

ANVAM Annual Report 2019/20



AUSTRALIAN NATIONAL
VETERANS ARTS MUSEUM

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Produced by the Australian National Veterans Arts Museum

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About the Australian National Veterans Art Museum

ANVAM, founded in 2013 and incorporated on 25 April 2015, is a Patriotic Fund in Victoria and registered charity with the Australian Charity and Not-for-Profit Commission (ACNC) for the following:

- Advancing health
- Advancing culture
- Advancing the security or safety of Australia or Australian public
- Public Benevolent Institution (PBI)

Mission

To promote the health and wellbeing of current and former members of Australia's military and family members via facilitated arts programs, art exhibitions and arts events.

Objectives

ANVAM's objectives are to:

- Provide opportunities for veterans and families in the arts that support their mental and physical wellbeing
- Promote the history and role of veteran's arts in improving veteran's quality of life;
- Create a sustainable cultural institution (home) for veteran's arts that promotes awareness across the Australian community of the impact of service on veterans and their family members;
- Assist Veterans Support Organisation, including ex-service organisations, strengthen their local veteran community and range of support services;
- Develop and maintain an accessible veterans' art collection of national significance representing the breadth of stories related to experiences of veterans;
- Be a Centre of Excellence for promotion of arts in health;
- Use veterans' Art to raise awareness and educate the Australian community about the Australian military and veteran community;
- Support research and education where it will advance ANVAM's objectives or improve access and services and to enhance the quality of life of veteran's and families.

Who is a veteran?

In the context of ANVAM's mission a veteran is a person who has served at least one day in the Australia Defence Forces. This includes current and ex-serving members and does not discriminate by rank, age, service, operational experience or any other factor.

Who is a veteran artist?

A veteran artist is any veteran or veteran's family member who expresses themselves creatively through an Arts medium.

Registered Address and Office:
312 St Kilda Rd Southbank VIC 3006

Postal Address:
PO Box 495 Flinders Lane Melbourne VIC 8009

@anvam310

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Joint Patron's Message



His Excellency General the Honourable David Hurley AC DSC (Retd)
Governor-General of the Commonwealth of Australia

Linda and I, on behalf of all Australians, would like to thank you for your contribution to the Australian National Veterans Arts Museum over the course of 2020.

This year has brought many challenges. The way we live, work and stay connected has changed.

More positively, it has also highlighted the contributions that so many Australians make to their community. Linda and I have encountered this goodness in countless conversations, visits and, in a sign of the peculiarities of 2020, video conferences over the course of the year. Time and time again we have been struck by the selflessness and generosity of Australians.

This is not, of course, to understate the scale of the challenge or, indeed, the pain being felt in parts of our community. It does, though, make us both enormously proud to be Australian and hopeful for our future.

Linda and I are proud to be associated with organisations like the Australian National Veterans Arts Museum. The contribution that the Australian National Veterans Arts Museum and you make in our community is considerable.

We would like to thank you for your work, passion and commitment.

Yours sincerely

A handwritten signature in black ink, which appears to read 'D. Hurley', is written over a light blue background.



Veterans' arts hub plan for inner city

A VACANT Defence Department building on a prime site near the CBD could become a key cultural and wellbeing centre for military veterans.

The City of Melbourne is interested in buying the run-down Art Deco property, but renovation and remedial costs of up to \$20 million would need to be shared across all governments.

Located in the Victoria Barracks precinct on the corner of St Kilda Rd and Coventry St, the former repatriation commission outpatient clinic has been earmarked for the

JOHN MASANAUSKAS
CITY EDITOR

Australian National Veterans Arts Museum.

ANVAM chairman Mark Johnston said his organisation aimed to restore the 1930s building so it could display works from the Australian War Memorial and major galleries.

"It's a fantastic property, and would be a shovel-ready project if governments at all levels were willing to tip in some money," he said.

ARM Architecture has

been working pro bono on the project, which includes an extension for a performance studio for dance, music and theatre.

More talks between ANVAM, the Defence Department and Melbourne City Council are due to be held next week.

A Defence Department spokeswoman said the building was surplus to requirements, but the department recognised the importance of veterans' rehabilitation activities. The spokeswoman said that any future owner

would need the finances to reduce the site's safety risks and protect its heritage.

City of Melbourne CEO Justin Hanney said the council would need to complete due diligence on the land transfer before considering the proposal.

"The building has been vacant for 20 years and is in a state of disrepair," he said.

"We would also need to

view a detailed business case from the proponents on the proposed funding model and maintenance regime, and to ensure the transaction is at no net cost to council."

The Andrews Government has previously shown interest in an off-market sale, but it is believed the offer was rejected.

The repatriation clinic was originally built for World War I veterans, however it later supported those from World War II and the Korean and Vietnam wars.

john.masanauskas@news.com.au



ANVAM and 310 St Kilda Rd appeared in the media early in the year with news Melbourne City Council had expressed interest in supporting ANVAM return the former Repatriation Clinic to the veteran community.

Source: Herald Sun

Chairman's Report

Like the rest of Australia, and the world, ANVAM has had to react and adapt to COVID-19. It has been broadly recognised that 2020 is a year that has tested many if not all of us.

Ironically the events of 2020 coincided with the theme of ANVAM's 2020 exhibition, place. For all Australian's, our relationship to place changed in 2020. Particularly in Victoria our kitchens, bedrooms and studies became our workplaces and schools. Our worlds narrowed and events like Anzac Day that would otherwise bring us together we were forced to conduct apart.

It is within this context that ANVAM's vision to establish a place of significance for all members of the veteran community continues with a growing base of support. This support now extends to all levels of government with the Federal Minister for Veterans Affairs, the Hon Darren Chester MP, Victorian Veterans Minister, the Hon Shaun Leane, and Melbourne Lord Mayor, the Rt Hon Sally Capp, all expressing their support and enthusiasm

This year ANVAM was fortunate to have the support and services of ARM Architecture, along with a volunteer 'Remediation and Renovation Advisory Committee (R&RA)' of experts to develop a concept design for the former Repatriation Commission Outpatient Clinic. This design has allowed ANVAM to convey the vision to all levels of government and supporters while establishing the foundation for consultation amongst the veteran arts community.

ANVAM's annual exhibition scheduled for April 2020 had to be postponed. The exhibition will take place in April 2021 with a renewed focus on place, and on the veteran arts community. This community is diverse in many ways while sharing the lived experience of service and a love of the arts.

2020 saw us farewell Australia's oldest veteran artist, Staff Sergeant Erwin Fabian. At 104 years old Erwin's passion and commitment to his creative expression can only serve as an inspiration to us all.

As we look forward to 2021 I thank the ANVAM Board who has continued to provide their unwavering support. Also to Jacqueline Pascarl who retired from the Board to become an ANVAM Ambassador, all arts facilitators, mentors, volunteers and supporters I offer my sincere gratitude for your support of the veteran community through ANVAM. We look forward to achieving further milestones in 2021 as we move toward realising a vision for a permanent home for veterans arts in Australia.

DIMENSIONS OF THE VETERAN COMMUNITY



CULTURE & IDENTITY



HEALTH & WELLBEING



COMMUNITY & SOCIAL CONNECTION



CREATIVITY & INNOVATION



HISTORY & HERITAGE

Our People

JOINT PATRONS - IN - CHIEF

His Excellency General the Honourable David Hurley AC DSC (Retd) and Her Excellency Mrs Linda Hurley

AMBASSADORS

Lieutenant General Ash Power AO CSC (Rtd)

Lieutenant Colonel Barham Ferguson (Rtd)

Bradley Trevor Grieves AM

Connie Boglis

Jacqueline Pascarl

BOARD

Names	Position	Appointed (Resigned)
Mr Mark Johnston	Chairman	2015, 2016, 2018
Mr Craig Ball	Treasurer	2017, 2019
Prof. Barb Bolt	NED	2019
Mr Dominik Kul	ED	2015, 2016, 2018
Ms Tanja Johnston	ED	2015, 2017, 2019
Ms Jacqueline Pascarl	ED	2018
AIRCDRE Rowan Story AM RFD (Retd)	NED	2018
CDRE Greg Yorke CSC RAN	NED	2017, 2019
Retired Directors		
Prof. Jon Cattapan		2015 (2019)
Ms Sharyn Meade		2015 (2018)
Prof. Su Baker AM		2015 (2017)

COMPANY SECRETARY

Mr Michael Godfrey has been the company secretary since 2015.

VOLUNTEERS

In addition to the Board a growing number of volunteers have supported ANVAM. We thank the following for their support in 2020:

Michael Armstrong

Jill Oliver

Graeme Blackman

George Petrou

Julie Bonarius

Ben Pullin

John Castles

Stephen Sculley

Michael Christofas

Paritosh Sharma

Bruce Copland

Robert Suggett

Ian Dixon

Anna Taylor

Les D'Monte

Dot Thomas

Warrick Eady

Sue Trajanov

Dan Elborne

Gordon Traill

Barham Ferguson

Jandy Paramanathan

Mike Godfrey

Caroline Williams

Robin Grow

Dennis Wright

Emma Jackson

Owen Johnston

Tanja Johnston

Toby Johnston

Mel Knight

Dominik Kul

Natalia Kul

Janet Lapworth

Ross Lapworth

Pauline Madden

Erica Mainprize

David Mann AM

Sharon Meade

Oliver Morris

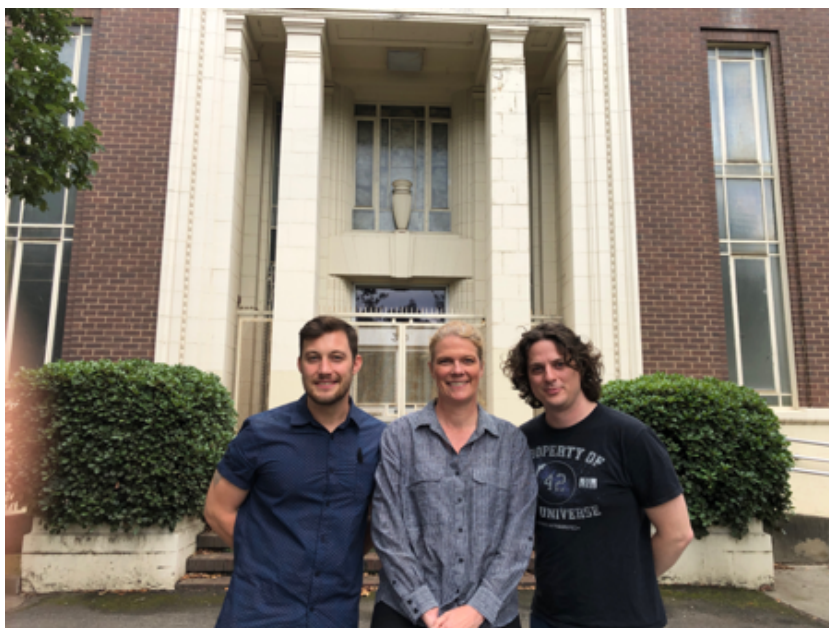
Nell Olsson-Young

Year in Summary



ANVAM visited the exhibition 'Return', by Freya Jobbins in Wagga Art Gallery, 15 Feb–17 May 2020.

www.freyajobbins.com



'Jez & Jarryd' visited ANVAM to chat about their comedy routines prior to Melbourne's Comedy Festival.

[@infinitejez](https://twitter.com/infinitejez) & [@jarrydgoundrey](https://twitter.com/jarrydgoundrey)



ANVAM's Head of Arts Programs, Tanja Johnston, and Curator, Bruce Copland, preparing ANVAM's annual exhibition, March to Art: Place.



ANVAM Head of Arts Programs, Tanja Johnston, signing the Victorian Government House visitors book prior to briefing Her Excellency Linda Dessau AC, Governor of Victoria, on ANVAM's work with veterans and the arts.



His Excellency General the Honourable David Hurley AC DSC (Rtd), Governor-General, presents ANVAM founding Board member and Head of Operations, Dominik Kul, with the Governor-General's Medallion for more than five years dedicated service to ANVAM.



Meeting prior to hosting ARM Architecture and the R&RAC inspection of the former Repatriation Clinic as part of the development of the Concept Design for the transformation of this significant site into a national cultural institution for veterans wellbeing.



Susan Gallagher and Tanja Johnston meet to discuss challenges and opportunities to support transition of serving members into civilian life.



Collaboration between RUSI Library, Bob Hart, HMAS Cerberus Band Master, LEUT Dave Coit RAN, Senior Naval Officer Victoria & ANVAM Board Member, Commadore Greg Yorke CSC RAN, discuss the extensive sheet music collection held by RUSI.

Concept Design - 310 St Kilda Road

BACKGROUND OF 310 ST KILDA RD

For 40 years the Repatriation Clinic quietly provided a place for veterans to gather to gain some relief from their suffering.

1936	-	The suffering of our original Anzacs outgrew existing facilities leading to the decision to build the Repatriation Commission Outpatient Clinic
1937 - 75	-	On average 200+ veterans per day attended the clinic
1995	-	Last used by the Department of Defence
2013	-	310's potential recognised-ANVAM established matching need with opportunity
2015	-	Declared surplus by Defence
2021	-	Last remaining clinic built for Anzacs' wellbeing serving veterans of the Boer War, WW1, WW2, Korean and Vietnam Wars

THE PROJECT SO FAR

While developing a public profile, ANVAM has advanced the project to create a new cultural institution and centre of wellbeing in Melbourne.

2013 - 20	-	Negotiations with federal, state and local governments to support the project
	-	Veteran and community consultation with overwhelming support and anticipation for the outcome
2020	-	Melbourne City Council commits to auspice the property
	-	Concept Designs prepared by ARM Architecture
	-	Capital Fundraising Campaign planning commenced
2021	-	Ongoing discussions with Melbourne City Council



A Vision of Place

FOR VETERANS & FAMILIES WELLBEING

“The building is exceptionally important. It tells an IMPORTANT story about the experiences of veterans and has strong connections with the veteran community.”

Simon Ambrose, National Trust (Vic) CEO, 2020

“The main reason it is important is its cultural CONNECTIONS; the synergies of its placement and the historical place it is that will enhance veterans wellbeing and save lives.”

ANVAM Founder, 2020

“It is probably the BEST SITE in town for an interface between a practicing artist and the community.”

Prof Ian McDougall, ARM Architecture, 2020

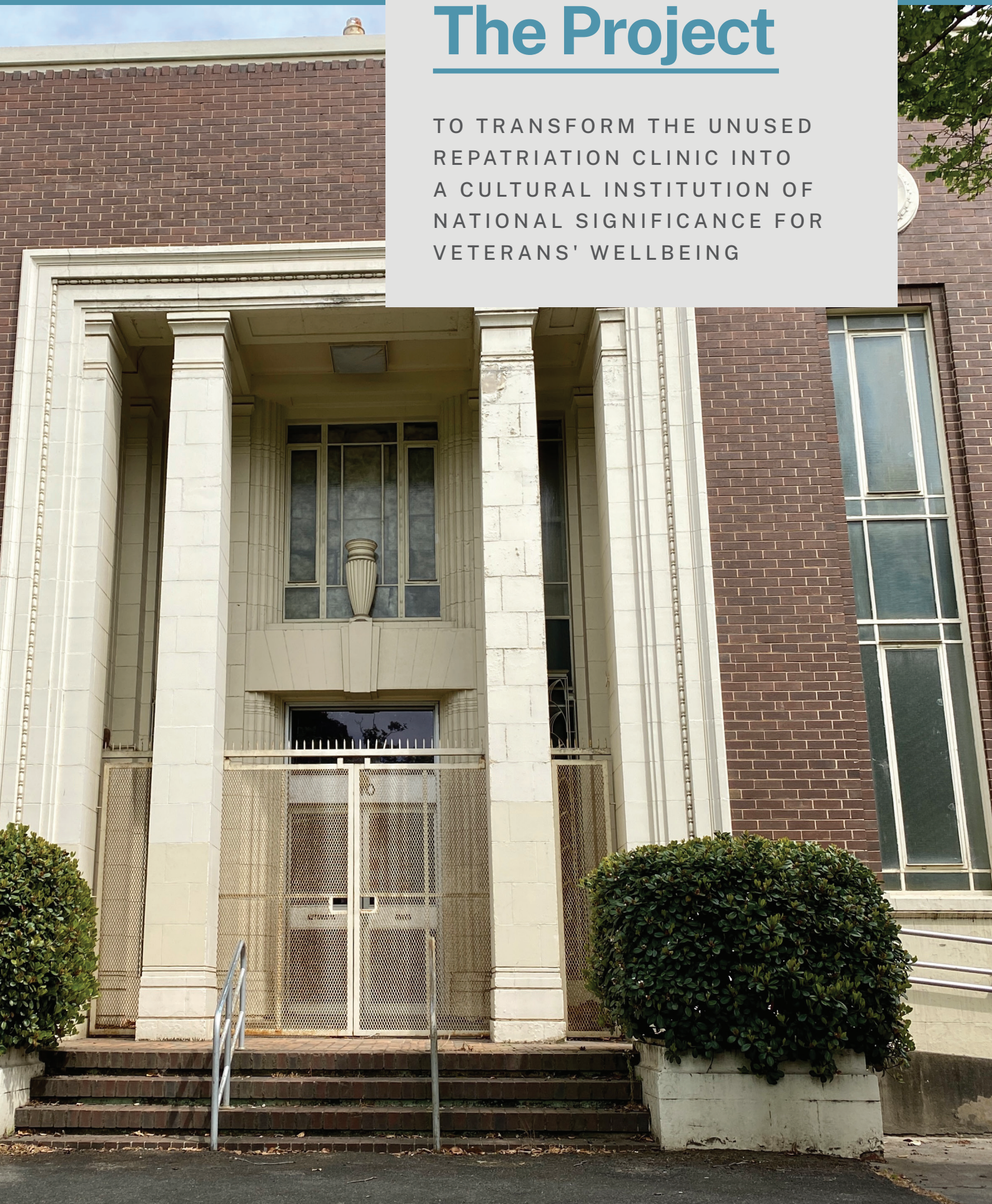
“310 St Kilda Rd has the potential to be a legacy from the past and present to the future. Not only will it fill a gap for health and WELLBEING services, we are growing a tangible legacy that captures lived experience narratives.”

ANVAM Founder, 2020



The Project

TO TRANSFORM THE UNUSED
REPATRIATION CLINIC INTO
A CULTURAL INSTITUTION OF
NATIONAL SIGNIFICANCE FOR
VETERANS' WELLBEING



An architectural rendering of a multi-story brick building. A new rectangular addition is highlighted in a bright orange color, positioned on the upper level of the building. A blue callout box points to this addition. The building features large windows, a curved brick section, and a set of stairs leading to an entrance. The foreground shows a sidewalk with several stylized green trees and small human figures for scale. A dark car is partially visible in the bottom left corner.

PERFORMING ARTS STUDIO

Only new addition will be the multi-purpose Performing Arts Studio for dance, music, singing, drama, movement, yoga and more.

Southern Gateway to the Arts Precinct

A DESTINATION FOR VETERANS AND COMMUNITY MEMBERS. AN INNOVATIVE INCLUSIVE CULTURAL CENTRE AND COMMUNITY HUB WITHIN MELBOURNE'S ARTS PRECINCT

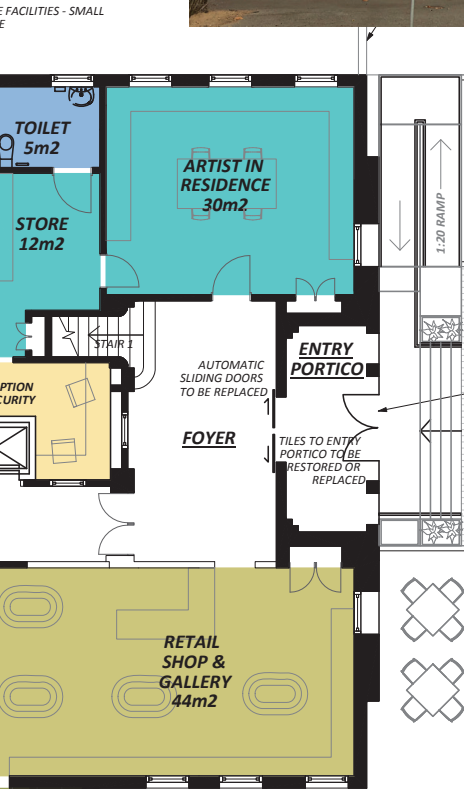
Together ANVAM and the RUSI Library create a unique cultural precinct



Concept Design Adapts Existing Floorplan



GROUND FLOOR LAYOUT
 With minimal change the proposed layout adapts the original floor plan to reflect elements of a wellbeing centred cultural institution



ARM Architecture



Image: Artist Impression of Gallery (Shona Heytman)

Social Impact Programs Based in 310 St Kilda Rd

A range of wellbeing programs offered:

- Cross community facilitated Arts engagements
- Partner and community outreach programs
- Exhibitions and performances showcasing veterans' Arts
- Artist-in-Residence programs and international cultural exchanges
- Historical veterans' art exhibitions in partnership with collecting institutions
- Integration with clinical and support services

Supporting Programs:

- Research collaborations, fellowships and scholarships
- Tertiary scholarships in creative industries; Arts, art history, curatorship, conservation, administration
- Mentoring and peer-to-peer support programs
- Vocational, career and income opportunities including retail sales
- Community opportunities to use studio and multi-purpose spaces
- Educational programs including school excursions and incursions
- Support the City of Melbourne's resilience program

Financial Reporting and Compliance

FUNDRAISING

During 2020 a number of generous donors contributed to ANVAM. Donor's whose contribution meets the relevant threshold have been listed on ANVAM's web site as follows:

Donor-\$1,000

- Rhonda and Rod Gill
- Sharyn Meade

Affiliate-\$10,000

- Peter Guy

CORPORATE PARTNER



SPONSORS



SUPPORTERS



Ax3 Partners Pty Ltd

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Suite 201, 2 Queen St, Melbourne 3000

www.Ax3.com.au



Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Australian National Veterans Arts Museum Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Ax3 Partners
Ax3 Partners Pty Ltd
Suite 201, 2 Queen St
MELBOURNE 3000

DANIEL TAI
DIRECTOR

Registered Company Auditor: 500736

Dated this13..... day ofOctober..... 2020

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	5	9,950	19,725
Lease income	10	19,049	-
Other income	5	102,475	52,674
Employee benefits expense		(81,903)	(10,592)
Depreciation and amortisation expense		(25,496)	(1,071)
Exhibition expenses		(6,964)	(27,739)
Other expenses		(46,561)	(43,284)
Finance expenses	6	(50)	-
Deficits for the year		(29,500)	(10,287)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(29,500)	(10,287)

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	120,276	112,107
Trade and other receivables	8	13,631	11,006
TOTAL CURRENT ASSETS		133,907	123,113
NON-CURRENT ASSETS			
Plant and equipment	9	32,660	5,391
Right-of-use assets	10	55,487	-
TOTAL NON-CURRENT ASSETS		88,147	5,391
TOTAL ASSETS		222,054	128,504
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	46,928	11,885
Contract liabilities	12	32,500	-
Lease liabilities	10	26,632	-
TOTAL CURRENT LIABILITIES		106,060	11,885
NON-CURRENT LIABILITIES			
Lease liabilities	10	28,875	-
TOTAL NON-CURRENT LIABILITIES		28,875	-
TOTAL LIABILITIES		134,935	11,885
NET ASSETS		87,119	116,619
EQUITY			
Retained earnings		87,119	116,619
TOTAL EQUITY		87,119	116,619

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	116,619	116,619
Deficits for the year	(29,500)	(29,500)
Balance at 30 June 2020	87,119	87,119

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	126,906	126,906
Deficits for the year	(10,287)	(10,287)
Balance at 30 June 2019	116,619	116,619

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Statement of Cash Flows For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		100,853	66,694
Payments to suppliers and employees		(109,864)	(77,728)
Donations received		69,975	5,714
Interest received		-	3
Interest paid		(50)	-
Net cash provided by/(used in) operating activities		<u>60,914</u>	<u>(5,317)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		<u>(28,351)</u>	-
Net cash provided by/(used in) investing activities		<u>(28,351)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of lease liabilities		<u>(24,394)</u>	-
Net cash provided by/(used in) financing activities		<u>(24,394)</u>	-
Net increase/(decrease) in cash and cash equivalents held		8,169	(5,317)
Cash and cash equivalents at beginning of year		<u>112,107</u>	117,424
Cash and cash equivalents at end of financial year	7	<u><u>120,276</u></u>	<u>112,107</u>

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The accompanying notes form part of these financial statements.

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Notes to the Financial Statements For the Year Ended 30 June 2020

The financial report covers Australian National Veterans Arts Museum Ltd as an individual entity. Australian National Veterans Arts Museum Ltd is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2020 were to support current and former service member through arts programs.

The functional and presentation currency of Australian National Veterans Arts Museum Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Responsible persons opinion the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Company has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Company has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The key changes to the Company's accounting policies and the impact on these financial statements from applying AASB 15 and AASB 1058 are described below.

Grants - operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 1058 and AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed or recognised at the point in time that the control of the services pass to the customer.

Having reviewed the terms and conditions of grants received by the Company, some of them are within the scope of AASB 1058 and others within AASB 15 which has resulted in deferral of revenue for these monies.

Changes in presentation

In addition to the above changes in accounting policies, the Company has also amended the presentation of certain items to align them with the requirements of AASB 15 and AASB 1058:

- Additional line items of contract assets and contract liabilities have been created

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Change in Accounting Policy

Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 on the Company's financial statements for the year ended 30 June 2020.

Statement of Profit or Loss and Other Comprehensive Income

The table below shows for comparability purposes the statement of profit or loss and other comprehensive income for the year ended 30 June 2020 under AASB 15 / AASB 1058 and the 'old' standards, as if AASB 15 and AASB 1058 had not been adopted.

		AASB 15 / AASB 1058 balance per Statement of Profit or Loss and Other Comprehensive Income under AASB 15 and AASB 1058	Re- classification	Re- measurement	Balance prior to adoption of AASB 15 and AASB 1058
	Note	\$	\$	\$	\$
Revenue	(a)	9,950	-	32,500	42,450
Lease income		19,049	-	-	19,049
Other income		102,475	-	-	102,475
Employee benefits expense		(81,903)	-	-	(81,903)
Depreciation and amortisation expense		(25,496)	-	-	(25,496)
Exhibition expenses		(6,964)	-	-	(6,964)
Other expenses		(46,561)	-	-	(46,561)
Finance expenses		(50)	-	-	(50)
Profit/(loss) for the year		(29,500)	-	32,500	3,000
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		(29,500)	-	32,500	3,000

(a) Sponsorship income received for the period from January 2020 to December 2020, therefore, 50% of the Sponsorship income received were remeasured to Contract Liabilities.

Statement of Financial Position

The table below shows for comparability purposes the statement of financial position as at 30 June 2020 under AASB 15 / AASB 1058 and the 'old' standards, as if AASB 15 and AASB 1058 had not been adopted.

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Change in Accounting Policy

Statement of Financial Position

	AASB 15 and AASB 1058 carrying amount per Statement of Financial Position	Reclassific- ation	Remeasur- ement	Carrying amount prior to adoption of AASB 15 and AASB 1058
Note	\$	\$	\$	\$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	120,276	-	-	120,276
Trade and other receivables	13,631	-	-	13,631
TOTAL CURRENT ASSETS	133,907	-	-	133,907
NON-CURRENT ASSETS				
Plant and equipment	32,660	-	-	32,660
Right-of-use assets	55,487	-	-	55,487
TOTAL NON-CURRENT ASSETS	88,147	-	-	88,147
TOTAL ASSETS	222,054	-	-	222,054
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	46,928	-	-	46,928
Contract liabilities	(a) 32,500	-	(32,500)	-
Lease liabilities	26,632	-	-	26,632
TOTAL CURRENT LIABILITIES	106,060	-	(32,500)	73,560
NON-CURRENT LIABILITIES				
Lease liabilities	28,875	-	-	28,875
TOTAL NON-CURRENT LIABILITIES	28,875	-	-	28,875
TOTAL LIABILITIES	134,935	-	(32,500)	102,435
NET ASSETS	87,119	-	32,500	119,619
EQUITY				
Retained earnings	(a) 87,119	-	32,500	119,619
TOTAL EQUITY	87,119	-	32,500	119,619

(a) Sponsorship income received for the period from January 2020 to December 2020, therefore, 50% of the Sponsorship income received were remeasured to Contract Liabilities.

Statement of Cash Flows

The statement of cash flows is not materially different under AASB 15 / AASB 1058 from that which was presented under the previous revenue standards.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

For comparative year

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

Donations

Donations and bequests are recognised as revenue when received.

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Notes to the Financial Statements For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sponsorship income

The company received the Sponsorship income from various organisations for the exhibitions and events they organised throughout the year, such as March to Art, Centenary of HMAS Cerberus, Open Studio at 312 St Kilda Rd, Government House Exhibition and Veterans Film Festival.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Grant revenue

Government 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 relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Plant and equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

Depreciation

Plant and equipment is depreciated on a reducing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, paypal, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Leases

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the Bank Bill Swap Rates.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Lessor accounting

When the Company has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income from operating leases is recognised on a straight line basis over the lease term.

4 Critical Accounting Estimates and Judgments

The Responsible persons make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Notes to the Financial Statements

For the Year Ended 30 June 2020

4 Critical Accounting Estimates and Judgments

Key estimates - revenue recognition

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

Grants

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the Company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the Company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

5 Revenue and Other Income

	2020	2019
	\$	\$
Revenue from contracts with customers (AASB 15)		
- sale of goods	4,545	16,891
- provision of services	5,404	2,831
	<u>9,949</u>	<u>19,722</u>
Finance income		
- Other interest received	-	3
	<u>-</u>	<u>3</u>
Total Revenue	<u>9,949</u>	<u>19,725</u>
Other Income		
- sponsorship	32,500	40,909
- grants	12,000	-
- donations	38,275	11,765
- grants	19,700	-
Total other income	<u>102,475</u>	<u>52,674</u>

Australian National Veterans Arts Museum Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2020

6 Finance expenses

	2020	2019
	\$	\$
Interest expense on lease liability	50	-
Total finance expenses	50	-

7 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	120,276	112,107
	120,276	112,107

8 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	11,500	10,000
GST receivable	-	1,006
Prepayments	2,131	-
Total current trade and other receivables	13,631	11,006

9 Plant and equipment

	2020	2019
	\$	\$
Plant and equipment		
At cost	5,269	5,269
Accumulated depreciation	(2,553)	(1,874)
Total plant and equipment	2,716	3,395
Furniture, fixtures and fittings		
At cost	27,351	-
Accumulated depreciation	(110)	-
Total furniture, fixtures and fittings	27,241	-
Artwork		
At cost	3,368	2,368
Accumulated depreciation	(665)	(372)
Total artwork	2,703	1,996
Total plant and equipment	32,660	5,391

Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Plant and equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Furniture, Fixtures and Fittings	Artwork	Total
	\$	\$	\$	\$
Year ended 30 June 2020				
Balance at the beginning of year	3,395	-	1,996	5,391
Additions	-	27,351	1,000	28,351
Depreciation expense	(679)	(110)	(293)	(1,082)
Balance at the end of the year	2,716	27,241	2,703	32,660

10 Leases

Company as a lessee

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The Company leases the property locating at Part ground floor, 312 St Kilda road, Melbourne Victoria, the lease is 3 years commencing from 1 August 2019 with no renewal option nor rental review.

Right-of-use assets

	Buildings	Total
	\$	\$
Year ended 30 June 2020		
Balance at beginning of year	79,901	79,901
Depreciation charge	(24,414)	(24,414)
Balance at end of year	55,487	55,487

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
2020					
Lease liabilities	26,632	28,875	-	55,507	55,507

Australian National Veterans Arts Museum Ltd

ABN: 13 605 494 291

Notes to the Financial Statements For the Year Ended 30 June 2020

10 Leases

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2020
	\$
Income from sub-leasing right-of-use assets	19,049
Interest expense on lease liabilities	(50)
	<u>18,999</u>

Company as a lessor

Operating leases

The Company sub-leases out Part ground floor, 312 St Kilda road, Melbourne Victoria. This lease has been classified as operating leases for financial reporting purposes and the assets are included as Right of Use Assets in the statement of financial position (refer note 10).

11 Trade and Other Payables

	2020	2019
	\$	\$
CURRENT		
GST payable	9,268	-
Accrued expense	2,000	4,464
Other payables	35,660	7,421
	<u>46,928</u>	<u>11,885</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Contract Balances

Contract assets and liabilities

The Company has recognised the following contract assets and liabilities from contracts with customers:

	2020
	\$
CURRENT	
Contract liabilities-sponsorship income received in advance	<u>32,500</u>
Total current contract liabilities	<u>32,500</u>

The Company has initially applied AASB 15 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118 and related interpretations.

Australian National Veterans Arts Museum Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2020

13 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* 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 2020 the number of members was 7.

14 Auditors' Remuneration

	2020	2019
	\$	\$
Remuneration of the auditor for:		
- auditing the financial statements	2,000	2,000
Total	2,000	2,000

15 Contingencies

In the opinion of the Responsible persons, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

16 Statutory Information

The registered office and principal place of business of the company is:

Australian National Veterans Arts Museum Ltd
Ground floor, 312 St Kilda Road
Melbourne, VIC 3004

Australian National Veterans Arts Museum Ltd


ABN: 13 605 494 291


Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person

Mark Johnston

Responsible person

Dominik Kul

Dated this SIXT day of OCTOBE 2020

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Australian National Veterans Arts Museum Ltd

Independent Audit Report to the members of Australian National Veterans Arts Museum Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian National Veterans Arts Museum Ltd, which comprises the statement of financial position as at 30 June 2020, 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 responsible persons' declaration.

In our opinion the financial report of Australian National Veterans Arts Museum Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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.

Emphasis of Matter - Basis of Accounting

We 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 Registered Entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Responsible Entities for the Financial Report

The responsible persons of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 responsible persons are responsible for assessing the Registered 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 the responsible entities either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

Liability limited by a scheme approved under Professional Standards Legislation

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Australian National Veterans Arts Museum Ltd

Independent Audit Report to the members of Australian National Veterans Arts Museum Ltd

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.

Ax3 Partners
Ax3 Partners Pty Ltd
Suite 201, 2 Queen St
MELBOURNE 3000


Daniel Tai
DIRECTOR

Registered Company Auditor: 500736

Dated this13..... day ofOctober.....2020

**AUSTRALIAN NATIONAL
VETERANS ARTS MUSEUM**

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