

**THE ERYLDENE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

ABN 68 051 439 984

**FINANCIAL REPORT FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2019**

**TO BE PRESENTED AT THE
ANNUAL GENERAL MEETING AT
ST MARTINS ANGLICAN CHURCH, 9B ARNOLD STREET, KILLARA
ON 1ST AUGUST 2020**

I N D E X

Notice of Meeting
Directors' Report
Auditors' Independence Declaration
Statement of Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flow
Notes to the Financial Statements
Directors' Declaration
Charitable Fundraising Authority Declaration
Auditors' Report to Members

NOTICE OF ANNUAL GENERAL MEETING

THE ERYLDENE FOUNDATION LIMITED

(ABN 68 051 439 984)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the above named Company will be held

at: St Martins Anglican Church, 9B Arnold Street, Killara

on: Saturday 1st August 2020

at: 10:00am

BUSINESS

1. To receive and, if thought fit, adopt the financial statements of the company for the year ended 31 December 2019, together with the reports of the directors and auditor attached thereto.
2. To elect the members of the board of management.
3. To re-appoint Brooks, Deane & Powne as auditors
4. To deal with any other business.

DATED:

BY ORDER OF THE BOARD

James Bretherton -Treasurer

Nomination forms for the election of Fellows and Donors to the Board of Management may be obtained from Eryldene. Forms must be lodged at Eryldene by Thursday 16th July 2020.

A Member may appoint a proxy to attend and vote for him or her at the meeting. A Member so wishing should complete the enclosed proxy form and lodge it at Eryldene by Thursday, 30th July 2020.

The Financial Report for the Financial Year ending 31 December 2019, is available on line at the Eryldene website. Paper copies are also available at the Eryldene office.

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DIRECTORS' REPORT

CHAIRMAN'S REPORT 2019

Our winter appeal this year raised money for the restoration and repainting of Eryldene's flag poles and for the regilding of the tea house beams and columns. As we noted in our letter to members, this was specialised work, involving rust removal, metal stabilisation, and scaffolding and which came at a cost.

I am pleased to report that this appeal has been our most successful to date, raising \$38,510. Even more pleasing was that contributions were received from well over 50 individual members, also a record.

The appeal funds have been paid to the Trust and the flagpole and tea house work has now largely been completed, restoring Hardy Wilson's Chinoiserie vision to its original condition.

During the year the Trust had also completed other projects which were supported by our appeals in 2017 and 2018, and the balance of the money raised, which the Foundation had invested, has also now been paid to the Trust.

The financial statements below show that \$66,220 was paid to the Trust during 2019, again a record, with the result that the total amount of the Foundation's funds are now slightly below our 2018 levels. However there is now only a small appeal commitment still to be made to the Trust.

In July the board hosted a lunch at Eryldene to thank some of our most generous donors. After the meal there was also a useful exchange of ideas on how we can better promote the Foundation and attract new donors.

The membership of the board has remained unchanged throughout the year. However our Treasurer, James Bretherton will not be seeking re election at the Annual General Meeting. I would like to thank James for his contribution to the Foundation over the past four years.

Also Michael Waterhouse will be joining the board at the AGM. Michael is a senior government lawyer and the elder son of Ian Waterhouse. It will be pleasing to have a member of the Waterhouse family again closely involved with Eryldene.

Finally I would like to thank all our donors for their continuing support for the work of the Foundation throughout the year.

David Fairlie - Chairman

Dated: 5 March 2020

THE ERYLDENE FOUNDATION LIMITED
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DIRECTORS' REPORT (CON'T)

DIRECTORS

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

Chairman	David Graham Fairlie
Director	David Tunny (Vice Chairman)
Director	Penelope Cathcart Holden
Director	Christopher John Levins
Director	Rachel O'Conor
Director	James Bretherton (Treasurer)

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

MEETINGS OF DIRECTORS

During the 2019 calendar year, there were 3 meetings of Directors. The number of meetings attended by each Director was as follows:

Directors in office since beginning of 2019 unless indicated otherwise below	No. of Meetings Eligible to Attend	Attended
David Fairlie	3	2
David Tunny	3	3
Penelope Holden	3	3
Rachel O'Conor	3	2
Christopher Levins	3	3
James Bretherton	3	3

MEMBERSHIP OF THE FOUNDATION

There are five categories of membership of the Foundation as set out below.

Patrons: Persons who make a gift of \$50,000 or more in value to the Trust or Foundation or an Approved Fund

Governors: Persons who make a gift of \$25,000 or more but less than \$50,000 in value to the Trust or Foundation or an Approved Fund

Fellows: Persons who make a gift of \$10,000 or more but less than \$25,000 in value to the Trust or Foundation or an Approved Fund

Benefactors: Persons who make a gift of \$2,500 or more but less than \$10,000 in value to the Trust or Foundation or an Approved Fund

Supporting Members: Persons who make a gift of \$300 or more but less than \$2,500 in value to the Trust or Foundation or an Approved Fund

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DIRECTORS' REPORT (CON'T)

DIRECTORS QUALIFICATIONS

David Fairlie – Corporate Lawyer, former President of the Law Society of NSW;

David Tunny – Marketing Consultant, former Executive Director of Historic Houses Trust Members, Past President of Australian Federation of Friends of Museums, and former Executive Director Art Gallery Society of NSW;

Christopher Levins – Development Coordinator;

Rachel O'Conor – Physiotherapist;

Penelope Holden – Heritage consultant;

James Bretherton – Accountant;

Mrs Rachel O'Conor is a Patron of the Foundation. Mr David Fairlie is a Governor of the Foundation. Mr David Tunny and Mrs Penelope Holden are each Benefactors of the Foundation.

PRINCIPAL ACTIVITY

The Eryldene Foundation's primary role is to provide money when required to The Eryldene Trust for essential maintenance of the Eryldene house and garden. Wherever possible such support is sourced from the interest received on monies invested by the Foundation, so that capital invested is not significantly diluted.

FINANCIAL RESULTS

The net profit for the 2019 calendar year was a loss of \$15,090 (2018 profit \$ 6,222). The Foundation is exempt from income tax.

DEDUCTIBILITY OF DONATIONS

The Eryldene Foundation is a Deductible Gift Recipient and gifts made to the Foundation are tax deductible.

We have obtained authority from NSW Government Fair Trading, to Fundraise for Charitable Purposes (current to 23 May 2021).

THE ERYLDENE FOUNDATION LIMITED
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DIRECTORS' REPORT (CON'T)

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the State of Affairs of the Company during the year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Due to the current global pandemic (COVID-19) arising since the end of the financial year, it is anticipated that the operations of the foundation will be significantly affected including the operations of the foundation, the results of those operations and the state of affairs of the foundation in future financial years

LIKELY DEVELOPMENTS

There are no likely developments in the operations of the Company which may affect the result of the Company in the financial year subsequent to 31 December 2019.

DIRECTORS INTERESTS

No director of the Company has received or has become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with him or with a firm of which he is a member, or with a company in which he has a substantial interest.

AUDITOR'S INDEPENDENCE DECLARATION

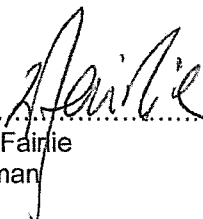
Brooks Deane & Powne continues in office in accordance with Section 327 of the Corporations Law. A copy of the Auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is included in the financial report.


OFFICER OR AUDITOR INDEMNIFICATION

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company:

- (i) indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- (ii) paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Signed this in accordance with a resolution of the Directors.


.....
David Fairie
Chairman


.....
James Bretherton
Director (Treasurer)

Dated: 16-6-2020

Brooks Deane+Powne.

Chartered Accountants
Established 1903



**THE ERYLDENE FOUNDATION LIMITED
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**AUDITOR INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT
TO THE DIRECTORS OF THE ERYLDENE FOUNDATION LIMITED**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2019 there has been:

- (i) no contravention of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contravention of any applicable code of professional conduct in relation to the audit.

Name of Firm: Brooks, Deane & Powne
Name of Partner: Carl Gilmore
Address: Level 3, 50 Clarence Street Sydney NSW


.....
Carl Gilmore – Partner

Dated: 25 June 2020

Level 3, 50 Clarence Street
Sydney NSW 2000

GPO Box 2517 tel 02 9233 6111
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Liability limited by a scheme approved under Professional Standards Legislation

THE ERYLDENE FOUNDATION LIMITED
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Revenue	2		
- Interest Received		13,411	7,055
- Donations Received		<u>38,510</u>	<u>20,850</u>
		51,921	27,905
Expenses from ordinary activities	3	<u>67,011</u>	<u>21,683</u>
Profit/(Loss) before income tax		(15,090)	6,222
Income tax expense	4	<u>-</u>	<u>-</u>
Profit/(Loss) for the year		<u>(15,090)</u>	<u>6,222</u>
Profit/(Loss) attributed to members of the entity		(15,090)	6,222
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		<u>(15,090)</u>	<u>6,222</u>

The audit report and accompanying notes form part of these financial accounts

THE ERYLDENE FOUNDATION LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalent	5	407,682	434,678
Interest Receivable		17,019	5,113
Sundry Debtors		-	-
TOTAL CURRENT ASSETS		<u>424,701</u>	<u>439,791</u>
TOTAL ASSETS		424,701	439,791
TOTAL LIABILITIES		-	-
NET ASSETS		<u>424,701</u>	<u>439,791</u>
MEMBERS EQUITY		<u>424,701</u>	<u>439,791</u>

The audit report and accompanying notes form part of these financial accounts

THE ERYLDENE FOUNDATION LIMITED
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ABN 68 051 439 984

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

Retained Earnings	Note	2019	2018
		\$	\$
Balance at 1 January		439,791	433,569
Profit/(loss) attributed to members of the entity		<u>(15,090)</u>	<u>6,222</u>
Balance at 31 December		<u>424,701</u>	<u>439,791</u>

The audit report and accompanying notes form part of these financial accounts

THE ERYLDENE FOUNDATION LIMITED
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STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Cash Flows from Operating Activities			
Receipts from donations		38,510	20,850
Interest Received		1,505	11,651
Distributions to The Eryldene Trust		(66,220)	(20,000)
Payments to Suppliers		<u>(791)</u>	<u>(1,683)</u>
Net Cash Provided by/(used in) Operating Activities	6	<u>(26,996)</u>	<u>10,818</u>
Net Increase/(Decrease) in cash held		(26,996)	10,818
Cash at beginning of year		434,678	423,860
Cash at end of year	5	407,682	434,678

The audit report and accompanying notes form part of these financial accounts

THE ERYLDENE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This report covers The Eryldene Foundation Limited as an individual entity. The Eryldene Foundation Limited is a company limited by guarantee, incorporated and domiciled in Australia

The financial report is a special purpose financial report that has been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations of the Australian Accounting Standards Board (AASB).

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.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

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.

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

(a) Investments

Investments are brought to account at cost or at directors' valuation. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(b) Cash

For the purpose of the statement of cash flows, cash includes:

- (i) Cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- (ii) Investments of money market instruments with less than 14 days of maturity.

(c) Interest

Interest receivable on the term deposit is accrued at year end.

THE ERYLDENE FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
2. REVENUES		
Included in operating profit are the following items:		
- Interest	13,411	7,055
- Donations*	<u>38,510</u>	<u>20,850</u>
	<u>51,921</u>	<u>27,905</u>
<p>* Relates to voluntary donations received. There were no fundraising appeals conducted by the Foundation as defined under the Charitable Fundraising Act 1991 No 69.</p>		
3. EXPENSES		
Distributions to The Eryldene Trust	66,220	20,000
Bank charges	30	30
Marketing & other expenses	761	1,653
	<u>67,011</u>	<u>21,683</u>
4. INCOME TAX		
<p>The company is exempt from income tax under Section 50-45 of Income Tax Assessment Act 1997 as advised by the Australian Taxation Office in writing on 30 April 1991.</p>		
5. CASH		
Cash at Bank – cheque account	47,682	59,678
Term Deposits	<u>360,000</u>	<u>375,000</u>
	<u>407,682</u>	<u>434,678</u>
6. Reconciliation of Net Cash provided by Operating Activities to Operating Profit/(Loss) after Income Tax		
Operating Profit/(Loss) after income tax	(15,090)	6,222
Decrease (increase) of Sundry Debtors	-	-
Decrease (increase) of Interest Receivable	<u>(11,906)</u>	<u>4,596</u>
Net Cash Provided by (used in) operating activities	<u>(26,996)</u>	<u>10,818</u>

**THE ERYLDENE FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. DIRECTOR & EXECUTIVE REMUNERATION

(a) Directors Remuneration

The directors of the company did not receive any remuneration.

(b) Executive Income

No executive officer of the company received any remuneration.

8. RELATED PARTY TRANSACTIONS

Directors, Rachel O'Connor, Penelope Holden, Christopher Levins and James Bretherton are common to both The Eryldene Trust and The Eryldene Foundation Limited. It is agreed that the net income of The Eryldene Foundation Limited (subject to retention of any prudent reserve) will be transferred when required to the Eryldene Trust for the purpose of maintaining Eryldene House and Garden.

9. SEGMENT REPORTING INFORMATION

As the company operates in one geographic area and obtains its income from a single stream of activity no segment reporting is required.

10. MEMBERS' GUARANTEE

The company is Limited by Guarantee. If the company is wound up, the Memorandum of Association states that each member or any person who ceased to be a member within one year of the wind up is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company.

11. COMPANY DETAILS

The principal place of business of the company is:

The Eryldene Foundation
17 McIntosh St
Gordon NSW 2072

**THE ERYLDENE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

ABN 68 051 439 984

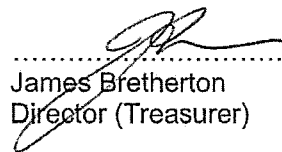
**DIRECTORS DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors declare that: -

1. The financial statements are in their opinion in accordance with the Corporations Act 2001; and
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 31 December 2019 and of the performance for the year ended on that date
2. In the Directors' opinion, there are reasonable grounds to believe that the Foundation 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 Directors.


.....
David Fairlie
Chairman


.....
James Bretherton
Director (Treasurer)

Dated: 16-6-2020

THE ERYLDENE FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)

ABN 68 051 439 984

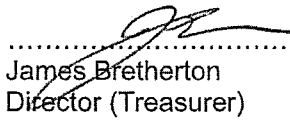
CHARITABLE FUNDRAISING AUTHORITY DECLARATION

In my opinion as a Director of The Eryldene Foundation Limited:

1. the statement of Comprehensive Income gives a true and fair view of all income and expenditure of the organisation with respect to fundraising appeals, and
2. the statement of Financial Position gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals conducted by the organisation, and
3. the provisions of the Charitable Fundraising Act 1991 No 69, the regulations under the Act and the conditions attached to the authority have been complied with by the Foundation, and
4. the internal controls exercised by the Foundation are appropriate and effective in accounting for all income received and applied by the Foundation from any of its fundraising appeals.



.....
David Fairlie
Chairman



.....
James Bretherton
Director (Treasurer)

Dated: 16-6-2020

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE ERYLDENE
FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE) ABN 68 051 439 984**

Scope

The special purpose financial report comprises the Income Statement, Balance Sheet and Notes to the financial statements of the Eryldene Foundation Limited for the year ended 31 December 2019. The financial report is prepared on the basis set out in Note 1 to the accounts.

The directors of the Eryldene Foundation Limited are responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements and needs of Eryldene Foundation Limited. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. We disclaim any assumptions of responsibility for any reliance on this report or on the financial report to which it relates.

Audit Approach

We conducted an independent audit of the financial report in order to express an opinion to the members of the Eryldene Foundation Limited. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the Eryldene Foundation Limited financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate to the needs of the Eryldene Foundation Limited.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Officers.

While we considered the effectiveness of management's internal controls over the financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Brooks Deane+Powne.

Chartered Accountants
Established 1903

bd+p.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE ERYLDENE FOUNDATION LIMITED (CON'T)
(A COMPANY LIMITED BY GUARANTEE) ABN 68 051 439 984

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and declare to the best of our knowledge and belief our independence in respect of this audit assignment.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the financial reports of the Eryldene Foundation Limited are properly drawn up:

- (a) so as to give a true and fair view of:
 - (i) the financial position of the Eryldene Foundation Limited as at 31 December 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (b) complying with Accounting Standards in Australia to the extent described in Note 1.

BROOKS, DEANE & POWNE

Chartered Accountants


.....
Carl Gilmore – Partner

Date: 25 June 2020

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Sydney NSW

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