

# **Gallipoli Medical Research Foundation Ltd**

**ACN 077 750 693**

## **Financial Statements**

**For the Year Ended 30 June 2018**

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

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For the Year Ended 30 June 2018

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# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Directors' Report

30 June 2018

The directors present their report on Gallipoli Medical Research Foundation Ltd for the financial year ended 30 June 2018.

### Directors

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

Names	Position	Appointed/Resigned
Mr Liam Kelly	Chair	
Mr Thomas Ryan		
Ms Carmel Monaghan	Secretary	
Adjunct Professor Tim Daniel	Deputy Chair	Resigned - 15/11/2017
Associate Professor David Colquhoun		
Mr Stephen Copplin		
Ms Christine Went	Deputy Chair	Appointed - 23/04/2018
Dr Michael Harrison		
Professor Gerald Holtmann		
Mr Karl Morris		
Professor John Pearn		
Mrs Jean Grace Pockett		Retired - 23/04/2018
Ms Toni Thornton		Resigned - 15/11/2017
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.

### 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.

# **Gallipoli Medical Research Foundation Ltd**

**ACN 077 750 693**

## **Directors' Report**

**30 June 2018**

### **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 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 those activities assisted in achieving the company's objectives**

Through the Institute's activities, the Foundation is dedicated to leading the way in championing lifechanging 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.

# Gallipoli Medical Research Foundation Ltd

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## Directors' Report

30 June 2018

### **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 in Web of science
- 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
- 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. 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 Result**

The profit from ordinary activities after providing for income tax amounted to \$516,086 (2017: profit of \$179,575).

# Gallipoli Medical Research Foundation Ltd

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## Directors' Report

30 June 2018

### Information on directors

Mr Liam Kelly  
Qualifications  
Experience  
Special Responsibilities

Chair  
BA (Hons) LLB (Hons) (UQ)  
Barrister and Senior Counsel  
Chair: Executive Committee  
Member: Finance and Audit Sub-Committee

Mr Thomas Ryan  
Qualifications  
Experience  
Special Responsibilities

Director  
BPharm, FACP, FAICD  
Former Director and Chairman of Australian Pharmaceutical Health Care Systems (APHS)  
Member: Finance and Audit Sub Committee

Ms Carmel Monaghan  
Qualifications  
Experience  
Special Responsibilities

Secretary  
BBus Comm, MBA  
Group Chief of Staff, Ramsay Health Care  
Secretary: Executive Committee

Adjunct Professor Tim Daniel  
Qualifications  
Experience  
Special Responsibilities

BBus, Grad Dip HR Mgmt, NZIoD  
Former CEO Greenslopes Private Hospital  
Deputy Chair (till 15/11/2017)  
Member: Executive Committee  
Member: Audit and Finance Sub-Committee

Associate Professor David Colquhoun  
Qualifications  
Experience  
Special Responsibilities

Director  
MBBS, FRACP, FCSANZ  
Consultant Cardiologist  
Member: Scientific Advisory Committee

Mr Stephen Copplin  
Qualifications  
Experience  
Special Responsibilities

Director  
FCPA, FAICD  
Executive Chairman Fifeheagle Pty Ltd  
Chair: Finance and Audit Sub Committee

# Gallipoli Medical Research Foundation Ltd

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## Directors' Report

30 June 2018

### Information on directors (continued)

Ms Christine Went	Director and Deputy Chair
Qualifications	RN, BN, GradCert Critical Care, GradCert Emergency, GradCert Business Admin
Experience	CEO Greenslopes Private Hospital
Special Responsibilities	Deputy Chairman and Member Executive Committee (from 23/04/2018)
Dr Michael Harrison	Director
Qualifications	MBBS (1st Class Honours), FRCPA (General Pathology)
Experience	Chief Executive Officer/Managing Partner at Sullivan Nicolaides Pathology and Consultant Pathologist
Special Responsibilities	Member: Scientific Advisory Committee
Professor Gerald Holtmann	Director
Qualifications	MD, PhD, MBA, FRACP, FRCP
Experience	Director of Gastroenterology and Hepatology, Princess Alexandra Hospital; Associate Dean (Clinical) University of Queensland
Special Responsibilities	Member: Scientific Advisory Committee
Mr Karl Morris	Director
Qualifications	BCom, FAICD, MSAFAA, FFSIA
Experience	Executive Chairman, Ord Minnett Ltd; Chairperson, QSuper;
Special Responsibilities	Member: Finance and Audit Sub Committee
Professor John Pearn	Director
Qualifications	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
Experience	Senior paediatrician at the Lady Cilento Children's Hospital in Brisbane; former Surgeon General, Australian Defence Force.

# Gallipoli Medical Research Foundation Ltd

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## Directors' Report

30 June 2018

### Information on directors (continued)

Mrs Jean Grace Pockett

Experience

Special Responsibilities

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

Director (till 23/04/2018)

Ms Toni Thornton

Qualifications

Experience

Special Responsibilities

BA, GradDip, AFI

Former State Manager Queensland of Goldman Sachs JBWere

Director (till 15/11/2017)

Professor Ross Young

Qualifications

Experience

Special Responsibilities

Director

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

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

Chair: Scientific Advisory Committee

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Directors' Report

30 June 2018

### Meetings of directors

During the financial year, 4 Board of Director's meetings and 2 Board Subcommittee meetings were held. Attendance 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	-	-
Mrs Jean Grace Pocktt	2	1	-	-
Mr Liam Kelly	4	4	1	1
Mr Thomas Kevin Ryan	4	4	1	1
Prefessor John Pearn	4	2	-	-
Ms Toni Thornton	2	-	-	-
Dr Michael Harrison	4	1	1	1
Professor Ross Young	4	3	1	1
Associate Professor David Colquhoun	4	4	1	1
Ms Christine Went	2	2	-	-
Mr Stephen Copplin	4	4	1	1
Professor Gerald Holtmann	4	4	1	1
Mr Karl Morris	4	3	1	-
Mr Tim Daniel	1	1	-	-

### Other items

#### Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

#### After Balance Day Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or could 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

The lead auditors independence declaration for the year ended 30 June 2018 has been received and can be found on page 9 of the financial report.

#### Indemnification and insurance of officers and auditors

Directors and Officers insurance amounting to \$3,627 (2017: \$3,597) was paid during the year.

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Directors' Report

30 June 2018

### 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.

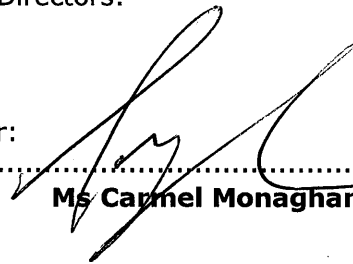
Signed in accordance with a resolution of the Board of Directors:

Director:



Mr Liam Kelly

Director:



Ms Carmel Monaghan

Brisbane, 1<sup>st</sup> September 2018

## Gallipoli Medical Research Foundation Ltd

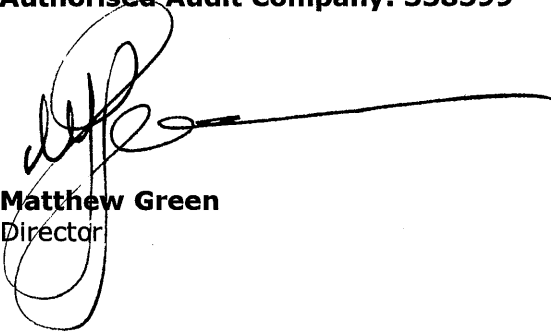
ACN 077 750 693

### Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

- a. 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 review; and
- b. 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, 19 September 2018

Hanrick Curran Audit Pty Ltd  
Authorised Audit Company: 338599

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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 2018

		2018	2017
	<b>Note</b>		
Revenue	2	<b>4,808,377</b>	3,942,965
Employee benefits expense		<b>(2,109,666)</b>	(1,792,454)
Depreciation and amortisation expense		<b>(299,551)</b>	(332,047)
Fundraising and function expenses		<b>(40,588)</b>	(33,631)
Research expenses		<b>(1,663,391)</b>	(1,401,950)
Other expenses		<b>(179,095)</b>	(203,308)
<b>Net surplus/(deficit)</b>		<b>516,086</b>	179,575
<b>Other comprehensive income/(loss)</b>		-	-
<b>Total surplus/(deficit) for the year</b>		<b>516,086</b>	179,575

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 2018

	Note	2018	2017
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	6,535,719	5,305,207
Trade and other receivables	5	647,299	254,443
Other assets	6	42,073	69,122
<b>TOTAL CURRENT ASSETS</b>		<b>7,225,091</b>	<b>5,628,772</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	4,171,406	4,445,242
Other assets	6	30,000	60,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,201,406</b>	<b>4,505,242</b>
<b>TOTAL ASSETS</b>		<b>11,426,497</b>	<b>10,134,014</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	200,824	170,441
Other liabilities	9	1,312,530	1,367,719
Employee benefits	10	124,593	70,066
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,637,947</b>	<b>1,608,226</b>
<b>NON-CURRENT LIABILITIES</b>			
Other liabilities	9	869,968	118,790
Employee benefits	10	37,147	41,649
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>907,115</b>	<b>160,439</b>
<b>TOTAL LIABILITIES</b>		<b>2,545,062</b>	<b>1,768,665</b>
<b>NET ASSETS</b>		<b>8,881,435</b>	<b>8,365,349</b>
<b>EQUITY</b>			
Retained surplus		8,881,435	8,365,349
<b>TOTAL EQUITY</b>		<b>8,881,435</b>	<b>8,365,349</b>

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 2018

### 2018

	Ordinary Shares	Total
Balance at 1 July 2017	8,365,349	8,365,349
Profit attributable to members of the entity	516,086	516,086
Balance at 30 June 2018	<u>8,881,435</u>	<u>8,881,435</u>

### 2017

	Ordinary Shares	Total
Balance at 1 July 2016	8,185,774	8,185,774
Profit attributable to members of the entity	179,575	179,575
Balance at 30 June 2017	<u>8,365,349</u>	<u>8,365,349</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 2018

	Note	2018	2017
<b>CASH FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		2,031,649	2,915,058
Payments to suppliers and employees		(4,243,340)	(3,775,636)
Donations received		2,532,032	752,599
Interest received		129,231	122,493
Receipts from grants		806,655	956,778
Net cash provided by (used in) operating activities	14(b)	<u>1,256,227</u>	<u>971,292</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payment for property, plant & equipment		<u>(25,715)</u>	<u>(58,035)</u>
Net cash used by investing activities		<u>(25,715)</u>	<u>(58,035)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net increase (decrease) in cash and cash equivalents held		1,230,512	913,257
Cash and cash equivalents at beginning of year		<u>5,305,207</u>	<u>4,391,950</u>
Cash and cash equivalents at end of financial year	14(a)	<u><u>\$6,535,719</u></u>	<u><u>5,305,207</u></u>

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 2018

### 1 Statement of Significant Accounting Policies

#### (a) General information

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.

#### (b) 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.

#### (c) 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.

#### (d) 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

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies (continued)

#### (d) 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.

#### (e) 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

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies (continued)

#### (f) 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.

#### (g) 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.

#### (h) 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).

#### (i) 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.

#### (j) Grants Receive

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

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies (continued)

#### (k) Research Projects and Grants

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

#### (l) 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.

#### (m) 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

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies (continued)

#### (m) 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

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies (continued)

#### (m) 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.

#### (n) 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.

#### (o) 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		Requirements	
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6 / AASB 2014-7 / AASB 2014-8	30 June 2019	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value.	The entity has not yet determined the magnitude of any changes which may be needed.

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Statement of Significant Accounting Policies (continued)

#### (o) New Accounting Standards for Application in Future Periods (continued)

Standard Name		Requirements	
AASB 16 Leases	30 June 2020	Significant revisions to accounting for operational leases on balance sheet by Lessees of property and high value equipment. However, exemptions for short-term leases and leases of low value assets will reduce the impact	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 15 Revenue from Contracts with Customers	30 June 2019	AASB 15 introduced a five step process of revenue recognition with the core principle of the new Standard being for entities to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment to which the entity expects to be entities in exchange for those goods or services. AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modification) and improve guidance for multiple-element arrangements.	The entity has not yet determined the magnitude of any changes which may be needed.

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Revenue

	2018	2017
Operating activities		
- Grants	806,655	956,778
- Clinical trial income	2,161,311	1,941,275
- Donations	532,925	697,630
- Other interest received	129,231	122,493
- Bequest income and memorial gifts	1,013,580	54,968
- Other income	164,675	169,821
Total Revenue	<u>4,808,377</u>	<u>3,942,965</u>

### 3 Result for the Year

#### Expenses

Depreciation and loss on disposal of assets	299,551	332,047
Research expenses	1,663,391	1,401,950
Employee benefits expense	2,109,666	1,792,454

### 4 Cash and Cash Equivalents

Cash on hand	200	200
Cash at bank	1,321,947	805,007
Short-term bank deposits	5,213,572	4,500,000
	<u>6,535,719</u>	<u>5,305,207</u>

### 5 Trade and Other Receivables

#### CURRENT

Trade receivables	647,299	254,443
Total current trade and other receivables	<u>647,299</u>	<u>254,443</u>

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
<b>6 Other Assets</b>		
CURRENT		
Prepayments	<u>42,073</u>	69,122
NON-CURRENT		
Prepayments	<u>30,000</u>	60,000
<b>7 Property Plant and Equipment</b>		
BUILDINGS		
At cost	3,412,430	3,412,430
Accumulated depreciation	<u>(687,289)</u>	(603,006)
Total buildings	<u>2,725,141</u>	2,809,424
Furniture, fixture and fittings		
At cost	3,229,530	3,246,235
Accumulated depreciation	<u>(1,813,666)</u>	(1,647,240)
Total furniture, fixture and fittings	<u>1,415,864</u>	1,598,995
Computer equipment		
At cost	56,948	69,650
Accumulated depreciation	<u>(45,593)</u>	(51,873)
Total computer equipment	<u>11,355</u>	17,777
Artwork		
At cost	<u>19,046</u>	19,046
Total Artwork	<u>19,046</u>	19,046
Total plant and equipment	<u>1,446,265</u>	1,635,818
<b>Total property, plant and equipment</b>	<u>4,171,406</u>	4,445,242

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 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
<b>Balance at 30 June 2017</b>					
Balance at the beginning of year	2,809,425	1,598,994	17,777	19,046	4,445,242
Additions	-	25,715	-	-	25,715
Depreciation	(84,284)	(208,845)	(6,422)	-	(299,551)
Balance at 30 June 2018	2,725,141	1,415,864	11,355	19,046	4,171,406

### 8 Trade and Other Payables

	2018	2017
CURRENT - Unsecured liabilities		
Trade payables	37,023	45,706
Other payables	113,283	122,038
GST payable	50,518	2,697
	<u>200,824</u>	<u>170,441</u>

### 9 Other Liabilities

CURRENT		
Unearned income	1,312,530	1,367,719
	<u>1,312,530</u>	<u>1,367,719</u>
NON-CURRENT		
Unearned income	869,968	118,790
	<u>869,968</u>	<u>118,790</u>

### 10 Employee Benefits

CURRENT		
Annual leave	87,414	70,066
Long service leave	37,179	-
	<u>124,593</u>	<u>70,066</u>
NON-CURRENT		
Long service leave	37,147	41,649

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$661,464 (2017: \$366,908).

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 2018 the number of members was 11 (2017: 13).

### 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

<b>6,535,719</b>	<b>5,305,207</b>
<b><u>6,535,719</u></b>	<b><u>5,305,207</u></b>

# Gallipoli Medical Research Foundation Ltd

ACN 077 750 693

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 14 Cash Flow Information (continued)

#### (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	<b>516,086</b>	179,575
Non-cash flows in profit:		
Depreciation	<b>299,551</b>	332,047
Changes in assets and liabilities:		
(Increase)/Decrease in trade receivables	<b>(392,856)</b>	(89,606)
(Increase)/Decrease in prepayments	<b>57,049</b>	56,576
Increase/(Decrease) in trade payables	<b>(8,684)</b>	36,885
Increase/(Decrease) in other trade payables and accruals	<b>39,067</b>	(92,999)
Increase/(Decrease) in unearned income	<b>695,989</b>	534,222
Increase/(Decrease) in employee benefits	<b>50,025</b>	14,592
Cashflow from operations	<b><u>1,256,227</u></b>	<u>971,292</u>

### 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 5 years commencing from 11 November 2017. 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.

	<b>2018</b>	<b>2017</b>
Payable - minimum lease payments		
- not later than 12 months	<b>479,500</b>	37,750
- between 12 months and 5 years	<b>1,918,000</b>	-
	<b><u>2,397,500</u></b>	<u>37,750</u>

# **Gallipoli Medical Research Foundation Ltd**

**ACN 077 750 693**

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2018**

### **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:

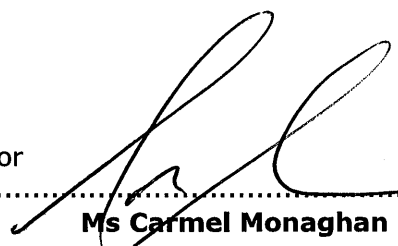
1. The financial statements and notes, as set out on pages 10 - 26, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date.
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 Liam Kelly**

Director

  
.....  
**Ms Carmel Monaghan**

Brisbane, 19 September 2018

# Gallipoli Medical Research Foundation Ltd

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

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Gallipoli Medical Research Foundation Ltd (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profit Commission Regulation 2012*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profit Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2018, but does not include the financial report and our auditors' report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

## **Gallipoli Medical Research Foundation Ltd**

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Directors and Those Charged with Governance 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-profit Commission Act 2012* and for such internal control as the directors 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

#### **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 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.

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

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

## **Gallipoli Medical Research Foundation Ltd**

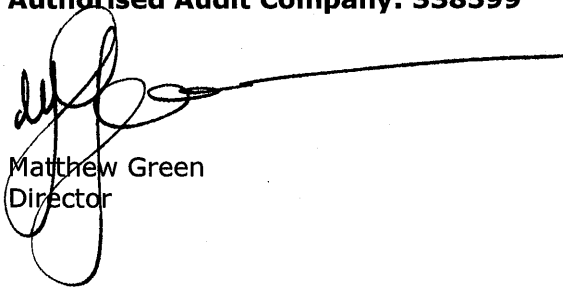
### **Independent Audit Report to the members of Gallipoli Medical Research Foundation Ltd**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

*Hanrick Curran Audit*

**Hanrick Curran Audit Pty Ltd**  
**Authorised Audit Company: 338599**



Matthew Green  
Director

Brisbane, 19 September 2018