

**ROYAL AUSTRALIAN ARTILLERY
HISTORICAL COMPANY**

ABN 66 084 470 539

Financial Report - for the year ended 30 June 2017

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ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
ABN 66 084 470 539
DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2017.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Tim Ford AO	(Chairman from 22 Oct 11)
Ian Ahearn	
Schon G Condon RFD, GCSJ	
Jason Cooke RFD	(resigned 21 Oct 16)
John Cox AM	
Robert Crawford	(appointed 16 Jan 17)
Jon Green RFD	(resigned 1 Aug 16)
Brian Hall	
Nicholas Floyd	(leave of absence from 1 March 17)
Peter Lawrence	
Vincent Williams CSC	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. Nicholas Floyd was granted Leave of Absence from the Board for the period 1 March 2017 to 1 February 2018 while absent on operational service.

Principal Activities

The principal activities of the company during the financial year were to promote and support the heritage and history of Australian Artillery on a national basis. Outcomes sought were that:

- The significant role of Australian Artillery is recognised and commemorated
- The national artillery collection is preserved and accessible
- The RAAHC effectively communicates with its stakeholders
- Approved RAAHC activities are funded and sustained
- Appropriate governance exists and is assured

The Goals for the period of this Report were:

- Support the RAA Regimental Committee Heritage Plan.
- Develop the RAAHC ability to achieve its Mission.
- Continue to provide the Anzac Centennial Gun and team to commemorate the role of Australian Artillery in WWI, at least through to November 2018.
- Develop the RAAHC Library into an artillery research centre .
- Implement the Centenary of Anzac's Firepower: Lessons from the Great War History Seminar Series to commemorate the evolution of firepower in general and of Australian Artillery in particular.

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
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DIRECTORS' REPORT

The company measured its performance through such key performance indicators as:

- a. Membership and Memorial support.
- b. Delivery of projects on time and within budget.
- c. Ability to generate income to support displays of collection items.
- d. Frequency of requests for support from museums/agencies/individuals.

Information on Directors

Tim Ford AO
Chairman

Qualification BE (Elec) Syd Uni, G, AWC, JSSC, psc., Graduate Australian Institute Company Directors.

Experience 40 years' experience in ADF and the UN, Director Artillery 1987-88, RAA Representative Colonel Commandant 2005-12. Joined the company in 1981. Chair Australian Peacekeeping Memorial Project, Chair Peace Operations Training Institute.

Special Responsibilities Chair Board of Directors, Life Governor.

Ian Ahearn
Deputy Chair

Qualification Graduate Diploma – Defence Studies UNSW, Graduate of the Royal Military College, Army Command and Staff College and the Joint Services Staff College.

Experience 36 year career in the ADF, RAA Colonel Commandant Eastern Region, President of the RAA Association (ACT); Vice Chairman of the Australian Industry Defence Network, Board Member Federal Golf Club, President Federal Golf Club, Member RSL National Conditions of Service Committee.

Special Responsibilities Chairman, Membership Committee; Member, Governance Committee.

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Schon G Condon
RFD, GCSJ

Qualification B. Bus (Acc) UTS; Graduate Diploma Management University of Canberra; and psc(r) Australian Command and Staff College, Canberra, FCA, FCPA, FIPA, FAICD.

Experience Managing Principal Condon Associates Group; President of the Royal Australian Artillery Association (NSW) Inc.; Former Commanding Officer 23 Field Regiment RAA; Former Chairman Western Sydney Itec Ltd; Former Chair Public Practice Committee CPA Australia; Former President Turnaround Management Association of Australia Ltd

Special Responsibilities Member, Finance and Governance Committee, Life Governor.

John Cox AM

Qualification Graduate of the Royal Military College, the Joint Services Staff College and the Australian College of Defence and Strategic Studies. Doctor of Philosophy (Physics UNSW).

Experience Chairman of the History Sub Committee of the RAA Regimental Committee; Chairman of the RAA Historical Society (3 years); Director of Royal Australian Artillery; Australian Defence/Army appointments (40 plus years); Project Director and Manager of Defence of Sydney Monument and Commemoration Event (2 years).

Special Responsibilities Chairman, History Committee, Life Governor.

Jason Cooke RFD

Qualification Grad Cert in Project Management UTS, Graduate Australian Command & Staff College.

Experience Army Reserve Officer with over 30 years commencing in 1982 and currently posted to 4 BDE Headquarters as Assistant Commander - Capability and Workforce Planning. In his civilian role he is appointed within Defence Materiel Organisation as the Deputy Director Project and Sustainment.

Special Responsibilities Member Membership Committee

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Robert Crawford

Qualification Lieutenant Colonel – Royal Australian Artillery, Bachelor of Human Resource Development and Graduate Diploma of Management in Defence Studies

Experience Robert Crawford lives in Sydney and comes from a “Gunner” family, so his association with the Royal Regiment spans his whole life. He has served in the Army since 1985, in both reserve and regular components, as a soldier and officer. He has held a variety of regimental and staff appointments. Robert has also served overseas in the UK and USA

Special Responsibilities Director, Chairman Collections Committee

Nicholas Floyd

Qualification Bachelor degree in history and post-graduate degrees in defence studies, and in history/archaeology, graduate of Command and Staff College.

Experience Regimental experience (8th/12th, 1st and 2nd/10th Regiments), Army Headquarters, and Chief of Army’s Visiting Fellow, Lowy Institute. Former Directing Staff at the Australian Command & Staff College Operational service in Iraq and Afghanistan. President of the RAA Association (ACT). Councillor of the United Services Institute (ACT).

Special Responsibilities Membership Committee, History Committee

Jon Green

Qualification Bachelor of Education (Secondary Mathematics)

Experience Army Reserve Officer with over 30 years commencing in January 1981. Currently posted as the SO2 Soldier Career Management at the Career Advisory Group – Eastern Region.

Special Responsibilities Honorary Treasurer, Chair of Finance and Governance Committee

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
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DIRECTORS' REPORT

Brian Hall

Qualification	Graduate of the Royal Military College of Science, Army Command and Staff College and the Joint Services Staff College; and Member of the Australian Institute of Company Directors.
Experience	<p>Brian Hall served with the Australian Regular Army for 35 years in a range of field, training, staff and diplomatic appointments. He served as Officer Commanding P&EE Port Wakefield and as an instructor at The Royal Military College of Science, UK. He held staff appointments as Project Director NINOX and as Director of Vehicle Systems Projects. His final appointments were as Defence Adviser to New Zealand and then as Defence Attaché in Baghdad. He retired from full time service in 2007 to establish his own consulting business providing services to Federal government agencies.</p> <p>Brian is a graduate of the Royal Military College Duntroon, the Royal Military College of Science, Army Command and Staff College and the Joint Services Staff College. He is a member of the Australian Institute of Company Directors.</p>
Special Responsibilities	Director, Honorary Treasurer, Chair Finance and Governance Committee,

Peter Lawrence

Qualification	Bachelor of Arts and is a graduate of the Australian Army and Canadian Command and Staff Courses
Experience	Australian Army for 30 years in field, operational and training appointments; and CEO of the Australian Society of Anaesthetists (not for profit society for nine years).
Special Responsibilities	Honorary and Company Secretary, Finance and Membership Committees

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DIRECTORS' REPORT

Vincent Williams
CSC

Qualification	Master of Arts (International Relations), Postgraduate Diploma of TESOL (Teaching English to Speakers of other Languages), Graduate Diploma in Management and a Bachelor of Arts degree
Experience	Served on the Committee of the Royal Australian Artillery Historical Society 1990-92 Regimental Committee's representative to the Australian Army Artillery Museum 2008-2013.
Special Responsibilities	Liaison with SHFT, Life Governor

Meetings of Directors

During the financial year, five meetings of the directors were held. Attendances by each director were as follows:

	Directors Meetings	
	Number eligible to attend	Number attended
Tim Ford	5	5
Ian Ahearn	5	4
Schon Condon	5	4
John Cox	5	5
Jason Cooke	2	0
Robert Crawford	2	2
Jon Green	0	0
Brian Hall	5	4
Nicholas Floyd	4	4
Peter Lawrence	5	5
Vincent Williams	5	3

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 outstanding obligations of the entity. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$2,420 (2016: \$2,390).

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

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

**ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
ABN 66 084 470 539
DIRECTORS' REPORT**



Director:



Director:

Dated this 21st day of September 2017

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY**

We declare, that to the best of our knowledge and belief, during the year ended 30 June 2017 there have been:

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

Name of Firm: Frank Clune & Son
Chartered Accountants

Name of Partner: 
William Neill

Address: Level 8, 60 Carrington Street, Sydney NSW

Dated this 25th **day of** September 2017

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
ABN 66 084 470 539

Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2017

	Note	2017 \$	2016 \$
Revenue	2	18,027	12,456
Australian Memorial Walk expenditure	3	(12,938)	(2,306)
Restoration expenditure	3	(450)	(3,807)
Other expenses		(7,032)	(6,282)
		(20,420)	(12,395)
Profit/(Loss) before income tax expense		(2,393)	61
Income tax expense		-	-
		(2,393)	61
Profit/(Loss) for the year after income expense attributable to the owners of the company		(2,393)	61
Other comprehensive income, net of tax			
- Adjustment to deferred revenue of prior periods		-	1,549
- Transfer to reserves		-	(1,549)
		(2,393)	61
Total comprehensive income for the year		(2,393)	61
Total comprehensive income for the year attributable to the members of the company	5	(2,393)	61

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
ABN 66 084 470 539

Statement of Financial Position
as at 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
<i>Current Assets</i>			
Cash and Cash Equivalents	4	158,540	145,586
Trade and Other Receivables	6	307	111
Stock	7	244	6,734
<i>Total current assets</i>		159,091	152,432
<i>Non-current assets</i>			
Museum Inventory - Memorabilia	8	1,091,343	1,110,690
Australian Memorial Walk	8	400,000	400,000
<i>Total non-current assets</i>		1,491,343	1,510,690
<i>Total assets</i>		1,650,434	1,663,122
LIABILITIES			
<i>Current liabilities</i>			
Deferred Revenue	9	1,637	3,055
Unexpended AMW Obligations		-	3,636
Unexpended Project Obligations	10	70,045	75,286
<i>Total current liabilities</i>		71,682	81,977
<i>Total liabilities</i>		71,682	81,977
NET ASSETS		1,578,752	1,581,145
EQUITY			
Asset Revaluation Reserve		1,512,364	1,512,364
Reserves Membership		11,615	11,615
Retained Earnings		54,773	57,166
<i>Total equity</i>		1,578,752	1,581,145

The above Statement of Financial Position should be read in conjunction with the accompanying notes

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
ABN 66 084 470 539

Statement of Changes in Equity
for the year ended 30 June 2017

	Notes	Retained Earnings	Reserves	Total
Balance at 1 July 2016		57,166	1,523,979	1,581,145
Profit for the year		(2,393)	-	(2,393)
Transfers to reserves		-	-	-
Total comprehensive income for the year		<u>(2,393)</u>	<u>-</u>	<u>(2,393)</u>
Balance at 30 June 2017		<u>54,773</u>	<u>1,523,979</u>	<u>1,578,752</u>
Balance at 1 July 2015		56,429	1,522,430	1,578,859
Profit for the year		737	-	737
Transfers to reserves		-	1,549	1,549
Total comprehensive income for the year		<u>737</u>	<u>1,549</u>	<u>2,286</u>
Balance at 30 June 2016		<u>57,166</u>	<u>1,523,979</u>	<u>1,581,145</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
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Statement of Cash Flows
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers		11,787	11,806
Interest received		990	1,947
Payments to suppliers		(20,420)	(11,043)
Net cash flows from operating activities	5	<u>(7,643)</u>	<u>2,710</u>
Cash flows from investing activities			
Payments for restorations		(46,787)	(36,161)
Proceeds from grants and sponsorships		8,000	13,910
Proceeds from donations		33,546	6,636
Proceeds from Sale of Stock/Assets		25,837	-
Net cash flows from investing activities		<u>20,596</u>	<u>(15,615)</u>
Cash flows from financing activities			
		-	-
Net cash flows from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		<u>12,953</u>	<u>(12,905)</u>
Cash and cash equivalents at the beginning of the financial year		<u>145,586</u>	<u>158,491</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>158,540</u></u>	<u><u>145,586</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
ABN 66 084 470 539

Notes to the Financial Statements
for the year ended 30 June 2017

Note 2. Revenue

	2017	2016
	\$	\$
Revenue from membership fees	2,782	2,427
Revenue from donations	7,068	8,080
Release of grant funding (AMW)	3,636	-
Total Revenue	13,486	10,507
Other revenue		
Interest revenue	990	1,947
Other	3,551	1
Total revenue	18,027	12,456

Note 3. Expenses

Profit or loss before tax includes the following specific expenses:

Library costs	692	368
Restoration costs - other	450	1,780
Australian Memorial Walk	12,938	2,306

Note 4. Cash and cash equivalents

Cash on Hand - Library Float	49	50
Cheque Account - Operations	766	1,334
Cheque Account - Gift	193	147
Cash Reserve Account - Operations	51,639	28,631
Cash Reserve Account - Gift	105,893	115,201
Paypal	-	223
	158,540	145,586

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Notes to the Financial Statements
for the year ended 30 June 2017

	2017	2016	
	\$	\$	
Note 5 a. Cashflow related disclosure			
Reconciliation of profit/(loss) after income tax to net cash outflow from operating activities			
Net Profit/(Loss)	(2,393)	2,286	
<i>Adjustments for</i>			
Changes in assets and liabilities			
(Increase)/decrease in receivables and inventories	(196)	1,973	
(Decrease)/increase in creditors and accruals	(5,054)	(1,549)	
Net cash flows from operating activities	(7,643)	2,710	
Note 6. Trade and other receivables			
Other debtors	-	-	
GST refundable	307	111	
	307	111	
Note 7. Stock on hand			
AMW Pavers	244	244	
Memorabilia Held for Resale	-	6,490	
	244	6,734	
Note 8. Non Current Assets			
	Australian	Museum	
	Memorial Walk	Memorabilia	Total
Gross carrying amount			
Balance at 1 July 2016	400,000	1,110,690	1,510,690
Revaluations / impairment	-	-	-
Transfer to Held for Resale	-	(19,347)	(19,347)
Balance at 30 June 2017	400,000	1,091,343	1,491,343
Net book value			
As at 30 June 2017	400,000	1,091,343	1,491,343
Note 9. Other Payables			
Membership revenue received in advance	1,637	3,055	
	1,637	3,055	
Note 10. AC18Pdr Project - Liability to expend funds			
Balance Carried Forward from Prior Year	75,286	94,537	
Grant funding received - fully expended	8,000	3,000	
Donations received - partially expended	33,546	13,910	
Total project specific revenue raised in year	41,546	16,910	
Expenses			
Fodder & farrier	10,835	6,747	
Transportation	3,043	8,294	
Insurance and licences	2,812	1,064	
Restoration and uniforms	30,097	20,056	
Total project related expenses	46,787	36,161	
Net (deficit)/surplus from project specific activities during the year	(5,241)	(19,251)	
Liability for unexpended project funds raised	70,045	75,286	

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
A.B.N 66 084 470 539**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose report of Royal Australian Artillery Historical Company, which comprises the statement of financial position as at 30 June 2017 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes as set out on pages 13 to 17 and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal controls as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Scope

As an audit procedure, it was not practical to extend our examination of subscriptions, bequests and donations beyond the accounting for amounts received as shown by the books and records of the Company.

The accompanying notes form part of these financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
A.B.N 66 084 470 539**

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditors' Opinion

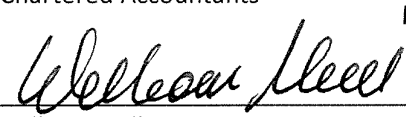
In our opinion the financial report of Royal Australian Artillery Historical Company is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Basis of Accounting

Without modifying our opinion, we draw your 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 directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Frank Clune & Son
Chartered Accountants

Name of Partner: 
William Neill

Address: Level 8, 60 Carrington Street, Sydney NSW 2001

Dated this 25th **day of** September 2017.

The accompanying notes form part of these financial statements.

ROYAL AUSTRALIAN ARTILLERY HISTORICAL COMPANY
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Detailed Profit and Loss Statement
for the year ended 30 June 2017

	Note	2017 \$	2016 \$
INCOME			
Subscriptions		2,782	2,427
Donations - AMW and unspecified		6,338	5,830
Donatons - unspecified		730	2,250
Interest Income		990	1,947
AC 18 PDR Gun Project Income		3,551	-
Other Income		-	1
		14,391	12,456
OTHER INCOME			
Release of grant funding (AMW)		3,636	-
		3,636	-
		18,027	12,456
EXPENSES			
Advertising		-	486
Bank charges		20	60
Paypal charges		79	257
Equipment expensed		-	1,592
Insurance		2,266	1,866
Library expenses		692	368
Meeting costs		117	469
Memorial walk expenditure		12,938	2,306
Publications		-	50
Restoration costs		450	1,780
Supplies, postage and stationery		530	1,092
Firepower History Seminar Series		916	-
Other		1,163	-
Internet and website		1,249	1,393
		20,420	11,719
Profit/(Loss) before income tax expense		(2,393)	737

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.