

PHOTO AUSTRALIA LIMITED

A.C.N 628 263 758

**ANNUAL REPORT
FOR THE YEAR ENDED 30th JUNE 2021**

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DIRECTOR'S REPORT

The directors present this report together with the special purpose financial report of Photo Australia Limited (the "Company") for the year ended 30th June 2021.

Directors

The names of the members of the Board of Directors during or since the end of the financial period are:

- . Mark Henry (Chairperson)
- . Naomi Milgrom, AC
- . Elias Redstone
- . William Bowness, AO

Principal Activity

Photo Australia Ltd was founded in 2018, and its purpose is to enrich Australian cultural life by engaging new audiences with photography. Photography is instrumental in the way we see, perceive and make sense of the world around us and as a visual language, should be accessible to everyone. The Foundation is a not-for-profit organisation registered with the ACNC .

One of the core events for PHOTO is a major new international festival of photography that will activate Melbourne and sites across Regional Victoria with the most inspiring photography from Australia and around the world.

Taking place every two years, the festival addresses the major issues of our time in a program of free exhibitions, outdoor displays and artist commissions across the city, as well as events and education programs and awards. Presenting ideas critical to contemporary photographic discourse, PHOTO encourages the public to engage with and think about photography and visual culture in new and inspiring ways.

The inaugural festival, PHOTO 2021, has now been scheduled from 18th February 2021 to 7th March 2021 and is being delivered in collaboration with over 50 cultural institutions, museums, galleries and universities. The theme for PHOTO 2021 invited artists, curators, writers and academics to interrogate the relationship between photography and truth in the post – internet age.

Results of operations

The surplus (deficit) for the company for the year ended 30th June 2021 is (\$220,744) and for the period ended 30th June 2020 was \$4,345.

Events prior to and after the Reporting Date

The Covid-19 pandemic has restricted Photo Australia Limited from holding it's planned inaugural festival from the 23rd April to the 10th May 2020 which has now been rescheduled from the 18th February 2021 to the 7th March 2021. The pandemic has also restricted other planned activities. Other than these restrictions there has not been any matter or circumstance occurring during or subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

Dividends

The company is a company limited by guarantee and no dividends can or have been paid or recommended during the financial year.

No Significant Changes in State of Affairs

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

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Meetings

7 meetings were held during the year; attendance was as follows

Director	Number entitled to attend	Number Attended
Mark Henry	7	7
Naomi Milgrom, AC	7	6
Elias Redstone	7	7
William Bowness, AO	7	7

Indemnification of Officer or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

Proceedings on Behalf of the Company

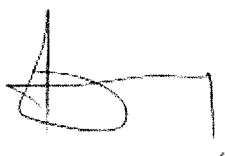
No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

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

Lead auditor's independence declaration

A copy of the lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on the following page of this report.

Signed in accordance with a resolution of the Board of Directors: Date *16th November* 2021



Director



Director

**LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001**

To: the Directors of Photo Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30th June 2021 there has been:

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

Name of Auditor Eric Townsend



Name of Firm E. Townsend & Co

Address 15 Taylor Street

P O Box 625

ASHBURTON Vic 3147

Date 16th November 2021

PHOTO AUSTRALIA LIMITED
ACN 29 130 665 477

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30th June 2021

	Notes	2021	2020
		\$	\$
Revenue	2	610,336	641,860
Total Revenue			
Expenses			
Production Expenditure		(25,411)	(19,919)
Program Expenditure		(281,582)	0
Event Advertising Marketing and Promotion Expenditure		(145,050)	(66,919)
Administration Expenditure		(20,979)	(15,952)
Employment Expenditure		(354,651)	(509,690)
Travel Expenditure		(3,407)	(25,035)
Total Expenditure		(831,080)	(637,515)
Surplus/ (deficit) before tax expense		(220,744)	4,345
Income tax expense		0	0
Surplus/(deficit) after income tax expense for the year attributable to the members	9	(220,744)	4,345
Other comprehensive income for the year, net of tax		0	0
Total comprehensive income for the year attributable to members		(220,744)	4,345

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 9 to 14

PHOTO AUSTRALIA LIMITED
ACN 29 130 665 477

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30th June 2021

	Retained profits	Total Equity
	\$	\$
Balance at 1 st July 2019	248,414	248,414
Net Surplus after income tax expense for the year	4,345	4,345
Other comprehensive income for the period, net tax	0	0
Total comprehensive income for the period	4,345	4,345
Balance at 30th June 2020	252,759	252,759

	Retained profits	Total Equity
		\$
Balance at 1 July 2020	252,759	252,759
Surplus (Deficit) after income tax expense for the year	(220,744)	(220,744)
Other comprehensive income for the year, net tax	0	0
Total comprehensive income for the year	(220,744)	(220,744)
Balance at 30th June 2021	32,015	32,015

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 9 to 14

PHOTO AUSTRALIA LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30th June 2021

	Notes	2021 \$	2020 \$
Current Assets			
Cash and Cash Equivalents	4	585,852	440,005
Trade Receivables and other receivables	5	19,566	79,495
Total Current Assets		605,718	519,500
 Liabilities			
Current Liabilities			
Trade payables and other payables	6	45,506	36,525
Contract Liabilities/ Advance Funds	8	526,538	229,584
Total Current Liabilities		572,044	266,109
Non-Current Liabilities			
Employee Benefits	7	1,659	632
Total Non-Current Liabilities		1,659	632
Total liabilities		573,703	266,741
Net Assets		32,015	252,759
Equity			
Accumulated Surplus		32,015	252,759
Total Equity		32,015	252,759

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 9 to 14

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th June 2021

	Notes	2021 \$	2020 \$
<hr/>			
Cash Flow From Operating Activities			
Receipts from Donors and Government Grants		654,965	570,783
Payment to Employees and Suppliers		<u>(509,118)</u>	<u>(390,227)</u>
Net Cash generated by Operating Activities		<u>145,847</u>	<u>180,556</u>
Net increase in cash and cash equivalents		145,847	180,556
Cash and cash equivalents at the beginning of the financial year		<u>440,005</u>	<u>259,449</u>
Cash and cash equivalents at the end of the financial year	4	<u>585,852</u>	<u>440,005</u>

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 9 to 14

PHOTO AUSTRALIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th June 2021

The financial statements are for Photo Australia Limited a Not-for-profit corporation. It is a company limited by guarantee incorporated and domiciled in Australia. The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on general purpose financial reports. These financial statements are therefore special purpose financial reports prepared to meet the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Corporations Act 2001. The members of the Company have confirmed they do not rely on these accounts to meet their information needs.

1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are special purpose financial statements that have been prepared in accordance with Accounting Standards, the Australian Charities and Not-for- Profits Commission Act 2012 and the Corporations Act 2001

The principle accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. AASB 15, AASB 16 and AASB 1058 were adopted from the 1st July 2019.

Reporting basis and conventions

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

Accounting Policies

Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers in compliance with the performance contract.

Grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants are recognised in accordance with their performance contract.

All revenue is stated net of the amount of Goods and Services Tax (GST)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

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 Australian 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 balance sheet 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 are disclosed as operating cash flows.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number a key estimates.

Reversal of impairment

An impairment loss in respect of an asset carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

Income Taxation and Deductible Gift Recipient (DGR) Status

The company's income is exempt from taxation as it is a Charity registered with the Australian Charities and Not-for-profits Commission (ACNC).

The Photo Australia Limited's Public Fund is registered as a Deductible Gift Recipient (DGR)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the 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 entity 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 impairment has arisen. Impairment losses are recognised in the income statement.

As a not-for-profit entity the value in use of an asset may be equivalent to the depreciated replacement cost of that asset when the future economic benefits of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits

Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

		2021 \$	2020 \$
2	Revenue		
	Government Funding		
	Grant - City of Melbourne	59,546	6,000
	Grant - City of Stonnington	14,250	4,750
	Grant - Victorian State Government	51,000	10,000
	Grant - Australian Council	20,000	0
	Grant - Creative Victoria	54,400	0
	Grant – RISE	3,032	0
	Total Grant Funding	202,228	20,750
	Cash Flow Boost Funding	6,316	15,000
	Job Keeper Funding	27,900	6,000
	Cross Yarra Partnership – Exhibition Partnership	41,415	51,250
	Private Support Funding		
	Donations	35,674	158,767
	Grants Creative Partnership Australia	0	22,460
	Founding Patrons Donations	200,000	300,000
	Total Private Support	235,674	481,227
	Event Income	51,803	7,963
	Service Income	0	310
	Cash Sponsorship	45,000	59,360
	Total Revenue	610,336	641,860
3	Expense items		
	Auditor's Remuneration paid or payable to:		
	 E Townsend & Co		
	Audit services	1,500	1,500
	Other services Financial Accounts Preparation	900	900
	Total auditor remuneration	2,400	2,400
	 Bad and doubtful debts expense		
	Trade Receivables	0	0
	Total bad and doubtful debts expense	0	0
	 Rental expense on operating leases		
	Operating Lease Minimum Lease Payment	0	0

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NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30th JUNE 2021

4 Cash and Cash Equivalents

Reconciliation of cash

Cash at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2021	2020
Current Assets		
Cash at Bank and on Hand/ Operating Account	59,974	82,505
Public Trust Fund	525,878	357,500
	<u>585,852</u>	<u>440,005</u>

5 Trade and Other Receivables

Current

Accounts Receivable	19,866	64,495
Sundry Debtors	0	15,000
Less: Provision for Impairment of receivables	0	0
	<u>19,866</u>	<u>79,495</u>

6 Trade and Other Payables

Current

Trade Creditors	10,143	18,531
Sundry creditors	35,364	17,994
	<u>46,507</u>	<u>36,525</u>

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130 665 477**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th June 2021**

7	Provisions Payable	2021	2020
	Employee Benefits –Current		
	Employee entitlements – Annual Leave	1,659	632
	Employee Benefits –Current	<u>1,659</u>	<u>632</u>
	Employee Benefits – Non current		
	Total provisions payable	<u>1,659</u>	<u>632</u>
8	Contract Liabilities – Advanced Funds		
	Current Liabilities		
	Contract Liabilities – Advance Funds	<u>526,538</u>	<u>229,584</u>
	Total Contract Liabilities –Advance Funds	<u>526,588</u>	<u>229,584</u>
9	Reconciliation of cash flows from operating activities	2021	2020
		\$	\$
	Surplus (Deficit) for the year	(220,744)	4,345
	Adjustments for non-cash items:		
	Depreciation & Amortization	0	0
	Changes in assets and liabilities		
	(Increase) Decrease in trade and other receivables	59,629	(71,077)
	Increase (Decrease) in trade and other payables	8,981	17,072
	Increase (Decrease) in Contract Liabilities - Advances	296,954	229,584
	Increase (Decrease) in Provisions	1,027	632
	(Increase) Decrease in Other Current Assets	<u>0</u>	<u>0</u>
	Net cash flow from operating activities	<u>145,847</u>	<u>180,556</u>

10 Member's Guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to make a maximum contribution of \$ 10 towards meeting any outstanding obligations of the Company

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th June 2021

13 Related Party Transactions

Transactions with related parties

Transactions with related parties are on normal commercial terms during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date

Loans to / from related parties

There were no loans to or from related parties at the current and previous reporting date.

14 Events after the Balance Sheet date Covid 19 Restrictions on Photo Australia Limited's Activities.

As Covid 19 restrictions have limited Photo Australia Limited's performance activities the entities earned income and project completion has been limited. It is not possible to evaluate the full effect of these restrictions on the current year earnings as the length of the restrictions is not determinable. It has however had a substantial effect on the company's 2021 earnings.

15 AASB 16 Leases Benefit Disclosure

The company's registered business address is listed below at Note 16. The company receives ongoing in-kind support from the Naomi Milgrom Foundation that provides service office space, meeting rooms and workstations valued at \$100,000 per annum

There is no 'make good' related costs to this office occupancy arrangement reported for completeness.

16 Company Details

The registered office of the company is:

11 Palmer Parade
Cremorne Vic 3121

The principal place of business is at the registered office.

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DIRECTORS' DECLARATION

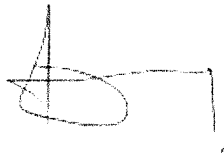
The directors have determined that the company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 14, are in accordance with the Corporations Act 2001 and have been prepared to satisfy the reporting requirements under the Australian Charities and Not-for-Profits Commission Act 2012:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30th June 2021 and of the performance for the year ended on that date of the company in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 .
 - (c) 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

Dated this *16th November* 2021



Director



Director

PHOTO AUSTRALIA LIMITED
ACN 29 130 665 477

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHOTO AUSTRALIA LIMITED

Opinion

I have audited the financial report, being a special purpose financial report, of Photo Australia Limited (the Entity) which comprises the Statement of Financial Position as at 30th June 2021, the Statement of Profit and Loss and Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and the declaration by those charged with governance.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Entity as at the 30th June 2021 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the Corporations Act 2001 and Division 60 of the Australian Charities and Not-for-profits Commission regulation 2013.

Basis for Opinion.

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Emphasis of matter- Subsequent Events (Covid 19) Restrictions

I draw attention to Note 14, which describes the impact of the Covid 19 Virus (Covid 19). My opinion is not modified in respect of this matter.

Auditor's responsibility for the Audit of the Financial Report

My 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 my 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 I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether due to

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fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for my 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.

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 Entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's 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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists. I am required to draw attention in my auditor's report to the disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease or 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including deficiencies in internal control that I identify during my audit.

Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities under the Corporations Act 2001 and the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Name of firm E Townsend & Co



Name of Auditor Eric Townsend

Address 15 Taylor Street
Ashburton Vic 3147

Dated this *16th November* 2021