



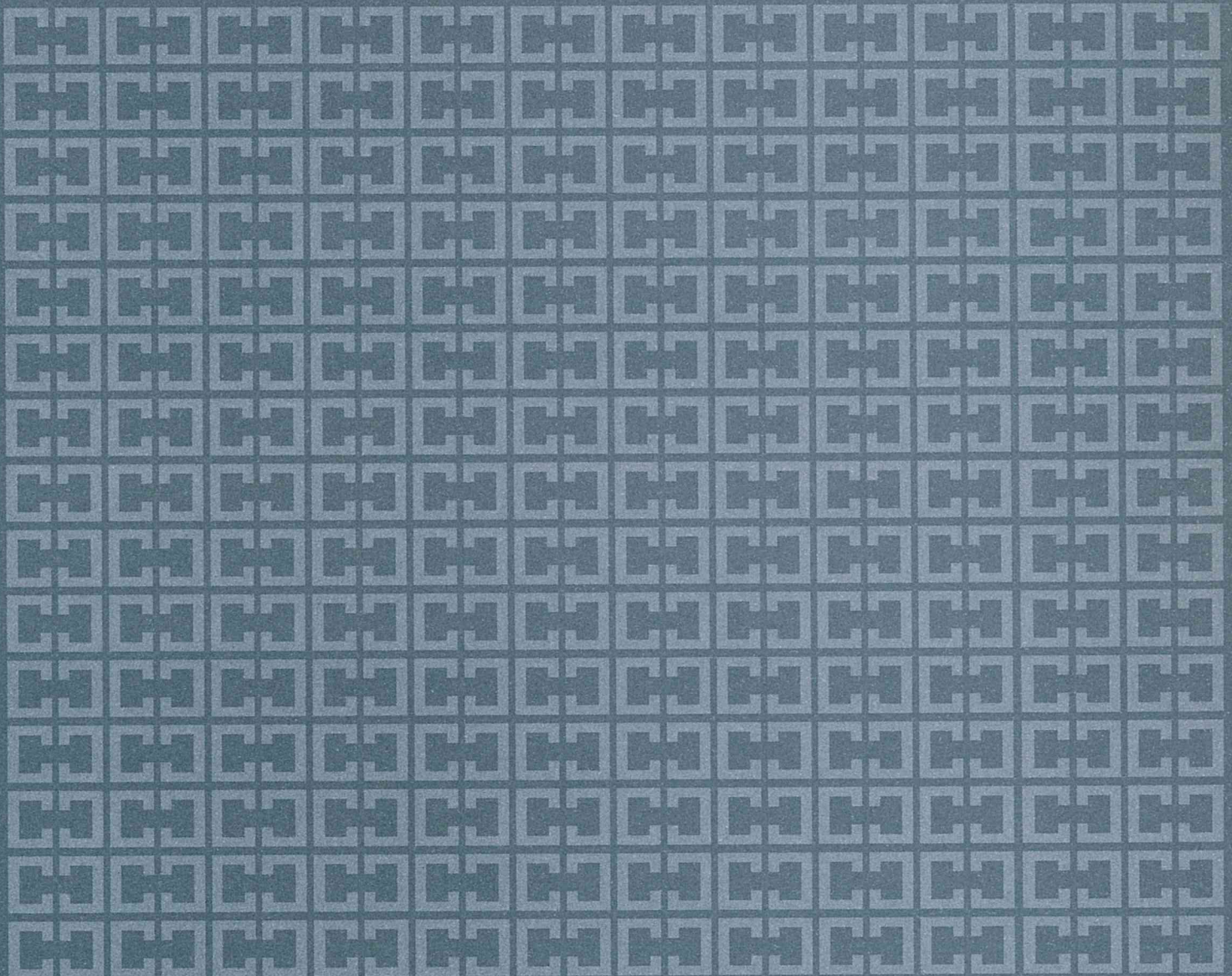
hanrickcurran
ACCOUNTANTS. STRATEGISTS
experience. new thinking

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Financial Statements

For the Year Ended 30 June 2014



Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Contents

For the Year Ended 30 June 2014

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration	8
Statement of Profit or Loss and Other Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Financial Statements	13
Directors' Declaration	26
Independent Audit Report	27

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

Your directors present their report on the Company for the financial year ended 30 June 2014.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position
Ms Carmel Monaghan	Secretary
Mrs Jean Grace Pockett	
Mr Cyril Reginald Gilbert	Resigned 20 November 2013
Mr Thomas Kevin Ryan	
Professor John Hensley Pearn	
Mr Patrick Leonard Welsh	
Mr John Gallagher	
Ms Toni Thornton	
Dr Michael Harrison	
Professor Ross Young	
Associate Professor David Colquhoun	
Mr Mark Page	
Professor Keneth Donald	
Mr Stephen Copplin	
Professor Gerald Holtmann	Appointed 25 September 2013

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Ms Carmel Monaghan held the position of company secretary at the end of the financial year, she is also a director and her details and qualifications are set out later in this report.

Our Vision

We believe that the diseases which indiscriminately affect both the young and old, can and must be conquered in our lifetime through medical research. In our vital work of facilitating discoveries, we remember and take inspiration from the discipline and dedication exemplified by our veterans.

GMRF foundation mission:

GMRF's supporters hold a deep belief that medical research can change lives. We aim to turn their belief into breakthroughs by raising and investing funds into the innovative scientific discoveries of tomorrow. We ensure that our scientists have the time, space and resources required to find new ways to save lives.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

GMRF research mission:

GMRF is driven to improve human health by identifying and exploring the black holes in current scientific knowledge. Beyond the boundaries of today's treatments, we search for answers to the most challenging medical questions. The depth and quality of this research is a result of relentlessly focussing on our strengths and specialisations. We bring together the best ideas and individuals in pursuing game changing discoveries.

Our Strategy:

1. Provide the infrastructure, governance and resources to support existing and future research endeavours
2. Facilitate and support a culture of medical research within the Greenslopes Private Hospital through competitive scholarships and grants
3. Communicate effectively, thereby increasing community and corporate support for the Foundation and its research
4. Consistently deliver exceptional clinical research activity to our patients and Sponsors
5. Expansion within our specialisations and areas of expertise to include additional research themes.

Principal Activities

The principal activities of Gallipoli Medical Research Foundation Ltd during the financial year were the establishment and undertaking of research projects.

No significant change in the nature of these activities occurred during the year.

How those activities assisted in achieving the company's objectives

The Foundation is dedicated to leading the way in championing life changing medical research. The Gallipoli Medical Research Foundation's Research Centres and Clinical Trials Unit continue to strive tirelessly to find better ways to prevent, treat and ultimately cure currently incurable diseases.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

How the company measures its performance, including key performance indicators used by the company

The Foundation's Research Committee assess the research outputs of the research teams each year. Established Key Performance Indicators include:

- Number of publications both quantity and quality taking into consideration the impact factor of journals/ranking of the journal in the field
- Number of student completions
- Abstracts & presentations quantity and quality
- Grant income compared to money raised through competitive grant rounds and quantity of this income
- Grant submissions and return on investment for research outcomes
- Percentage of science citation
- H index* – the set of most cited papers and the number of citations received in other people's publications.
- Number of patients in clinical trials/involvement in clinical trials and papers thereof.

Written reports on research activities are provided once a year by the teams and presentations made to the Research Committee and Board.

(*The H index is an index that attempts to measure both the scientific productivity and the apparent scientific impact of a scientist or group of scientists. The index is based on the set of the scientist's most cited papers and the number of citations that they have received in other people's publications.)

Business review

Operating Results

The loss from ordinary activities after providing for income tax amounted to \$309,231. (2013: Loss \$322,698).

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

Information on directors

Associate Professor David Colquhoun

Qualifications

Experience

MBBS, FRACP, FCSANZ

Consultant cardiologist in private practice since 1984

Mr Stephen Copplin

Qualifications

Experience

B.Bus (Acc) FCPA, FAICD

Managing Director of the CFO Centre,
Adjunct Professor University of Queensland IT and
Electrical Engineering School

Special Responsibilities

Chairman: Finance and Audit Sub-Committee

Professor Kenneth Donald AO

Qualifications

Experience

MBBS, PhD, FRCPA, FRCPATH, FRACMA,
FRACS(Hon)

Professor of Assessment and Evaluation at Griffith
University Medical School

Mr John Gallagher QC

Qualifications

Experience

BA, LLB

Barrister

Mr Cyril Gilbert OAM

Experience

(Resigned November 2013)

Well Known Queenslander, high Profile advocate
and mentor for the veteran community

Dr Michael Harrison

Qualifications

Experience

MBBS (1st Class Honours), FRCPA (General
Pathology)

Chief Executive Officer/Managing Partner at
Sullivan Nicolaides Pathology and Consultant
Pathologist

Professor Gerald Holtmann

Qualifications

Experience

(Appointed September 2013)

MBBS, FRACP, PhD

Director of Gastroenterology and Hepatology,
Princess Alexandra Hospital; Associate Dean
(Clinical) University of Queensland

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

Information on directors (continued)

Ms Carmel Monaghan

Qualifications

Experience

Special Responsibilities

BBus Comm, MBA

National Marketing and Public Affairs Manager,
Ramsay Health Care

Secretary

Mr Mark Page

Qualifications

Experience

Special Responsibilities

BBus

CEO of Greenslopes Private Hospital

Deputy Chairman

Professor John Pearn AO

Qualifications

Experience

AO RDF MBBS (Hons I), MD (Qld), PhD (Lond),
DSc, MPhil, DCH, FRACP, FRCP, FRCPS (Glas),
FAMA, FAIM, FLS

Senior paediatrician at the Royal Children's
Hospital in Brisbane

Ms Jean Pockett

Experience

Former Vice president of the War Widows Guild
(QLD) Inc

Mr Thomas Ryan

Qualifications

Experience

Special Responsibilities

B Pharm, FACP, FAICD

Former Director and Chairman of Australian
Pharmaceutical Health Care Systems (APHS)

Chairman

Ms Toni Thornton

Qualifications

Experience

Special Responsibilities

BA, GradDip, AFI

Executive Director of JBWere

Chairman: Fundraising Sub-Committee

Mr Pat Welsh

Experience

Sports Editor - Channel 7 News, Brisbane

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

Information on directors (continued)

Professor Ross Young

Qualifications

Experience

Special Responsibilities

BSc(Hons), MSc, Dip, Clin Psyc, PhD, MAPS

Executive Dean, Faculty of Health at the
Queensland University of Technology

Chairman: Research and Governance Sub-
Committee

Meetings of directors

During the financial year, 4 Board of Director's meetings and 7 Board Subcommittee meetings were held. Attendances by each director during the year were as follows:

	Board Meetings		Board Subcommittee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Ms Carmel Monaghan	4	2	-	-
Mr Jean Grace Pockett	4	2	-	-
Mr Cyril Gilbert OAM	3	2	-	-
Mr Thomas Kevin Ryan	4	4	1	1
Professor John Pearn	4	1	-	-
Mr Patrick Leonard Welsh	4	2	3	1
Mr John Gallagher	4	1	1	-
Ms Toni Thorton	3	3	3	2
Dr Michael Harrison	4	1	3	2
Professor Ross Young	4	4	3	3
Associate Professor David Colquhoun	4	4	6	5
Mr Mark Page	4	3	3	2
Professor Keneth Donald	4	2	3	-
Mr Stephen Copplin	4	4	4	4
Professor Gerald Holtmann	3	3	2	1

Other items

Significant Changes in State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

After Balance Day Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Directors' Report

30 June 2014

Other items (continued)

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out at page 8.

Indemnifying Officers or Auditors

Directors and Officers insurance amounting to \$10,928 (2013 - \$9,824) was paid during the year.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

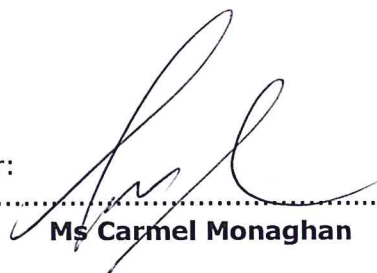
Signed in accordance with a resolution of the Board of Directors:

Director:



Mr Thomas Ryan

Director:



Ms Carmel Monaghan

Brisbane, 3 September 2014

Gallipoli Medical Research Foundation Ltd

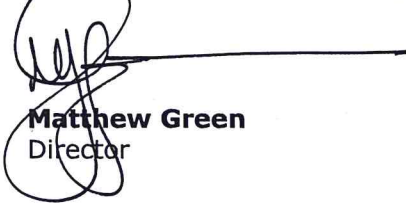
ACN: 077 750 693

Auditor's Independence Declaration To the Board of Directors Gallipoli Medical Research Foundation Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014, 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.

Hanrick Curran Audit Pty Ltd
Authorised Audit Company: 338599



Matthew Green
Director

Brisbane, 3 September 2014

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2014

		2014	2013
		\$	\$
	Note		
Revenue	2	2,519,306	1,897,857
Employee benefits expense		(1,146,179)	(919,921)
Depreciation and amortisation expense		(506,688)	(340,655)
Fundraising and Function expenses		(18,082)	(8,561)
Research expenses		(971,246)	(782,767)
Other expenses		(186,342)	(168,651)
Net surplus/(deficit)		(309,231)	(322,698)
Other comprehensive income/(loss) for the year, net of tax		-	-
Total surplus/(deficit)for the year		(309,231)	(322,698)

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Statement of Financial Position

As at 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,318,991	4,170,328
Trade and other receivables	5	193,533	110,898
Other assets	6	53,721	35,282
TOTAL CURRENT ASSETS		4,566,245	4,316,508
NON-CURRENT ASSETS			
Property, plant and equipment	7	5,579,658	6,058,910
Other assets		150,000	180,000
TOTAL NON-CURRENT ASSETS		5,729,658	6,238,910
TOTAL ASSETS		10,295,903	10,555,418
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	264,884	163,653
Other financial liabilities	9	1,402,500	1,541,651
Employee benefits	10	62,519	53,242
TOTAL CURRENT LIABILITIES		1,729,903	1,758,546
NON-CURRENT LIABILITIES			
Other financial liabilities	9	182,508	110,000
Employee benefits	10	5,851	-
TOTAL NON-CURRENT LIABILITIES		188,359	110,000
TOTAL LIABILITIES		1,918,262	1,868,546
NET ASSETS		8,377,641	8,686,872
EQUITY			
Retained surplus		8,377,641	8,686,872
TOTAL EQUITY		8,377,641	8,686,872

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Statement of Changes in Equity

For the Year Ended 30 June 2014

2014

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2013	8,686,872	8,686,872
Deficit	(309,231)	(309,231)
Balance at 30 June 2014	8,377,641	8,377,641

2013

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2012	9,009,570	9,009,570
Deficit	(322,698)	(322,698)
Balance at 30 June 2013	8,686,872	8,686,872

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
CASH FROM OPERATING ACTIVITIES:			
Receipts from customers		1,260,121	2,339,669
Payments to suppliers and employees		(2,162,834)	(1,661,615)
Donations received		518,977	575,110
Interest received		146,281	154,278
Receipts from grants		413,554	141,822
Net cash provided by (used in) operating activities	14(b)	176,099	1,549,264
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for property, plant & equipment		(27,436)	(1,466,466)
Net cash used by investing activities		(27,436)	(1,466,466)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase (decrease) in cash and cash equivalents held		148,663	82,798
Cash and cash equivalents at beginning of year		4,170,328	4,087,530
Cash and cash equivalents at end of financial year	14(a)	4,318,991	4,170,328

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies

The financial report is for Gallipoli Medical Research Foundation Ltd as an individual entity, incorporated and domiciled in Australia. Gallipoli Medical Research Foundation Ltd is a Company limited by guarantee.

Basis of Preparation

The financial statements are a general purpose financial statements that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Buildings

Buildings are measured on the cost basis less subsequent depreciation for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

(b) Property, Plant and Equipment (continued)

have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Buildings	3%
Furniture, Fixtures and Fittings	13%
Computer Equipment	24%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits arising from wages, salaries and annual leave are measured at rates expected to be paid when the liabilities are settled.

(d) Taxation Status

Approval from the Australian Taxation Office was granted on 2 July 1996 that the income of the Foundation is exempt from the payment of income tax under the provisions of section 50-5 of the Income Tax Assessment Act 1997.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities which is disclosed as operating cash flows.

(f) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from donations and bequests, pledges and grants are recognised as described in Notes 1(h) and 1(i).

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

(g) Unearned Income and Pledges Receivable

Frequently donors commit to provide ongoing support over a number of years to the Foundation. The full value of their pledged amount is recognised as a receivable at the time the pledge is made. Amounts are not recognised as revenue until cash is received; the balance of any outstanding pledge is recognised as unearned income until cash is received.

(h) Grants Received

Grants received without any conditions, or unrelated to specific services, are recognised as income when received. Grants received on the condition that specified services are delivered, or conditions fulfilled, are considered as reciprocal grants. Such reciprocal grants are initially recognised as a liability and revenue is recognised as services are performed or conditions are fulfilled.

(i) Research Projects and Grants

All research is expensed when paid and future commitments are disclosed by way of note.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

(j) Contribution of Assets In Kind

Wherever practicable, the fair value of any assets received in kind by the Foundation are recognised as income with a corresponding recognition of an asset.

(k) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount in which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

(k) Financial Instruments (continued)

adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

(k) Financial Instruments (continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(l) Adoption of new and revised accounting standards

During the current year, the following standards became mandatory and have been adopted retrospectively by the Company:

- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*

The accounting policies have been updated to reflect changes in the recognition and measurement of assets, liabilities, income and expenses and the impact of adoption of these standards is discussed below.

AASB 13 *Fair Value Measurement* does not change what and when assets or liabilities are recorded at fair value. It provides guidance on how to measure assets and liabilities at fair value, including the concept of highest and best use for non-financial assets. AASB 13 has not changed the fair value measurement basis for any assets or liabilities held at fair value, however additional disclosures on the methodology and fair value hierarchy have been included in the financial statements.

AASB 119 *Employee benefits* changes the basis for determining the income or expense relating to defined benefit plans and introduces revised definitions for short-term employee benefits and termination benefits.

The Company reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period. Whilst this has been considered to be a long-term employee benefits for the purpose of measuring the leave under AASB 119, the effect of discounting was not considered to be material and therefore has not been performed.

In accordance with the transition provisions in the standard, the comparative figures have been restated.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Statement of Significant Accounting Policies (continued)

(m) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Company:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
2 Revenue		
Operating activities		
- Grants	413,554	141,822
- Clinical trial income	1,224,598	781,456
- Donations	518,977	575,110
- Interest received	146,281	154,278
- Bequest income and memorial gifts	82,739	72,741
- Sponsorship income	20,000	13,777
- Other revenue	113,157	158,673
Total Revenue	<u>2,519,306</u>	<u>1,897,857</u>
3 Result for the Year		
(a) Expenses		
Depreciation	506,688	340,655
Research expenses	971,246	782,767
Employee benefits expense	1,146,179	919,921
4 Cash and Cash Equivalents		
Cash on hand	200	200
Cash at bank	1,291,493	1,642,316
Short-term bank deposits	3,027,298	2,527,812
	<u>4,318,991</u>	<u>4,170,328</u>
5 Trade and Other Receivables		
CURRENT		
Trade receivables	147,602	33,871
Deposits	45,931	45,931
GST receivable	-	31,096
Total current trade and other receivables	<u>193,533</u>	<u>110,898</u>

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
6 Other Assets		
CURRENT		
Prepayments	53,721	34,279
Accrued revenue	-	1,003
	<u>53,721</u>	<u>35,282</u>
NON-CURRENT		
Prepayments	<u>150,000</u>	<u>180,000</u>
7 Property Plant and Equipment		
BUILDINGS		
At cost	3,412,430	3,412,430
Accumulated depreciation	(334,192)	(238,151)
Total buildings	<u>3,078,238</u>	<u>3,174,279</u>
Furniture, fixture and fittings		
At cost	3,347,722	3,374,346
Accumulated depreciation	(980,561)	(666,812)
Total furniture, fixture and fittings	<u>2,367,161</u>	<u>2,707,534</u>
Computer equipment		
At cost	204,868	240,681
Accumulated depreciation	(89,655)	(81,902)
Total computer equipment	<u>115,213</u>	<u>158,779</u>
Artwork		
At cost	19,046	18,318
Total Artwork	<u>19,046</u>	<u>18,318</u>
Total plant and equipment	<u>2,501,420</u>	<u>2,884,631</u>
Total property, plant and equipment	<u>5,579,658</u>	<u>6,058,910</u>

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

2014 **2013**
\$ \$

7 Property Plant and Equipment (continued)

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Works in Progress	Buildings	Furniture, Fixtures and Fittings	Computer Equipment	Artwork	Total
	\$	\$	\$	\$	\$	\$
Balance at 30 June 2014						
Balance at 1 July 2013	-	3,174,279	2,707,534	158,779	18,318	6,058,910
Additions	-	-	18,928	7,780	728	27,436
Disposals	-	-	(20,366)	(6,730)	-	(27,096)
Depreciation expense	-	(96,041)	(338,935)	(44,616)	-	(479,592)
Balance at 30 June 2014	-	3,078,238	2,367,161	115,213	19,046	5,579,658
Balance at 30 June 2013						
Balance at 1 July 2012	2,676,679	975,081	1,190,232	72,789	18,318	4,933,099
Additions	190,381	-	1,158,355	117,730	-	1,466,466
Transfers from capital works in progress	(2,867,060)	2,255,550	611,510	-	-	-
Depreciation expense	-	(56,352)	(252,563)	(31,740)	-	(340,655)
Balance at 30 June 2013	-	3,174,279	2,707,534	158,779	18,318	6,058,910

8 Trade and Other Payables

CURRENT - Unsecured liabilities

Trade payables	37,154	136,552
Other payables	217,509	27,101
GST payable	10,221	-
	264,884	163,653

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
9 Other Liabilities		
CURRENT		
Unearned income	<u>1,402,500</u>	<u>1,541,651</u>
	<u>1,402,500</u>	<u>1,541,651</u>
NON-CURRENT		
Unearned income	<u>182,508</u>	<u>110,000</u>
	<u>182,508</u>	<u>110,000</u>
10 Employee Benefits		
CURRENT		
Annual leave	<u>62,519</u>	<u>53,242</u>
	<u>62,519</u>	<u>53,242</u>
NON-CURRENT		
Long service leave	<u>5,851</u>	<u>-</u>
	<u>5,851</u>	<u>-</u>

11 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$287,125 (2013: \$284,334).

The company has also recorded liabilities to key management personnel associated with employee benefits relating to accrued salary and wages, annual leave and long service leave. These amounts arise in accordance with employment agreements and applicable employment legislation.

12 Related Party Transactions

Other than transactions with key management personnel described above, there were no other related party transactions that occurred during the financial year.

13 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the Company. At 30 June 2014 the number of members was 14 (2013: 15).

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

2014	2013
\$	\$

14 Cash Flow Information

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	4,319,191	4,170,328
	<u>4,319,191</u>	<u>4,170,328</u>

(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

Profit for the year	(309,231)	(322,698)
Non-cash flows in profit:		
Depreciation	506,688	340,655
Changes in assets and liabilities:		
(Increase)/Decrease in trade receivables	(113,731)	65,871
(Increase)/Decrease in prepayments	42,657	87,522
Increase/(Decrease) in trade payables	(99,398)	114,735
Increase/(Decrease) in other trade payables and accruals	200,629	209
Increase/(Decrease) in unearned income	(66,643)	1,247,151
Increase/(decrease) in employee benefits	15,128	15,819
Cashflow from operations	<u>176,099</u>	<u>1,549,264</u>

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2014

15 Capital and Leasing Commitments and Contingencies

(a) Operating Lease Contingencies

The company has a non-cancellable operating lease with Ramsay Hospital Holdings (Queensland) Pty Ltd for a period of 10 years commencing from 15 November 2006. The company is entitled to a rent abatement equivalent to the full value of the rent providing the terms of the lease are complied with.

While the terms of the lease are complied with there are no amounts payable. However, if the terms of the lease were not complied with, the following amounts will be payable.

	2014	2013
	\$	\$
Payable - minimum lease payments		
- not later than 12 months	113,250	113,250
- between 12 months and 5 years	151,000	264,250
	264,250	377,500

16 Events After the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

17 Company Details

The registered office of the company is:
Greenslopes Private Hospital
Newdegate Street
GREENSLOPES QLD 4120

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693


Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 25, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Accounting Standards - Reduced Disclosure Requirement; and
 - b. give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director


.....
Mr Thomas Ryan

Director


.....
Ms Carmel Monaghan

Brisbane, 3 September 2014

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Independent Audit Report to the members of Gallipoli Medical Research Foundation Ltd

Report on the Financial Report

We have audited the accompanying financial report of Gallipoli Medical Research Foundation Ltd, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors 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 control as the directors determine is necessary to enable the preparation of the financial report that 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 entity'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 entity'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.

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

Gallipoli Medical Research Foundation Ltd

ACN: 077 750 693

Independent Audit Report to the members of Gallipoli Medical Research Foundation Ltd

Independence

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

Opinion

In our opinion the financial report of Gallipoli Medical Research Foundation Ltd is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*.

HANRICK CURRAN AUDIT

Hanrick Curran Audit Pty Ltd
Authorised Audit Company:338599



Matthew Green
Director

Brisbane, 3 September 2014