

Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

Financial Statements

For the Year Ended 30 June 2016

Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

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For the Year Ended 30 June 2016

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Gallipoli Medical Research Foundation Ltd

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Directors' Report

30 June 2016

Your directors present their report on the Company for the financial year ended 30 June 2016.

Directors

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

Names	Position
Mr Thomas Kevin Ryan	Chairman
Ms Carmel Monaghan	Secretary
Mr Tim Daniel	Deputy Chairman
Associate Professor David Colquhoun	
Mr Stephen Copplin	
Professor Keneth Donald	
Dr Michael Harrison	
Professor Gerald Holtmann	
Mr Liam Kelly	
Professor John Hensley Pearn	
Mrs Jean Grace Pockett	
Ms Toni Thornton	Returned from Leave of Absence January 2016
Professor Ross Young	

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.

Gallipoli Medical Research Foundation Ltd

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Directors' Report

30 June 2016

Our Vision

Enhanced Health through The Highest Quality Medical Research.

Our Mission

To fund and facilitate medical research to prevent, cure or lessen the impact of diseases affecting the veteran and broader Australian Community and to closely align its engagement with those of Greenslopes Private Hospital.

Our Core Values

Excellence

Integrity

Relevance

Compassion

Innovation

Principal Activities

The principal activities of Gallipoli Medical Research Foundation Ltd during the financial year were the facilitating and supporting of research projects undertaken by the Gallipoli Medical Research Institute (GMRI).

Other activities included providing infrastructure, equipment, grants and scholarships to approved research endeavours at Greenslopes Private Hospital and at collaborating institutions.

The purpose of the Institute's work

With the Foundation's funding, GMRI aims to enhance the health of Australians through innovative medical research. The Institute's work is inspired by the legacy of our Diggers, and aims to address the major health issues confronting our veteran community.

GMRI scientists and researchers conduct research that is ethically approved, clinically relevant and outcomes driven. This extends from the laboratory bench, to the hospital bedside, and throughout the broader Australian community.

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

How the activities of the Institute assisted in achieving the company's objectives

Through the Institute's activities, 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 diseases which are currently incurable.

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Directors' Report

30 June 2016

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

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

- The level of engagement with, and support provided to, the veteran community
- 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 Scientific Advisory Committee and GMRF Board of Directors.

(*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 \$181,267. (2015: Loss \$10,600).

Gallipoli Medical Research Foundation Ltd

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Directors' Report

30 June 2016

Information on directors

Associate Professor David Colquhoun

Qualifications

Experience

Special Responsibilities

MBBS, FRACP, FCSANZ

Executive Chairman of CFO Center Pty Ltd

Member: Research & Governance Sub-Committee

Mr Stephen Copplin

Qualifications

Experience

Special Responsibilities

FCPA, FAICD

Executive Chairman of CFO Center Pty Ltd

Chairman: Finance and Audit Sub-Committee

Professor Keneth Donald AO

Qualifications

Experience

Special Responsibilities

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

Professor of Assessment and Evaluation at Griffith
University Medical School

Member: Research and Governance Sub-
Committee

Adjunct Professor Tim Daniel

Qualifications

Experience

Special Responsibilities

BBus, Grad Dip HR Mgmt, NZIoD

CEO of Greenslopes Private Hospital

Deputy Chairman

Member: Executive Committee

Member: Fundraising Committee

Dr Michael Harrison

Qualifications

Experience

Special Responsibilities

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

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

Member: Research & Governance Sub-Committee

Professor Gerald Holtmann

Qualifications

Experience

Special Responsibilities

MD, PhD, MBA, FRACP, FRCP

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

Member: Research & Governance Sub-Committee

Gallipoli Medical Research Foundation Ltd

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Directors' Report

30 June 2016

Information on directors (continued)

Ms Carmel Monaghan

Qualifications

Experience

Special Responsibilities

BBus Comm, MBA

Group Chief of Staff, Ramsay Health Care

Company Secretary

Secretary: Executive Committee

Professor John Pearn AO

Qualifications

Experience

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

Senior paediatrician at the Lady Cilento Children's
Hospital in Brisbane; former Surgeon General,
Australian Defence Force.

Mrs Jean Pockett

Experience

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

Mr Thomas Ryan

Qualifications

Experience

Special Responsibilities

BPharm, FACP, FAICD

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

Chairman (16 Nov 2011)

Member: Finance and Audit Sub-Committee

Member: Executive Committee

Mr Liam Kelly QC

Qualifications

Experience

Special Responsibilities

BA (Hons), LLB (Hons) (UQ)

Barrister and Senior Counsel

Member: Finance Committee

Ms Toni Thornton

Qualifications

Experience

Special Responsibilities

BA, GradDip, AFI

Former State Manager Queensland of Goldman
Sachs JBWere

Chairman: Fundraising Sub-Committee

Gallipoli Medical Research Foundation Ltd

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Directors' Report

30 June 2016

Information on directors (continued)

Professor Ross Young

Qualifications

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

Experience

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

Special Responsibilities

Chairman: Research and Governance Sub-
Committee

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Directors' Report

30 June 2016

Meetings of directors

During the financial year, 5 Board of Director's meetings and 3 Board Subcommittee meeting 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	5	4	-	-
Mrs Jean Grace Pockett	5	5	-	-
Mr Liam Kelly	5	3	2	1
Mr Thomas Kevin Ryan	5	5	2	2
Professor John Pearn	5	4	-	-
Ms Toni Thorton	2	1	-	-
Dr Michael Harrison	5	3	1	1
Professor Ross Young	5	4	1	1
Associate Professor David Colquhoun	5	5	1	1
Professor Keneth Donald	5	2	1	1
Mr Stephen Copplin	5	2	2	2
Professor Gerald Holtmann	5	3	1	1
Mr Tim Daniel	5	5	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.

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 .

Indemnifying Officers or Auditors

Directors and Officers insurance amounting to \$3,597 (2015 - \$3,597) was paid during the year.

Gallipoli Medical Research Foundation Ltd

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Directors' Report

30 June 2016

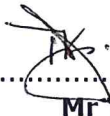
Proceedings on Behalf of Company

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, 25 August 2016

Gallipoli Medical Research Foundation Ltd

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, 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, 15 August 2016

BRISBANE

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Hanrick Curran Audit Pty Ltd

Authorised Audit Company 338599 | ABN 13 132 902 188

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Gallipoli Medical Research Foundation Ltd

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

		2016	2015
		\$	\$
	Note		
Revenue	2	3,328,607	3,418,713
Employee benefits expense		(1,606,061)	(1,395,430)
Depreciation and amortisation expense		(433,933)	(453,460)
Fundraising and function expenses		(22,748)	(178,577)
Research expenses		(1,189,339)	(1,162,567)
Other expenses		(257,793)	(239,279)
Net surplus/(deficit)		(181,267)	(10,600)
Other comprehensive income/(loss)		-	-
Total surplus/(deficit)for the year		(181,267)	(10,600)

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

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Statement of Financial Position

As at 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,391,950	3,924,077
Trade and other receivables	5	164,836	214,463
Other assets	6	95,698	37,317
TOTAL CURRENT ASSETS		4,652,484	4,175,857
NON-CURRENT ASSETS			
Property, plant and equipment	7	4,719,254	5,130,947
Other assets		90,000	120,000
TOTAL NON-CURRENT ASSETS		4,809,254	5,250,947
TOTAL ASSETS		9,461,738	9,426,804
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	226,554	101,840
Other financial liabilities	9	952,287	819,056
Employee benefits	10	72,643	70,989
TOTAL CURRENT LIABILITIES		1,251,484	991,885
NON-CURRENT LIABILITIES			
Other financial liabilities	9	-	60,000
Employee benefits	10	24,480	7,878
TOTAL NON-CURRENT LIABILITIES		24,480	67,878
TOTAL LIABILITIES		1,275,964	1,059,763
NET ASSETS		8,185,774	8,367,041
EQUITY			
Retained surplus		8,185,774	8,367,041
TOTAL EQUITY		8,185,774	8,367,041

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

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Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2015	8,367,041	8,367,041
Profit attributable to members of the entity	<u>(181,267)</u>	<u>(181,267)</u>
Balance at 30 June 2016	<u>8,185,774</u>	<u>8,185,774</u>

2015

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2014	8,377,641	8,377,641
Profit attributable to members of the entity	<u>(10,600)</u>	<u>(10,600)</u>
Balance at 30 June 2015	<u>8,367,041</u>	<u>8,367,041</u>

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

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Statement of Cash Flows

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
CASH FROM OPERATING ACTIVITIES:			
Receipts from customers		1,783,251	866,627
Payments to suppliers and employees		(2,991,351)	(3,074,645)
Donations received		715,788	838,040
Interest received		121,461	129,409
Receipts from grants		860,964	850,406
Net cash provided by (used in) operating activities	14(b)	490,113	(390,163)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for property, plant & equipment		(22,239)	(4,750)
Net cash used by investing activities		(22,239)	(4,750)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase (decrease) in cash and cash equivalents held		467,874	(394,913)
Cash and cash equivalents at beginning of year		3,924,077	4,318,990
Cash and cash equivalents at end of financial year	14(a)	4,391,951	3,924,077

The accompanying notes form part of these financial statements.

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

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.

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Statement of Significant Accounting Policies (continued)

(b) Property, Plant and Equipment (continued)

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 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 the end of the reporting period. Employee benefits arising from wages, salaries and annual leave are measured at rates expected to be paid when the liabilities are settled.

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Statement of Significant Accounting Policies (continued)

(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.

(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.

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Statement of Significant Accounting Policies (continued)

(i) Research Projects and Grants

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

(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.

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Statement of Significant Accounting Policies (continued)

(k) Financial Instruments (continued)

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 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

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Notes to the Financial Statements

For the Year Ended 30 June 2016

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 Company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has not impacted the recognition, measurement and disclosure of transactions.

(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	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.
AASB 15 Revenue from Contracts with Customers	30 June 2018	This standard provides guidance on the recognition of revenue from customers.	The impact of AASB 15 has not yet been determined.

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016	2015
	\$	\$
2 Revenue		
Operating activities		
- Grants	860,964	850,406
- Clinical trial income	1,513,488	1,202,425
- Donations	644,964	644,899
- Interest received	121,461	129,409
- Bequest income and memorial gifts	70,824	193,141
- Event Income	1,818	309,184
- Other Income	115,088	89,250
Total Revenue	<u>3,328,607</u>	<u>3,418,714</u>
3 Result for the Year		
Expenses		
Depreciation and loss on disposals	433,933	453,460
Research expenses	1,189,339	1,162,567
Employee benefits expense	1,606,061	1,395,430
4 Cash and Cash Equivalents		
Cash on hand	200	200
Cash at bank	586,286	367,836
Short-term bank deposits	3,805,464	3,556,041
	<u>4,391,950</u>	<u>3,924,077</u>
5 Trade and Other Receivables		
CURRENT		
Trade receivables	164,836	214,463
Total current trade and other receivables	<u>164,836</u>	<u>214,463</u>

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016 \$	2015 \$
6 Other Assets		
CURRENT		
Prepayments	<u>95,698</u>	<u>37,317</u>
NON-CURRENT		
Prepayments	<u>90,000</u>	<u>120,000</u>
7 Property Plant and Equipment		
BUILDINGS		
At cost	3,412,430	3,412,430
Accumulated depreciation	<u>(516,116)</u>	<u>(426,540)</u>
Total buildings	<u>2,896,314</u>	<u>2,985,890</u>
Furniture, fixture and fittings		
At cost	3,196,436	3,352,472
Accumulated depreciation	<u>(1,440,392)</u>	<u>(1,301,870)</u>
Total furniture, fixture and fittings	<u>1,756,044</u>	<u>2,050,602</u>
Computer equipment		
At cost	168,352	204,868
Accumulated depreciation	<u>(120,502)</u>	<u>(129,459)</u>
Total computer equipment	<u>47,850</u>	<u>75,409</u>
Artwork		
At cost	<u>19,046</u>	<u>19,046</u>
Total Artwork	<u>19,046</u>	<u>19,046</u>
Total plant and equipment	<u>1,822,940</u>	<u>2,145,057</u>
Total property, plant and equipment	<u>4,719,254</u>	<u>5,130,947</u>

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

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:

	Buildings	Furniture, Fixtures and Fittings	Computer Equipment	Artwork	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2015					
Balance at the beginning of year	2,985,891	2,050,602	75,409	19,046	5,130,948
Additions	-	22,239	-	-	22,239
Disposals	-	(72,342)	(8,727)	-	(81,069)
Depreciation	(89,577)	(244,455)	(18,832)	-	(352,864)
Balance at 30 June 2016	<u>2,896,314</u>	<u>1,756,044</u>	<u>47,850</u>	<u>19,046</u>	<u>4,719,254</u>

8 Trade and Other Payables

	2016	2015
	\$	\$
CURRENT - Unsecured liabilities		
Trade payables	8,821	20,694
Other payables	213,644	76,825
GST payable	4,089	4,321
	<u>226,554</u>	<u>101,840</u>

Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016	2015
	\$	\$
9 Other Liabilities		
CURRENT		
Unearned income	952,287	819,056
	952,287	819,056
NON-CURRENT		
Unearned income	-	60,000
	-	60,000
10 Employee Benefits		
CURRENT		
Annual leave	72,643	70,989
	72,643	70,989
NON-CURRENT		
Long service leave	24,480	7,878
	24,480	7,878

11 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$366,908 (2015: \$340,288).

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 2016 the number of members was 13 (2015: 13).

Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

Notes to the Financial Statements

For the Year Ended 30 June 2016

2016	2015
\$	\$

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	4,391,951	3,924,077
	<u>4,391,951</u>	<u>3,924,077</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	(181,267)	(10,600)
Non-cash flows in profit:		
Depreciation	433,933	453,460
Changes in assets and liabilities:		
(Increase)/Decrease in trade receivables	49,626	(66,861)
(Increase)/Decrease in prepayments	(58,381)	92,335
Increase/(Decrease) in trade payables	(12,105)	(22,359)
Increase/(Decrease) in other trade payables and accruals	136,339	(140,684)
Increase/(Decrease) in unearned income	103,232	(705,951)
Increase/(Decrease) in employee benefits	18,736	10,497
Cashflow from operations	<u>490,113</u>	<u>(390,163)</u>

Gallipoli Medical Research Foundation Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

15 Capital and Leasing Commitments and Contingencies

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 14 November 2007. 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.

	2016	2015
	\$	\$
Payable - minimum lease payments		
- not later than 12 months	113,250	113,250
- between 12 months and 5 years	37,750	37,750
	<u>151,000</u>	<u>151,000</u>

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

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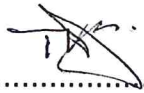
Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 10, 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 2016 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, 25 August 2016

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 2016, the statement of profit or loss and other 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.

BRISBANE

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Gallipoli Medical Research Foundation Ltd

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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 2016 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, 25 August 2016