current assets		<u>387,756.30</u>	<u>87,140.70</u>
Non-current assets			
Trade and other receivables	5	<u>1,909,025.13</u>	<u>2,534,025.13</u>
		<u>1,909,025.13</u>	<u>2,534,025.13</u>
Total assets		<u>2,296,781.43</u>	<u>2,621,165.83</u>
Liabilities			
GST payable		5,335.00	0.00
Income received in advance	6	<u>156,811.00</u>	<u>112,000.00</u>
Total current liabilities		<u>162,146.00</u>	<u>112,000.00</u>
Income received in advance	6	325,620.00	400,000.00
Committed funds	7	<u>0.00</u>	<u>603,491.00</u>
Total non-current liabilities		<u>325,620.00</u>	<u>1,003,491.00</u>
Total liabilities		<u>487,766.00</u>	<u>1,115,491.00</u>
Net assets		<u>1,809,015.43</u>	<u>1,505,674.83</u>
Total trust funds		<u>1,809,015.43</u>	<u>1,505,674.83</u>

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 7 to 14

Lizard Island Reef Research Foundation

Statement of profit or loss and other comprehensive income for the year ended 30 June 2015

	Note	2015	2014
		\$	\$
Revenue			
Donations members		413,594.99	274,173.52
Donations fellowships		33,500.00	37,000.00
Donations life memberships		60,000.00	35,000.00
Donations other		13,750.00	13,600.00
Annual dinner - Sydney		7,345.68	11,625.00
Annual lunch - Melbourne		2,320.00	2,300.00
Interest		102,205.55	105,402.45
Discount on payment of committed funds	7	104,349.00	0.00
		<u>737,065.22</u>	<u>479,100.97</u>
Expenses			
Audit and accountancy fees		13,750.00	13,100.00
Bank charges		1,174.55	370.64
Annual dinner - Sydney		9,468.58	11,046.08
Annual lunch - Melbourne		2,319.25	2,672.05
Interest expense - unwinding of discount	7	0.00	24,005.00
Travel prizes		0.00	690.00
Other expenses	8	10,458.10	4,222.73
Research expenses	9	126,244.00	92,638.84
Transfers to the Australian Museum for research & fellowships at Lizard Island Research Station	10	270,310.14	81,473.00
		<u>433,724.62</u>	<u>230,218.34</u>
Surplus for the year representing total comprehensive income		<u>303,340.60</u>	<u>248,882.63</u>
Statement of changes in trust funds for the year ended 30 June 2015			
Accumulated funds at beginning of the year		1,505,674.83	1,256,792.20
Surplus for the year representing total comprehensive income		303,340.60	248,882.63
Accumulated funds at end of the year		<u>1,809,015.43</u>	<u>1,505,674.83</u>

The statement of profit or loss and other comprehensive income and changes in trust funds are to be read in conjunction with the notes to the financial statements set out on pages 7 to 14

Lizard Island Reef Research Foundation

Statement of cash flows for the year ended 30 June 2015

	Note	2015	2014
		\$	\$
Cash flows from operating activities			
Cash receipts in the course of operations		500,941.67	887,417.57
Cash payments to suppliers		-155,479.58	-127,282.21
Transfers to the Australian Museum for research & fellowships at Lizard Island Research Station		-270,310.14	-81,473.00
Net cash from operating activities		<u>75,151.95</u>	<u>678,662.36</u>
Cash flows from investing activities			
Investments in term deposits		341,321.00	-897,279.10
Interest received		102,205.55	105,402.45
Net cash from investing activities		<u>443,526.55</u>	<u>-791,876.65</u>
Cash flows from financing activities			
Repayment of committed funds		<u>-499,142.00</u>	<u>0.00</u>
Increase/decrease in cash and cash equivalents		19,536.50	-113,214.29
Cash and cash equivalents at 1 July		49,119.40	162,333.69
Cash and cash equivalents at 30 June	4	<u><u>68,655.90</u></u>	<u><u>49,119.40</u></u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 7 to 14

Lizard Island Reef Research Foundation

Notes to the Financial Statements for the year ended 30 June 2015

1. Reporting entity

Lizard Island Reef Research Foundation ("the entity") is a Trust domiciled in Australia. The entity maintains its office C/- Lizard Island Reef Research Foundation, 6 College Street, Sydney NSW 2010.

The entity is a not-for-profit organisation that supports coral reef research at the Lizard Island Research Station by promoting and helping to sustain the activities and operations conducted there.

2. Basis of preparation

a) Statement of compliance

The financial statements of the entity are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB-RDRs) adopted by the Australian Accounting Standards Board and the Australian Charities and Not-for-profit Commission (ACNC) Act 2012. The financial report of the entity does not comply with International Financial Reporting Standards (IFRS) as the entity has adopted the exemptions allowed for not-for-profit organisations under AASB101 "Presentation of Financial Statements".

The financial statements were approved by the Trustees on 23rd October 2015.

b) Basis of preparation

The financial statements are prepared on the historical cost basis.

c) Functional currency

The financial statements are presented in Australian dollars which are the entity's functional currency.

d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no judgements made by the trustees in the application of Australian Accounting Standards that have significant effect on the financial report of estimates with a significant risk of material misstatement in the next year.

**Notes to the Financial Statements
for the year ended 30 June 2015**

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost less any impairment losses.

b) Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

c) Revenue

i. Donations

The entity is a not-for-profit organisation and receives significant income from donations. Donations are recognised as they are received or, where special terms and conditions are attached to these, in accordance with those terms and conditions.

Lizard Island Reef Research Foundation

Notes to the Financial Statements for the year ended 30 June 2015

3. Significant accounting policies (continued)

ii. Grants

Certain funding comprises grants for specific purposes. Some Lizard Island research programs are supported by grants received from The Ian Potter Foundation.

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, including the return of unspent funds, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

iii. Membership

Membership revenue is recognised as revenue when there is no significant uncertainty as to its collectability.

iv. Finance income

Finance income comprises interest income on funds invested and is recognised on a cash basis taking into account the interest rates relevant to the financial assets.

d) Finance expenses

Finance expenses comprise the unwinding of discounts on liabilities.

e) Taxation

The Foundation is an exempt charitable body for income tax purposes within the provisions of Section 50-5 of the Income Tax Assessment Act 1997. The Foundation was granted Deductible Gift Recipient status by the Australian Taxation Office from 1 July 2000.

f) Committed funds

Unconditional committed funds are recognised and measured at amortised cost using the effective interest rate method.

g) Research expenses

These represent payments for marine research carried on at or in the vicinity of Lizard Island in accordance with the objectives of the Trust Deed.

h) Transfers to the Australian Museum for the Lizard Island Research Station

These represent gifts by the entity in accordance with the objectives of the Trust Deed.

Lizard Island Reef Research Foundation

Notes to the Financial Statements

for the year ended 30 June 2015

Lizard Island Reef Research Foundation

NOTE 4 - Cash and cash equivalents

	2015	2014
	\$	\$
Westpac cheque account	13,849.95	22,689.14
Westpac Business Cash Reserve account	54,805.95	26,430.26
	<u>68,655.90</u>	<u>49,119.40</u>

NOTE 5 - Trade and other receivables

Current

Term deposits	280,950.00	0.00
Interest receivable	38,150.40	35,421.40
Other receivables - GST	0.00	2,599.90

Non-current

Term deposits	1,909,025.13	2,534,025.13
	<u>2,228,125.53</u>	<u>2,572,046.43</u>

NOTE 6 - Income received in advance

Current

Grant for research on Crown of Thorns Starfish	110,000.00	100,000.00
Grant for doctoral fellowships	17,500.00	12,000.00
Grant for research facilities	29,311.00	0.00

Non-current

Grant for research on Crown of Thorns Starfish	325,620.00	400,000.00
	<u>482,431.00</u>	<u>512,000.00</u>

NOTE 7 - Committed funds

Opening balance	603,491.00	579,486.00
Interest expense - unwinding of discount	0.00	24,005.00
Discount on payment	-104,349.00	0.00
Repayment in full	-499,142.00	0.00
Closing balance	<u>0.00</u>	<u>603,491.00</u>

Current	0.00	0.00
Non-current	0.00	603,491.00
Closing balance	<u>0.00</u>	<u>603,491.00</u>

**Notes to the Financial Statements
for the year ended 30 June 2015**

7. Committed funds (continued)

On 16 October 2006, the Foundation entered into an agreement with the Australian Museum Trust, whereby the Foundation committed to provide funding to the Museum in relation to a major upgrade of Lizard Island Research Station. There were two obligations pursuant to this agreement:

- a) To pay to the Museum A\$1,271,498 over the years 2007-2011 as direct funding for the upgrade of the Lizard Island Research Station. This money has been paid as required by the agreement.
- b) To pay to the Museum A\$50,000 per annum for twenty years from 2018 to 2037 to enable the Museum to repay A\$1,000,000 of a \$1,500,000 loan from the Smart State Research Facilities Fund administered by the State of Queensland through the Department of State Development. The loan of \$1,500,000 was applied to the upgrade of the Lizard Island Research Station.

The Foundation had invested cash sufficient to make the abovementioned payments of \$50,000 per annum in a term deposit that matures in October 2017. That deposit earned 5.2% per annum. Given this deposit, the interest rate used to discount future payments back to June 2014 was 5.2% for the period up to the end of calendar year 2017. Thereafter payments were all discounted at an assumed interest rate of 4.27%. The assumed rate of 4.27% was the 15 year swap rate as at 1st July 2014. This rate was the fixed rate that an Australian bank would have received in return for paying out a floating rate of interest over the 15 years. It was used in the valuation as at June 2014 as it reflects the cost of locking in a fixed interest rate for Australian banks. The 2014 calculations assumed annual compounding of interest earnings and that there is no tax obligation in relation to the interest earnings.

The expense item in the 2014 accounts "Interest expense – unwinding of discount" represents the difference between the value of the funds required to be invested to meet these payment obligations at the start of the year and at the end of the year.

During the current year, the Australian Museum received a proposal from the Queensland Government whereby a payment of \$499,142 would be regarded as payment in full of its obligation to the Queensland Government. The Foundation has paid \$499,142 to the Australian Museum Trust in accordance with the 16 October 2006 agreement. The result is that an amount of \$104,349 has been brought to account as income in the current year as a discount on the payment of committed funds.

8. Other expenses

	2015	2014
	\$	\$
Other expenses	<u>10,458.10</u>	<u>4,222.73</u>

These are expenses for activities to introduce potential new supporters to the Lizard Island Reef Research Foundation.

Lizard Island Reef Research Foundation

Notes to the Financial Statements for the year ended 30 June 2015

9. Research expenses

	2015	2014
	\$	\$
Polychaete workshop at Lizard Island	2,684.62	20,500.72
Crown of Thorns Research at Lizard Island	64,380.00	0.00
Satellite tags for tracking marlin	59,179.38	72,138.12
	<u>126,244.00</u>	<u>92,638.84</u>

Polychaete workshop

This funded a research workshop at Lizard Island Research Station by a group of international experts on polychaetes. Polychaetes (segmented bristle worms) are the most abundant and diverse group in all marine and estuarine environments from the intertidal to the deep-sea. They are an important component of marine ecosystems as they aid the deposition, breakdown, incorporation and turnover of the organic matters in the seabed that help to recycle nutrients to the water column. They are also important as a food source for many other organisms and, due to their high calorific value and rich protein content, both the adults and larvae of polychaetes are the main food supply of many economically important fishes.

Crown of Thorns Research

It is estimated that the Great Barrier Reef has had a 50% reduction in mean coral cover since 1986 with 40% of that reduction due to Crown of Thorns Starfish eating the coral and the rest due largely to major storms. In 2014 The Ian Potter Foundation awarded the Lizard Island Reef Research Foundation a 50th Anniversary Commemorative Grant of \$500,000 to enable research on the best methods to control and/or prevent outbreaks of Crown of Thorns Starfish. This research will be conducted over a number of years.

Satellite tags for tracking marlin

This funded the purchase of satellite tags for marlin tagged and released in the vicinity of Lizard Island. The oceans have been denuded of most of their big fish and this has major impacts on the marine ecosystems. It is important to understand the movements of these fish so that we can best work to preserve them. These satellite tags record details of the marlin's movements for several months and then detach and surface to transmit all data to a central database via satellite.

10. Transfers to the Australian Museum (related party)

Transfers to the Australian Museum to support research at the Lizard Island Research Station	195,069.00	24,473.00
Research fellowships and grants	75,241.14	57,000.00
	<u>270,310.14</u>	<u>81,473.00</u>

Transfers to the Australian Museum to support the Lizard Island Research Station were lower than planned in 2014 due to the impact of Cyclone Ita that passed directly over Lizard Island on 11th April, 2014. A number of items of capital expenditure planned for 2014 were rescheduled to the 2015 financial year.

Lizard Island Reef Research Foundation

Notes to the Financial Statements for the year ended 30 June 2015

11. Key management personnel and related parties

The following were key management personnel of the Trust at any time during the reporting period, and unless otherwise indicated were key management personnel for the entire period:

Trustee (collectively)

Dr. Penny Berents **	Prof. Lynne Madden
Mr. David Armstrong *	Ms. Kim McKay AO **
Mr. Jim Bildner	Mrs. Heather Power
Mr. Kenneth Coles AM (Emeritus from 7/5/2015)	Mr. Robert Purves AM
Mrs. Fiona Playfair	Mr. David Shannon (Chairman)
Ms. Belinda Gibson *	Mr. Graham Sherry OAM
Dr. Ronnie Harding	Mr. Charles Shuetrim AM
Mr. Chris Joscelyne	Ms. Helen Wellings
Mr. Vivian King	

* Australian Museum Trust representative on the LIRRF Board

** Staff member of the Australian Museum

Transactions with key management personnel

The trustee did not receive any remuneration or superannuation benefits during the year from the Trust.

Other transactions with the Trust

The trustee has not entered into a material contract with the Trust during the year ended 30 June 2015 and there were no material contracts involving trustee's interests subsisting at reporting date.

12. Subsequent events

There have been no events subsequent to the balance date which would have a material effect on the Foundation's financial statements as at 30 June 2015.

Lizard Island Reef Research Foundation

Notes to the Financial Statements for the year ended 30 June 2015

13. Results of fundraising appeals

The Foundation received donations from members, corporate organisations, charitable trusts and the general public during the year. In addition to the donations, fundraising appeals held each year include the Annual Dinner in Sydney and the Annual Lunch in Melbourne. The information below is supplied to meet the requirements of the Charitable Fundraising (NSW) Act 1991 and Regulations under the Act.

	2015	2014
	\$	\$
Gross proceeds from fundraising appeals	530,510.67	373,698.52
Less direct costs of fundraising appeals	<u>-22,245.93</u>	<u>-18,630.86</u>
Net surplus obtained from fundraising appeals	<u>508,264.74</u>	<u>355,067.66</u>
Finance costs - unwinding of discount	0.00	24,005.00
Operating expenses	<u>14,924.55</u>	<u>13,470.64</u>
Surplus arising from fundraising appeals	<u>493,340.19</u>	<u>317,592.02</u>

The surplus from the fundraising appeals has been applied to the charitable purpose of the organisation by transferring the amount of \$270,310 to the Australian Museum for the purpose of research and fellowships at Lizard Island Research Station (2014 \$81,473) and by spending \$126,244 on research expenses (2014 \$92,639).

Comparisons of certain monetary figures and percentages

	2015		2014	
	\$		\$	
Total cost of fundraising / Gross income from fundraising	22,245.93	4.2%	18,630.86	5.0%
	530,510.67		373,698.52	
Net surplus from fundraising / Gross income from fundraising	508,264.74	95.8%	355,067.66	95.0%
	530,510.67		373,698.52	
Transfers to Aust Museum + research expense/ Total expenditure	396,554.14	91.4%	174,111.84	75.6%
	433,724.62		230,218.34	
Transfers to Aust Museum + research expense/ Total income received	396,554.14	53.8%	174,111.84	36.3%
	737,065.22		479,100.97	

Lizard Island Reef Research Foundation

Declaration by Trustee in respect of fundraising appeals

I, Charles Shuetrim, Trustee of the Lizard Island Reef Research Foundation, declare that in my opinion:

- a) The financial statements give a true and fair view of all income and expenditure of the Trust with respect to fundraising appeal activities for the financial year ended 30 June 2015;
- b) The statement of financial position gives a true and fair view of the state of affairs of the Trust with respect to fundraising appeal activities as at 30 June 2015;
- c) The provisions of the Charitable Fundraising (NSW) Act 1991 and Regulations under the Act and the conditions attached to the authority have been complied with during the year ended 30 June 2015; and
- d) The internal controls exercised by the Trust are appropriate and effective in accounting for all income received and applied by the Trust from any of its fundraising appeals.

Dated at Sydney this 23rd day of October 2015

Signed in accordance with a resolution of the Trustees of the Lizard Island Reef Research Foundation



Charles Shuetrim
Trustee

Lizard Island Reef Research Foundation

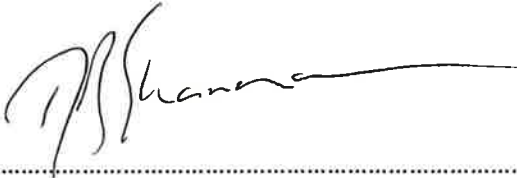
Trustees' Declaration

In the opinion of the Trustees of the Lizard Island Reef Research Foundation ("the Trust"):

- (a) the financial statements and notes that are set out on pages 4 to 14 are in accordance with the Terms of the Trust Deed and the Australian Charities and Not-for-profits Commission Act 2012 including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 23rd day of October 2015

Signed in accordance with a resolution of the Trustees of the Lizard Island Reef Research Foundation



David Shannon
Chairman



Charles Shuetrim
Trustee



Independent auditor's report to the trustees of Lizard Island Reef Research Foundation

Report on the financial report

We have audited the accompanying financial report of Lizard Island Reef Research Foundation (the Trust), which comprises the statement of financial position as at 30 June 2015, and statements of profit or loss and other comprehensive income, statement of changes in trust funds and statement of cash flows for the year ended on that date, notes 1 to 13 comprising a summary of significant accounting policies and other explanatory information and the trustees' declaration.

This audit report has also been prepared for the members of the Co-operative in pursuant to *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC) and Section 24(2) of the *Charitable Fundraising (NSW) Act 1991* and Regulations (collectively the Acts and Regulations).

Trustees' responsibility for the financial report

The Trustees of the trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the ACNC, the Acts and Regulations. The Trustees' responsibility also includes such internal control as the Trustees determine 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.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation of the financial report that gives a true and fair view 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 Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

**Independent auditor's report to the trustees of Lizard Island Reef Research Foundation
(continued)**

We performed the procedures to assess whether in all material respects the financial report gives a true and fair view, in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and the ACNC, a true and fair view which is consistent with our understanding of the Trust's financial position and of its performance.

In addition, our audit report has also been prepared for the trustees of the Trust to meet the requirements of the Acts and Regulations. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the Trust Deed dated 2 September 1996. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Acts and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year end financial report preparation.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Auditor's opinion

In our opinion the financial report of Lizard Island Reef Research Foundation is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (a) giving a true and fair view of the Trust's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.



**Independent auditor's report to the trustees of Lizard Island Reef Research Foundation
(continued)**

NSW – Reporting under Charitable Fundraising (NSW) Act 1991

Audit opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- (a) the financial report gives a true and fair view of the Trust's financial result of fundraising appeal activities for the financial year ended 30 June 2015;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period from 1 July 2014 to 30 June 2015, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- (c) money received as a result of fundraising appeal activities conducted during the period from 1 July 2014 to 30 June 2015 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- (d) there are reasonable grounds to believe that the Lizard Island Reef Research Foundation will be able to pay its debts as and when they fall due

KPMG

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Cameron Roan
Partner

Sydney

23 October 2015