

**Lizard Island Reef Research Foundation**  
**ABN 51 856 560 421**

Annual Report  
30 June 2017

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## Auditor's Independence Declaration

As lead auditor for the audit of Lizard Island Reef Research Foundation for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Manoj Santiago', is written over a light grey circular watermark.

Manoj Santiago  
Partner  
PricewaterhouseCoopers

Sydney  
30 January 2018

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**Lizard Island Reef Research Foundation**  
**Statement of financial position**  
**as at 30 June 2017**

	Note	2017 \$	2016 \$
<b>Current assets</b>			
Cash and cash equivalents	4	109,076.02	101,555.78
Trade and other receivables	5	<u>1,536,582.41</u>	<u>254,666.12</u>
<b>Total current assets</b>		<u>1,645,658.43</u>	<u>356,221.90</u>
<b>Non-current assets</b>			
Trade and other receivables	5	0.00	1,065,961.43
Maple-Brown Abbott Australian Equity Trust		<u>1,443,259.11</u>	<u>1,204,802.69</u>
		<u>1,443,259.11</u>	<u>2,270,764.12</u>
<b>Total assets</b>		<u>3,088,917.54</u>	<u>2,626,986.02</u>
<b>Liabilities</b>			
GST payable		0.00	356.00
Income received in advance	6	<u>231,598.00</u>	<u>156,834.00</u>
<b>Total current liabilities</b>		<u>231,598.00</u>	<u>157,190.00</u>
Income received in advance	6	<u>173,114.00</u>	<u>292,291.00</u>
<b>Total non-current liabilities</b>		<u>173,114.00</u>	<u>292,291.00</u>
<b>Total liabilities</b>		<u>404,712.00</u>	<u>449,481.00</u>
<b>Net assets</b>		<u>2,684,205.54</u>	<u>2,177,505.02</u>
<b>Total trust funds</b>		<u>2,684,205.54</u>	<u>2,177,505.02</u>

*The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 8 to 18*

**Lizard Island Reef Research Foundation**  
**Statement of profit or loss and other comprehensive income**  
**for the year ended 30 June 2017**

	Note	2017	2016
		\$	\$
<b>Revenue</b>			
Donations members		490,982.70	371,505.22
Donations fellowships		45,077.00	52,220.00
Donations life memberships		0.00	144,966.90
Donations other		15,000.00	14,150.00
Annual dinner - Sydney		15,810.00	14,510.00
Annual dinner - Melbourne		0.00	6,470.00
GBR Virtual Reality Dive		0.00	4,816.00
Interest		51,795.51	89,955.84
Distributions Maple-Brown Abbott		86,645.54	34,792.82
		<u>705,310.75</u>	<u>733,386.78</u>
<b>Expenses</b>			
Audit and accountancy fees		15,000.00	14,150.00
Bank charges		2,196.77	1,267.32
Annual dinner - Sydney		16,401.91	11,480.76
Annual dinner - Melbourne		7,360.45	7,464.52
GBR Virtual Reality Dive		0.00	4,807.23
True North event		1,545.45	0.00
Lizard Island Research Station update event		4,251.33	0.00
Other expenses	7	1,751.40	0.00
Research expenses	8	61,025.22	62,206.25
Payments to the Australian Museum for research & research fellowships	9	269,472.00	242,867.00
		<u>379,004.53</u>	<u>344,243.08</u>
<b>Surplus for the year</b>		326,306.22	389,143.70
<b>Other comprehensive income</b>			
Maple-Brown Abbott revaluation	10	159,740.19	(20,654.11)
<b>Total comprehensive income</b>		<u><u>486,046.41</u></u>	<u><u>368,489.59</u></u>

*The statement of profit or loss and other comprehensive income are to be read in conjunction with the notes to the financial statements set out on pages 8 to 18.*

**Lizard Island Reef Research Foundation  
Statement of changes in trust funds  
for the year ended 30 June 2017**

	Note	2017	2016
			\$
Accumulated funds at beginning of the year		2,177,505.02	1,809,015.43
Surplus for the year		326,306.22	389,143.70
Maple-Brown Abbott revaluation		180,394.30	(20,654.11)
Accumulated funds at end of the year		<u><u>2,684,205.54</u></u>	<u><u>2,177,505.02</u></u>

*The statement of changes in trust funds are to be read in conjunction with the notes to the financial statements set out on pages 8 to 18.*

**Lizard Island Reef Research Foundation**  
**Statement of cash flows**  
**for the year ended 30 June 2017**

	Note	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
Cash receipts in the course of operations		522,456.70	575,332.12
Cash payments to suppliers		(128,907.09)	(119,807.10)
Payments to the Australian Museum for research & research fellowships		(269,472.00)	(242,867.00)
<b>Net cash from operating activities</b>		<u>124,077.61</u>	<u>212,658.02</u>
<b>Cash flows from investing activities</b>			
		0.00	
Investments in term deposits		(196,936.30)	920,950.00
Investments in Maple-Brown Abbott		(58,062.12)	(1,225,456.80)
Interest received		51,795.51	89,955.84
Distributions Maple-Brown Abbott		86,645.54	34,792.82
<b>Net cash from investing activities</b>		<u>(116,557.37)</u>	<u>(179,758.14)</u>
<b>Increase/decrease in cash and cash equivalents</b>		7,520.24	32,899.88
<b>Cash and cash equivalents at 1 July</b>		101,555.78	68,655.90
<b>Cash and cash equivalents at 30 June</b>	4	<u><u>109,076.02</u></u>	<u><u>101,555.78</u></u>

*The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 8 to 18.*

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**NOTE 1 - Reporting entity**

Lizard Island Reef Research Foundation (“the Foundation”) is a Trust domiciled in Australia. The Foundation maintains its office C/- Lizard Island Reef Research Foundation, 1 William Street, Sydney NSW 2010. The Foundation is a not-for-profit organisation that supports coral reef research at the Lizard Island Research Station and elsewhere on the Great Barrier Reef by promoting and helping to sustain the activities and operations conducted for the purposes of this research.

**NOTE 2 - Basis of preparation**

**a) Statement of compliance**

The financial statements of the Foundation 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 Foundation does not comply with International Financial Reporting Standards (IFRS) as the Foundation 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 30<sup>th</sup> January 2018.

**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 Foundation’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.

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**NOTE 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***

*Receivables*

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Receivables consist predominately of current and non-current term deposits with banks.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, call deposits with banks and other short term, highly liquid investments with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Foundation in the management of its short-term commitments.

*Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses.

When an investment is derecognised, the cumulative gain or loss in equity is reclassified to profit or loss. Available-for-sale financial assets comprise the Foundation's unit holdings in Maple-Brown Abbott Australian Equities Trust, an unlisted managed fund.

**b) Fair value measurement**

When measuring the fair value of an asset or a liability, the Foundation uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**NOTE 3 - Significant accounting policies (continued)**

**c) 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.

**d) Revenue**

***Donations***

The Foundation 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.

***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 Foundation obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Foundation 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 Foundation 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.

***Membership***

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

***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.

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**NOTE 3 - Significant accounting policies (continued)**

**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 Foundation's Trust Deed.

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

These represent payments by the Foundation for research at and in the vicinity of Lizard Island Research Station and elsewhere on the Great Barrier Reef, in accordance with the objectives of the Trust Deed.

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>NOTE 4 - Cash and cash equivalents</b>		
Westpac cheque account	33,956.29	44,919.84
Westpac Business Cash Reserve account	75,119.73	56,635.94
	<u>109,076.02</u>	<u>101,555.78</u>

**NOTE 5 - Trade and other receivables**

Current		
Term deposits	1,465,961.43	203,063.70
Interest receivable	24,337.28	35,299.40
GST receivable	1,606.18	0.00
Other receivables	44,677.52	16,303.02
Non-current		
Term deposits	0.00	1,065,961.43
	<u>1,536,582.41</u>	<u>1,320,627.55</u>

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>NOTE 6 - Income received in advance</b>		
Current		
Grant for research on Crown of Thorns Starfish	100,000.00	100,000.00
Grant for doctoral fellowships	36,903.00	41,480.00
Grant for research facilities	94,695.00	15,354.00
Non-current		
Grant for research on Crown of Thorns Starfish	173,114.00	292,291.00
	<u>404,712.00</u>	<u>449,125.00</u>
<b>NOTE 7 - Other expenses</b>		
Other expenses	<u>1,751.40</u>	<u>0.00</u>
<b>NOTE 8 - Research expenses</b>		
Satellite tags for tracking marlin	<u>61,025.22</u>	<u>62,206.25</u>
	<u>61,025.22</u>	<u>62,206.25</u>

***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.

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>NOTE 9 - Payments to the Australian Museum (related party)</b>		
Research at Lizard Island Research Station and elsewhere on the Great Barrier Reef	79,627.00	131,618.00
Research fellowships and grants	189,845.00	111,249.00
	<u>269,472.00</u>	<u>242,867.00</u>

The payments to the Australian Museum are for scientific research, principally conducted at Lizard Island Research Station or in the vicinity of Lizard Island. Grants for research on Crown of Thorns Starfish (COTS) cover activities at Lizard Island Research Station and elsewhere on the Great Barrier Reef where there are significant numbers of COTS.

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>NOTE 10 - Maple-Brown Abbott</b>		
Non-current		
Available for sale securities	<u>1,443,259.11</u>	<u>1,204,802.69</u>
	<u>1,443,259.11</u>	<u>1,204,802.69</u>

Maple-Brown Abbott Australian Equity Trust is measured at fair value and is classified as available for sale investments. Units of the Maple-Brown Abbott Australian Equity Trust held by the Foundation during the financial year generated \$86,645.54 in distribution income.

The investment manager supervises, monitors and evaluates investments in accordance with the Foundation's investment policy.

Original cost of investment	1,225,456.80	1,206,967.00
Impairment loss recognised in current year	0.00	0.00
Revaluation recognised in reserves	0.00	0.00
Revaluation recognised in other comprehensive income	159,740.19	(20,654.11)
Distributions reinvested into the Fund	<u>58,062.12</u>	<u>18,489.80</u>
	<u>1,443,259.11</u>	<u>1,204,802.69</u>

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**NOTE 11 – Financial instruments – fair values and risk management**

a) **Accounting classifications and fair value**

	<b>Note</b>	<b>Loans &amp; receivables \$</b>	<b>Available for sale \$</b>	<b>Total \$</b>	
<b>Year 2017</b>					
Financial assets measured at fair value					
Maple-Brown Abbott units	10		1,443,259.11	1,443,259.11	Level 1
Total		0.00	1,443,259.11	1,443,259.11	
Financial assets not measured at fair value					
Current term deposits		1,465,941.43		1,465,941.43	
Non-current term deposits		0.00		0.00	
Interest receivable		24,337.28		24,337.28	
GST receivable		1,606.18		1,606.18	
Other receivables		44,677.52		44,677.52	
Cash & cash equivalents		109,076.02		109,076.02	
		1,645,658.43	0.00	1,645,658.43	
<b>Year 2016</b>					
Financial assets measured at fair value					
Maple-Brown Abbott units	10	0.00	1,204,802.69	1,204,802.69	Level 1
Total		0.00	1,204,802.69	1,204,802.69	
Financial assets not measured at fair value					
Current term deposits	5	203,063.70		203,063.70	
Non-current term deposits	5	1,065,961.43		1,065,961.43	
Interest receivable	5	35,299.40		35,299.40	
Other receivables	5	16,303.02		16,303.02	
Cash & cash equivalents	4	101,555.78		101,555.78	
		1,422,183.33	0.00	1,422,183.33	

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**b) Financial risk management**

The Foundation has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

See below for notes on each of these risks.

***Risk management framework***

The Trustees have overall responsibility for the establishment and oversight of the Foundation's risk management framework. The Trustees have established the Audit and Risk Committee, which is responsible for developing and monitoring the Foundation's risk management policies. The committee reports regularly to the Trustees.

The Foundation's risk management policies are established to identify and analyse the risks faced by the Foundation, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Foundation's activities.

***Credit risk***

Credit risk is the financial loss to the Foundation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure.

***Trade and other receivables***

The Foundation held term deposits of \$1,465,961.43 as at 30 June 2017. The term deposits are held with Westpac Banking Corporation.

***Cash and cash equivalents***

The Foundation held cash and cash equivalents of \$109,076.02 as at 30 June 2017. The cash and cash equivalents are held with Westpac Banking Corporation.

***Liquidity risk***

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting the obligations associated with its financial liabilities. The Foundation's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Foundation's reputation.

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**Market risk**

Market risk is the risk that changes in market prices – interest rates and equity prices – will affect the Foundation’s income or the value of its holdings of financial instruments. The objective of Audit and Risk Committee is to manage and control market risk exposures within acceptable parameters, while optimising the return.

	Fixed return financial instruments \$	Variable return financial instruments \$	Carrying value as at 30 June \$
<b>Year 2017</b>			
Current term deposits	1,465,961.43	0.00	1,465,961.43
Non-current term deposits	0.00	0.00	0.00
Maple-Brown Abbott units	0.00	1,443,259.11	1,443,259.11
Total	<u>1,465,961.43</u>	<u>1,443,259.11</u>	<u>2,909,220.54</u>
<b>Year 2016</b>			
Current term deposits	203,063.70	0.00	203,063.70
Non-current term deposits	1,065,961.43	0.00	1,065,961.43
Maple-Brown Abbott units	0.00	1,204,802.69	1,204,802.69
Total	<u>1,269,025.13</u>	<u>1,204,802.69</u>	<u>2,473,827.82</u>

Investment returns from cash and cash equivalents and term deposits are shown as “interest” in the Statement of Profit or Loss and Other Comprehensive Income.

Investment returns from Maple-Brown Abbott are shown as “Distributions Maple-Brown Abbott” in the Statement of Profit or Loss and Other Comprehensive Income.

**Lizard Island Reef Research Foundation  
Notes to the Financial Statements  
for the year ended 30 June 2017**

**NOTE 12 - Key management personnel and related parties**

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

***Trustee (collectively)***

Dr. Penny Berents \*\*

Mr. David Armstrong \*

Mr. Jim Bildner

Mr. Kenneth Coles AM (Emeritus from 7/5/2015)

Ms. Belinda Gibson \*

Dr. Ronnie Harding

Ms. Kate Hayward

Mr. Chris Joscelyne

Mr. Vivian King

Mr. James Kirby

Prof. Lynne Madden

Ms. Kim McKay AO \*\*

Mrs. Heather Power

Mr. Robert Purves AM

Mr. David Shannon (Chairman)

Mr. Graham Sherry OAM

Mr. Charles Shuetrim AM

Ms. Helen Wellings

\* 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 Foundation.

***Other transactions with the Foundation***

The Trustee has not entered into a material contract with the Foundation during the year ended 30 June 2017 and there were no material contracts involving Trustee's interests subsisting at reporting date.

**NOTE 13 - 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 2017.

**Lizard Island Reef Research Foundation**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2017**

**NOTE 14 - 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.

	<b>2017</b>		<b>2016</b>
	\$		\$
Gross proceeds from fundraising appeals	566,869.70		608,638.12
Less direct costs of fundraising appeals	<u>(29,559.14)</u>		<u>(23,752.51)</u>
Net surplus obtained from fundraising appeals	<u>537,310.56</u>		<u>584,885.61</u>
Operating expenses	<u>18,948.17</u>		<u>15,417.32</u>
Surplus arising from fundraising appeals	<u>518,362.39</u>		<u>569,468.29</u>

The surplus from the fundraising appeals has been applied to the charitable purpose of the Foundation:

- a) by paying the amount of \$269,472 to the Australian Museum for the purpose of research and research fellowships at Lizard Island Research Station (2016 \$242,867);
- b) by spending \$61,025 on research expenses (2016 \$62,206); and
- c) by retaining the balance of \$187,865 (2016 \$264,395) on trust to fund future scientific research in accordance with the Foundation's Trust Deed.

*Comparisons of certain monetary figures and percentages*

	<b>2017</b>		<b>2016</b>	
	\$		\$	
Total cost of fundraising /	29,559.14	5.2%	23,752.51	3.9%
Gross income from fundraising	566,869.70		608,638.12	
Net surplus from fundraising /	537,310.56	94.8%	584,885.61	96.1%
Gross income from fundraising	566,869.70		608,638.12	
Transfers to Aust Museum + research expense /	330,497.22	87.2%	305,073.25	88.6%
Total expenditure	379,004.53		344,243.08	
Transfers to Aust Museum + research expense /	330,497.22	46.9%	305,073.25	41.6%
Total income received	705,310.75		733,386.78	

**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 Foundation with respect to fundraising appeal activities for the financial year ended 30 June 2017;
- b) The statement of financial position gives a true and fair view of the state of affairs of the Foundation with respect to fundraising appeal activities as at 30 June 2017;
- 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 2017; and
- d) The internal controls exercised by the Foundation 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 30<sup>th</sup> day of January 2018

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



.....

Charles Shuetrim  
Trustee

## Lizard Island Reef Research Foundation

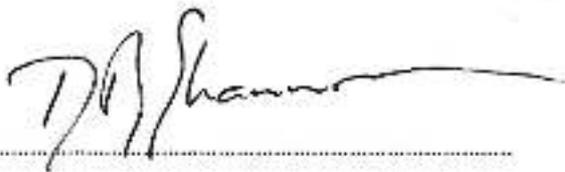
### Trustees' Declaration

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

- (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 Foundation's financial position as at 30 June 2017 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 Foundation will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 30<sup>th</sup> day of January 2018

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

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### *Our opinion*

In our opinion:

The accompanying financial report of Lizard Island Reef Research Foundation (the Trust) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Trust's financial position as at 30 June 2017 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### ***What we have audited***

The financial report comprises:

- the statement of financial position as at 30 June 2017
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the statement of profit or loss and other comprehensive income for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the trustees' declaration.

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

### ***Independence***

We are independent of the Trust 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.

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### *Responsibilities of the trustees 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 and *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal

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control as the trustees 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, the trustees are responsible for assessing the ability of the Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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### *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 the 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: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

A handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in dark ink, appearing to read 'Manoj Santiago', written in a cursive style.

Manoj Santiago  
Partner

Sydney  
30 January 2018