

**DON**DUNSTAN**FOUNDATION**

FOR A BETTER FUTURE

## Annual Report 2003/2004



## Contents

Report from the Chair of Trustees

Foundation Year in Review

Trustees' Report

- Statement of Financial Performance
- Statement of Financial Position
- Statement of Cash Flows
- Notes to the Financial Statements
- Declaration by Trustees
- Independent Audit Report

Trustees, Board and Staff

Our supporters

The Annual Report Published 25 November 2004  
By the Don Dunstan Foundation  
Level 3, 10 Pulteney Street  
The University of Adelaide, SA 5005  
<http://www.dunstan.org.au>

ABN 71 448 549 600

## Report from the Chair

The financial year 30 June 2004 ended with the Foundation building on its programs and projects and is strongly placed for future activity.

Trustees, Board members, committee members, staff and friends now have a clear set of Strategic Directions and a Strategic Business Plan to guide the work of the Foundation. These plans are complemented by comprehensive operational, marketing and fundraising strategies.

The Foundation is most appreciative of the continuing support provided by the State Government, the University of Adelaide and Flinders University as major stakeholders. Jarvis Marketing and Peter Lane Print Group have also provided significant support through graphical art services and the printing of the Foundation's quarterly newsletter, the *Bulletin*, and other publicity material. EDS has also recently agreed to underwrite a Breakfast Seminar Series, which will expand the Foundation's links with the wider business community. Viv and Brian Tonkin have continued to make available the facilities of the Governor Hindmarsh Hotel.

We were pleased to have received a wide range of donations over the course of the year, some large and many small. We have also implemented a number of systems to improve our overall financial management. In spite of this, we have seen a decrease in the Foundation's net worth from \$330,227 30 June 2003 to \$309,666 as at the 30 June 2004. This is due in large part to the Dunstan Fellow's program that amounted to a grant of around \$50,000. The Foundation now has approximately 2,500 individuals and organisations on its mailing list of whom approximately 1,300 have provided donations at some point since the Foundation's establishment. The Board of Management is considering ways to consolidate sources of funds by levying subscription fees, subject to the results of a survey undertaken late in the financial year.

In the new year, the Foundation will be working to consolidate its future financial viability through establishing longer term financial agreements with its major stakeholders.

The Foundation has successfully streamlined its governance structure through amendments to its Constitution, changes to its Trustee membership, appointment of a number of distinguished patrons, establishing a board of management with expert membership, establishing an Executive Committee and forming a strong Marketing and Development Committee. The University of Adelaide, through the leadership of Mr Michael Neale, Director Marketing

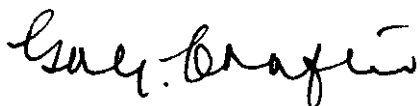
and Strategic Communications has helped the Foundation clarify its brand and upgrade its website.

The Foundation has continued to provide and plan for a strong program of forums, discussions and conferences on topics of public interest and benefit to good policy development and implementation. The Don Dunstan Human Rights Oration has emerged as one of Adelaide's public forum flagship events, with 600 persons attending the 2003 Oration given by Mr Julian Burnside QC on refugees. The second, 2004 Oration, with Professor Peter Singer, is also shaping as a major event. Our partnership with Oxfam CAA in organising the Orations is most appreciated.

A number of projects aimed at improving links between government, universities and the community and contributing to improvements in government and community services are underway or in the stages of early development. These include supporting the government's school retention initiative, establishing a Workforce Development Centre, establishing a unique SA Policy Online website, research on long term employment prospects for refugees, research publications and organising major conferences on government policy and strategy. All of these activities involve working with partners across the universities, government departments, non-government bodies and business groups.

I would like to express my sincere appreciation to all Trustees and Board members, who contributed to the Foundation's work over the financial year, and especially to those members who retired after providing considerable service. I would also like to recognise the considerable work of the staff of the Foundation and the support of the volunteers, who provide their unpaid time to help keep the Foundation in working order. In the next financial year the Foundation plans to consolidate its links with its Friends in South Australia, Victoria, New South Wales, Queensland and the ACT.

In line with our successes to date and the planned initiatives, I am confident that the Foundation will continue to build and contribute to a better future.



HON GREG CRAFTER  
Chair, Board of Trustees

# Foundation Year in Review

The Don Dunstan Foundation was established in 1999 with a view to perpetuating the memory of Don Dunstan and reflecting his life's work through fostering research and education on a broad range of issues concerning social development.

The Board of Management has examined its charter and has established a clear brand identity. A clearly defined brand and tagline is an important part of any organisation's operations as it provides all stakeholders with a sense of purpose and direction, and a uniform script by which to promote the organisation.

## Brand Identity

“Honouring the legacy of Don Dunstan, the Foundation promotes visionary and progressive leadership and thinking within government and the private sector in South Australia, by furthering debate and action on key public policy issues. We work with local, national and international stakeholders who share the values of the Foundation and provide support to our projects and program. On our own initiative or by bringing together researchers, policy makers and community members we influence decisions taken and ensure outcomes for a fairer, progressive and more tolerant society.”

## Tagline

“For a better future.”

## Governance

A new Constitution of the Don Dunstan Foundation was adopted on the 28 November 2003. The changes resulted in a smaller number of Trustees, the recognition of Flinders University as a major stakeholder and the establishment of a new Board of Management. Amendments to further recognise the role of both universities were made to the Constitution on the 30 April 2004

Trustees who retired were Hon Gregory John Crafter, Hon Jane D Lomax-Smith, Phillip A Adams AO, H David M Combe, Mr Andrew Dunstan, Hon Barry Jones AO, Ms Robyn Archer AO, Mr Greg Mackie, Ms Carmel O'Loughlin, Professor Sue Richardson & Professor James Alexander McWha

Trustees appointed under the new Constitution were the Hon Gregory John Crafter, Professor James Alexander McWha, Ms Bronwen Vivien Dohnt, Mr William Raymond Cossey & Professor Anne Rosalie Edwards.

Foundation Patrons have been established to recognise persons, who had contributed significantly to the Foundation. The patrons are Mr Phillip Adams, the Hon. Barry Jones, the Hon. Jane Lomax-Smith, Mr Andrew Dunstan, Ms Carmel O'Loughlin, Mr Mark Cully and Mr David Combe. The role and functions of patrons will be established in the new financial year.

The new Board of Management comprises Mr Bill Cossey AM (Chair), Ms Franchesca Cubillo, Professor Mike Innes, Mr Jim Jarvis AM, Mr George Lewkowicz, Mr Greg Mackie (as of 10 December 2003), Mr Warren McCann (as of 10 December 2003), Mr John Olenich, Dr Lionel Orchard, Ms Carol Procter, Ms Michele Slatter, Mr John Spoehr

Terms of reference for the Board of Management, delegations to the Board, delegations to the Executive Director and the terms of reference of an Executive Committee were endorsed by Trustees.

The Executive Committee comprises Mr Bill Cossey AM, Mr John Spoehr and Mr George Lewkowicz.

A Marketing and Development Committee was established and comprises the Hon. Greg Crafter, Mr Bill Cossey AM, Mr Jim Jarvis, Professor Alfred Huang, Ms Celine McNerney, Ms Christine Charles, Ms Rosslyn Cox and Mr George Lewkowicz.

The Friends of the Foundation have agreed to support the Foundation's activities.

The transfer of ownership of the Don Dunstan Foundation Trade Mark from the old set of Trustees to the new set of Trustees was approved.

The Foundation's application to raise funds under the New South Wales Charitable Fundraising Act was approved.

## **Management**

Five Strategic Directions were endorsed by Trustees. The Board will review strategic directions annually and make adjustments as required.

The Strategic Directions are

- Facilitate a productive exchange between academic researchers and Government policy makers
- Invigorate policy debate and responses
- Consolidate and expand the Foundation's links with the wider community

- Support Chapter activities
- Build and maintain the long-term viability of the Foundation

A Strategic Business Plan for the Foundation was endorsed by Trustees on the 30 April 2004.

The Business Plan:

- Outlines the Foundation's positioning and branding as a promoter and facilitator of social reform consistent with its objects and values.
- Sets the strategic directions in line with positioning and values
- Details the program and project activities and opportunities in an operational plan
- Highlights relationships with key stakeholders and strategic partners
- Defines supporter and fundraising strategies, including triennial funding/resource commitments from key stakeholders i.e. the State Government, the University of Adelaide and Flinders University (Mr Warren McCann has suggested that the Foundation should make a submission to Government as soon as possible).
- Includes financial and fundraising projections and targets with alternative scenarios based on limited fundraising and aggressive fund raising.
- Includes, as attachments, Operational, Marketing and Fundraising Plans.

Budgets for the 2003/2004 and 2004/2005 financial years were endorsed by Trustees on the 30 April 2004.

## Staff

Mr George Lewkowicz continued as Executive Director.

Ms Rosslyn Cox was appointed Business and Development Manager. Ms Cox's role includes the areas of marketing, fund raising, program support and financial management. Ms Josie Covino continued as Administrative Assistant.

## Programs and Projects

### Program Activities

The Foundation held a number of successful events either solely or in partnership with other organisations.

- The Work/Collision, with Assoc. Professor Barbara Pocock, Ms Janet Giles, Ms Kath Cashen, and Ms Becky Curtin (August 2003)
- The Inaugural Don Dunstan Human Rights Oration, *Human Rights: The Squandered Legacy*, with Mr Julian Burnside, QC (September 2003)
- Media, Propaganda and War, with Mr David Barsamian (November 2003)

- The Neighbours Program Roundtable, with the Dunstan Fellows, Professor Julian Disney, Ms Sharan Burrow, Mr Don Henry, and Ms Louise Slyvan and with Ms Megan Mitchell – in Adelaide and in Melbourne (December 2003)
- The Neighbours Program Public Forum—with participants as above, Ms Francis Bedford MP, and Mr Peter Mares in Adelaide (December 2003)
- Norman Waterhouse Industry Breakfast, with Professor Julian Disney (February 2004)
- Roundtable on Social Inclusion Research and Initiatives (25 March 2004)
- Think Global: Eat Local—Food Issues for South Australians in the Global Market, with Dr Barbara Santich, Dr John Coveney, Dr Chris Reynolds and Ms Carole Whitelock, Australian Broadcasting Corporation (April 2004)

## Projects

- *Neighbours Program, Dunstan Fellows Project* – Professor Julian Disney and the Dunstan Fellows' have achieved a number of significant relationship between major community groups in Australia, Indonesia and Malaysia, especially environmental, labour relations, consumer protection and social services.
- *The Roundtable on Social Inclusion Research* with the Centre for Labour Research was the first in a series bringing together academic researchers and public policy officers in Government.
- *Dunstan Collection* – The Foundation has supported the Flinders University Library in consolidating the collection of books and papers.
- *The State of South Australia* – The Foundation has underwritten the publication of a book on major areas of State policy, the editor is Mr John Spoehr the Publisher is Wakefield Press and the book will be launched at the State of South Australia Conference in early December 2004.
- *South Australian Government's Population Policy Statement* – The Executive Director contributed to the development of the submission from the Multicultural and Ethnic Affairs Commission. The Executive Director also convened a working group addressing the attraction and retention of talented individuals to South Australia.
- *Government and Strategic Planning Conference* – Planning for this is well in hand. Negotiating the complex array of governmental relationships that come with a strategic approach to urban and regional planning is a major theme of the conference. A number of strategic planning practitioners, including at Cabinet level, will talk about their



experiences of developing and implementing strategic policy in South Australia and elsewhere

- *EDS DDF Breakfast Series* – The Foundation is very pleased to welcome EDS who have formed a partnership with the Foundation to present three breakfasts over the next twelve months. The breakfast series is a way for EDS to give their major clients access to key speakers in the areas of social inclusion and corporate social responsibility, while providing the Foundation with a unique opportunity to access key players in the South Australian business community.
- *South Australian Policy Online* – The Centre for Labour Research and the Don Dunstan Foundation are continuing to develop the online project. The University of Adelaide, Flinders University, the University of South Australia and the South Australian Government are jointly sponsoring it. The University of Adelaide's web services team have developed a unique online framework for the project, and are continuing to work on the corporate image of the site as well as functionality. It is anticipated that the site will be launched at the State of South Australia Conference in October this year.
- *Secondary School Retention Rates* – The Foundation will be working with Rotary groups, the Department of Education and Children's Services and possibly the Smith Family to look into secondary school student retention rates, with the view to improving the numbers, a major government social inclusion initiative. Rotarians and other community groups will act as mentors for students who are identified by schools and parents as needing support
- *Longer Term Employment Prospects for Refugees* – Another community initiative the Foundation is considering supporting.
- *Workforce Development Centre* – A new Workforce Development Research Consortium has been established to provide support for the preparation and implementation of the State Governments Workforce Development Strategy. The consortium brings together researchers from the Centre for Labour Research, University of Adelaide, National Institute for Labour Studies, Flinders University and the University of South Australia. The work of the consortium was recently given a significant boost by the awarding of an ARC Linkage project grant by the ARC
- *Youth Arts Project* – The Foundation is looking at ways in which to involve youth in a social awareness project using performance art as the medium. So far only preliminary discussions have taken place, with

the Foundation keen to understand what is currently being offered, and by whom.

- *Don Dunstan Oral History and Biographical Project* – Planning and information is proceeding. The Steering Group has an extensive list of potential interviewees. The main components of the project are oral histories of persons, who knew and worked with Don Dunstan, a collection of insider accounts on public policy of the 1960's and 70's, a collection of independent analyses on different aspects of Don Dunstan's life and activities and possibly a single major biography. The information gathered and publications will complement the records held in the Flinders University Library collection.
- *Don Dunstan Research Paper Series* – The Foundation will be sponsoring the Series on issues related to the Foundation's objectives and values. Material will be sought from diverse sources, including commissioned pieces, major speeches, and edited transcripts of major conferences, interviews and collections of short papers.
- *Australian Institute for Social Research* – The Foundation has forged a collaborative relationship with the new Institute at the University of Adelaide. The Institute is a federation of the Centre for Labour Research, the National Centre for Social Applications of Geographical Information Systems and the Public Health Information Development Unit. Over the next few years the Foundation will work with the Institute on projects of mutual interest in order to consolidate a stronger relationship with the research community within the University of Adelaide.
- *Families on the Edge, Dunstan Fellows Project* – Professor Julian Disney is establishing the scope of the second, project which will be addressing the important issue of affordable housing. The project will proceed in the new financial year.

## Foundation Partners

Foundation partners on forums, conferences and projects have included the State Government of South Australia, The University of Adelaide, Flinders University of South Australia, Centre for Labour Research and the Australian Institute for Social Research, both at the University of Adelaide, JB Jarvis Marketing and Associates, Lane Print Group, Norman Waterhouse Lawyers, the Hawke Centre and the Hawke Research Institute, the Institute of Public Administration Australia, ASIA-LINK Melbourne, Barossa Slow, Food Barossa, Governor Hindmarsh Hotel (Viv & Brian Tonkin), Mercury Cinema, New Internationalist, Oxfam Community Aid Abroad, Radio Adelaide 101.5fm, State

Theatre Company, Thorn Park Country House, the Migrant Resource Centre, Rotary International in South Australia, the Department of Education and Children's Services and The Smith Family.

## **Scholarships**

The Foundation completed payment of the Doctor of Philosophy Scholarship to Mr Jaydine Harvey in January 2004,

The Foundation continued its support through the Smith Family's Learning for Life Scholarship to allow Ms Zoe Campbell to continue her undergraduate studies this year.

## **Friends Activities**

The SA Chapter held 3 luncheons:

- Public Education, Senator Penny Wong and Mr Daniel Kyriacou
- The Story of Tutti: Social Inclusion by Design or Evolution, Pat Rix
- The Act of Reconciliation: What Difference Does It Make, Kerryn Liddle

The South Australian Friends have raised approximately \$600 through raffles and donations and distributed funds to local charities, particularly The Smith Family.

The Executive Director is working with Friends in other states to establish a shared mailing list, rules of operation and plans for each area of activity.

## **Marketing, Public Relations and Fundraising**

The Foundation has developed Marketing and Fundraising Plans. The Plans lay down the key activities and milestones for the next 5 years and will be dynamic documents to be updated and reviewed periodically. The Foundation has a fund raising target of \$85,000 for the next financial year.

For the year ahead it is anticipated that the major sources of funds for the Foundation will be:

Sponsorship/Partnerships 80%

Donations 9%

Investment Income 2.5%

Grants 1.5%

Events 6%

Other 1%

These proportions translate to the following dollar amounts:

- Pledges and donations \$35,000

- Corporate donors/sponsors \$82,000  
(Including in kind support from the University of Adelaide amounting to \$63,000)
  - Government grants \$5,000
  - Government contribution for Executive Director's salary and on-costs \$135,000
  - University of Adelaide contribution for Business and Development Manager's salary and on-costs \$70,000
  - Flinders University contribution for two Level C academics at 1 day per week including on-costs \$38,504
- There are approximately 2,500 persons from around Australia on the Foundation's mailing list with approximately 1,500 providing pledges and donations. The Foundation is examining the merits of introducing both individual and corporate subscriptions as of 2005.
  - The Foundation has published 4 Bulletins since 1 July 2003.
  - The Foundation is developing new publicity material, including a generic brochure, a bequest specific brochure and a blue print for the future, a document that will be developed out of the Fundraising and Marketing Plans, to be used as the primary resource when meeting with both existing and prospective supporters. Jarvis Marketing has very kindly offered to cover the costs of these publications, which are all listed as priorities for the Foundation.
  - The Foundation is undertaking a major revamp of its website with the University of Adelaide's web team, and the financial resources being provided by the Centre for Labour Research. The website will build on the content that currently exists, in a more engaging, professional looking format. The specifications and briefings that have been given to the team include input from the Board of Management through the Website Steering Committee.

## **Risk Management**

The Foundation has established a risk management plan and policies appropriate to its scope of activities.

## THE DON DUNSTAN FOUNDATION TRUSTEE'S REPORT

The Trustees of The Don Dunstan Foundation ("The Foundation") has pleasure in submitting the statement of financial position of The Foundation at 30<sup>th</sup> June 2004, related statement of financial performance and statement of cash flows for the year then ended and report as follows.

### Trustees

The names of the Trustees in office at the date of this report are:

Hon Greg Crafter

Ms Bronwen Dohnt

Professor James McWha (Vice Chancellor, University of Adelaide, ex officio member)

Professor Anne Edwards (Vice Chancellor, Flinders University, ex officio member)

Mr Bill Cossey

### Principal Activities

The Foundation was established to perpetuate the memory of Don Dunstan and to reflect his life's work through the fostering of research and education on a broad range of issues concerning social development.

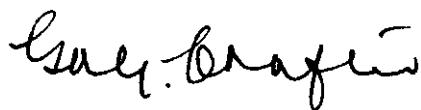
### Results

The net loss of the Foundation for the financial period was \$20,561 (2003: Profit of \$3,897).

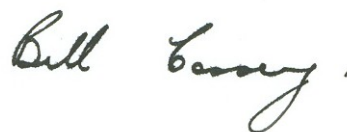
### Trustees' Benefits

During the financial period, no Trustee has received or become entitled to receive a benefit, other than benefits disclosed in the financial statements or the fixed salary of a full-time employee of the Foundation, by reason of a contract made by the Foundation with the Trustee or with a firm of which the Trustee is a member, or with a company in which the Trustee has a substantial financial interest.

This report has been made in accordance with a resolution of the Trustees.



HON GREG CRAFTER  
Trustee



BILL COSSEY AM  
Trustee

THE DON DUNSTAN FOUNDATION  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2004

	<b>Notes</b>	30th June 2004	30th June 2003
		\$	\$
Revenues from ordinary activities	<b>2</b>	295,902	239,656
Employee benefits expense		(31,704)	(42,384)
Office expense		(20,656)	(14,364)
Publicity and promotion expense		(13,506)	(6,558)
Funding expense	<b>3</b>	(168)	(40,484)
Functions expense		(8,324)	(8,252)
In-kind expense		(222,274)	(120,144)
Other expenses from ordinary activities		<u>(19,831)</u>	<u>(3,573)</u>
Net profit (loss) from ordinary activities		<u>(20,561)</u>	<u>3,897</u>
Net increase (decrease) in asset revaluation reserve		<u>0</u>	<u>0</u>
Total revenues, expenses and valuation adjustments attributable to beneficiaries of the trust recognised directly in equity		<u>0</u>	<u>0</u>
Total changes in equity		<u><u>(20,561)</u></u>	<u><u>3,897</u></u>

THE DON DUNSTAN FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2004

	<b>Notes</b>	30th June 2004	30th June 2003
		\$	\$
<b>CURRENT ASSETS</b>			
Cash assets	<b>4</b>	301,211	354,715
Receivables	<b>5</b>	10,948	966
Inventories	<b>6</b>	0	728
<b>TOTAL CURRENT ASSETS</b>		<b>312,159</b>	<b>356,409</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment		7,630	312
<b>TOTAL NON-CURRENT ASSETS</b>		<b>7,630</b>	<b>312</b>
<b>TOTAL ASSETS</b>		<b>319,789</b>	<b>356,721</b>
<b>CURRENT LIABILITIES</b>			
Payables	<b>7</b>	10,123	26,494
<b>TOTAL CURRENT LIABILITIES</b>		<b>10,123</b>	<b>26,494</b>
<b>TOTAL LIABILITIES</b>		<b>10,123</b>	<b>26,494</b>
<b>NET ASSETS</b>		<b>309,666</b>	<b>330,227</b>
<b>EQUITY</b>			
Retained profits	<b>8</b>	309,666	330,227
<b>TOTAL EQUITY</b>		<b>309,666</b>	<b>330,227</b>

THE DON DUNSTAN FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2004

	<b>Notes</b>	30th June 2004	30th June 2003
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		55,382	107,307
Payments to suppliers and employees		(122,118)	(160,555)
GST returned by the ATO		5,597	5,984
Interest received		14,953	14,133
Net cash provided by (used in) operating activities	<b>12b</b>	<u>(46,186)</u>	<u>(33,131)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for plant and equipment		<u>(7,318)</u>	<u>0</u>
Net cash provided by (used by) investing activities		<u>(7,318)</u>	<u>0</u>
Net increase in cash held		(53,504)	(33,131)
Cash at beginning of year		<u>354,715</u>	<u>387,846</u>
Cash at end of year	<b>12(a)</b>	<u><u>301,211</u></u>	<u><u>354,715</u></u>



**THE DON DUNSTAN FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2004**

**Note 1: Statement of Significant Accounting Policies**

This financial report is a general-purpose financial report that has been prepared in accordance with the Australian Accounting Standards and Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Foundation in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**Income Tax**

The Foundation is exempt from income tax as it is a charitable institution for the purposes of Item 1.1 of Section 50-5 of the Income Tax Assessment Act 1997.

**Property, Plant and Equipment**

During the year ended 30 June 2004 plant and equipment to the value of \$7,318 was purchased and are carried at cost less, where applicable, any accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually by the board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Minor assets acquired by the Foundation are expensed upon acquisition. Other property, plant and equipment used by the Foundation are assets of The University of Adelaide. (refer to Revenue Accounting Policy Note)

## Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis or reducing balance method over the useful lives of the assets to the Foundation commencing from the time the asset is held ready for use. The depreciation rates used for plant and equipment is 10 – 25%.

## Inventories

Inventories are valued at the lower of cost and net realisable value. Inventory consists of books promotional merchandise (t-shirts, hats). Original inventory stock was received as a gift-in-kind from the University of Adelaide. Inventory has been sold and given away as promotional material during the financial period.

## Provision for Employee Entitlements

No employee entitlements are provided for as the University of Adelaide and the Government of South Australia provide employees as in-kind gifts (refer to Revenue Accounting Policy Note). Provision for Employee Entitlements attributable to the University of Adelaide employee is borne by the University and the Executive Director who is employed by the Government of South Australia has his entitlements met by the Government of South Australia.

## Revenue

Revenue is recognised when, and only when, all the following conditions have been satisfied:

- (a) the Foundation gains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the Foundation; and
- (c) the amount of the contribution can be measured reliably.

The Foundation's sources of revenue include government grants, donations, gifts in-kind, bank interest, sale of merchandise and proceeds from ticket sales for fundraising events.

In accordance with the revenue recognition policy stated above, pledge donations (including government grants) are only recognised when a formal, legally enforceable agreement exists.

Gifts in-kind represent goods and services provided by donors in lieu of cash and include cost of rental of office and storage space and one full-time equivalent staffing position paid by the University of Adelaide on

behalf of the Foundation, and the Executive Director's salary paid by the Government of South Australia on behalf of the Foundation.

Gifts in-kind do not include services and use of assets provided by the University of Adelaide including furniture, access to photocopying facilities and telecommunications. Similarly, the personal library of Don Dunstan bequeathed to the Foundation, has not been recognised as revenue due to difficulties in reliably measuring the contribution.

Gifts in-kind are recorded as a revenue and expense in the financial statements with no impact on cash flow.

## **Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at banks including at call deposits with banks.

## **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 statement of financial position are shown inclusive of GST.

## **Comparative Figures**

Where necessary, comparative figures have been adjusted to conform with the presentation of the 2004 financial statements.

## **Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS)**

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The Foundation's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. The introduction of IFRS is not expected to materially impact equity or profit of the Foundation.

The Board are of the opinion that the differences in the Foundation's accounting policies which may arise from the adoption of IFRS are:

### Impairment of Assets

The Foundation currently determines the recoverable amount of an asset on the basis of the undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is unlikely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

### Note 2: Revenue

	<b>Notes</b>	
	30th June 2004	30th June 2003
	\$	\$
Operating activities		
--- Donation income	40,921	32,173
--- State Government grants	0	50,000
--- Other grants	0	5,000
--- Fundraising income	15,214	15,657
--- Sales income	185	627
--- Bank interest income	13,987	15,099
--- Adelaide University & Government of South Australia in-kind income	<b>17</b> 222,274	120,144
--- In-kind income from other sources	0	956
--- Sundry Income	3,321	0
Total revenue	<u>295,902</u>	<u>239,656</u>

### Note: 3 Net Profit/(Loss) from Ordinary Activities

Net Profit/(Loss) from ordinary activities has been determined after significant expenses. The following expense item is relevant in explaining the financial performance:

	30th June 2004	30th June 2003
	\$	\$
Funding expenditure - scholarships	<u>168</u>	<u>40,484</u>

#### Note 4: Cash Assets

	30th June 2004	30th June 2003
	\$	\$
Cash at bank and on hand	19,339	28,213
Deposits at call	281,872	326,502
	<u>301,211</u>	<u>354,715</u>

#### Note 5: Receivables

	30th June 2004	30th June 2003
	\$	\$
Sundry debtors	10,948	966
	<u>10,948</u>	<u>966</u>

#### Note 6: Inventory

	30th June 2004	30th June 2003
	\$	\$
Merchandise goods	0	728
	<u>0</u>	<u>728</u>

#### Note 7: Payables

	Notes	30th June 2004	30th June 2003
		\$	\$
Scholarships	<b>3</b>	2,000	19,330
Sundry creditors		5,923	4,964
Accruals	<b>9</b>	2,200	2,200
		<u>10,123</u>	<u>26,494</u>

#### Note 8: Retained Profits

	30th June 2004	30th June 2003
	\$	\$
Retained profits at the beginning of the year	330,227	326,330
Net profits/(loss) attributable to the Foundation	(20,561)	3,897
Retained Profits at the end of the financial year	<u>309,666</u>	<u>330,227</u>

## Note 9: Remuneration of Auditors

	30th June 2004	30th June 2003
	\$	\$
The following total remuneration was received, or is due and receivable, by the auditor of the Foundation in respect of:		
Auditing the financial statements	2,200	2,200
Total remuneration received	<u>2,200</u>	<u>2,200</u>

## Note 10: Events Subsequent to Reporting Date

No material events to be reported.

## Note 11: Related Party Transactions

The following persons held the position of trustee during the financial period, terms as stated:

### Trustees, from 1 July 2003 to 12 December 2003

Hon Greg Crafter (Chair)

Hon Dr Jane Lomax-Smith

Ms Leonie Ebert (alternate for Hon Dr Jane Lomax-Smith)

Mr Phillip Adams AO

Mr H David Combe

Mr Andrew Dunstan

Mr Thomas Dunstan (alternate for Andrew Dunstan)

Hon Barry Jones AO

Ms Robyn Archer AO

Professor Michael Morley (alternate for Robyn Archer)

Mr Greg Mackie OAM

Ms Carmel O'Loughlin

Professor Sue Richardson

Mr Mark Cully (alternate for Sue Richardson)

Professor James McWha

### Trustees, from 12 December 2003 to 30 June 2004

Mr Bill Cossey

Hon Greg Crafter (Chair)

Ms Bronwen Dohnt

Professor Anne Edwards

Professor James McWha

There were no Trustees of the Foundation who received, or were due to receive, remuneration (including brokerage, commissions, bonuses, retirement payments, and salaries) directly or indirectly from the Foundation or any related body corporate.

## Note 12: Cash Flow Information

### a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

	30th June 2004	30th June 2003
	\$	\$
Cash at Bank and on hand	19,339	28,213
At Call Deposits with Banks	281,872	326,502
	<u>301,211</u>	<u>354,715</u>

### b) Reconciliation of (Loss)/Profit from Ordinary Activities to Net Cash provided by Operating Activities

	30th June 2004	30th June 2003
	\$	\$
(Loss)/Profit from ordinary activities after income tax	(20,561)	3,897
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(9,982)	831
Decrease in inventory	728	0
(Decrease) in payables	(16,371)	(37,859)
Net cash provided by (used in) operating activities	<u>(46,186)</u>	<u>(33,131)</u>

## Note 13: Pledged Donations

In accordance with the revenue recognition policy in Note 1, the Foundation has not brought to account pledged donations as the Foundation is not considered to have gained control of the donation or the right to receive the donation. As at 30 June 2004, the Foundation had the following pledged donations, which it has not brought to account:

	Within 1 year	After 1 year	Total
	\$	\$	\$
Pledged donations	5,540	11,985	17,525

## Note 14: Segment Reporting

The Foundation operates predominantly in one geographical area, being Australia and operates as a public benevolent institution.

## Note 15: Financial Instruments

### Interest Rate Risk

The Foundation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2004 %	2003 %	2004 \$	2003 \$
Financial Assets:				
Cash	0.50%	0.40%	19,339	28,213
Deposits at call	5.10%	4.50%	281,872	326,502
Total Financial Assets			301,211	354,715
Financial Liabilities:				
Payables	0.00%	0.00%	0	0

### Credit Risk

The maximum exposure to credit risk at reporting date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Foundation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Foundation.

### Net Fair Values

The financial assets and liabilities are recorded in the Statement of Financial Position at amounts that approximate their net fair values.

## Note 16: Trust Details

The principal place of business of the Foundation is 10 Pulteney Street, the University of Adelaide, 5005 and its principal activities is to perpetuate the memory of Don Dunstan and to reflect his life's work through the fostering of research and education on a broad range of issues concerning social development.



## Note 17: Economic Dependency

The University of Adelaide has incurred rental and staffing costs on behalf of the Foundation. Since May 2003 the Executive Officer position has been provided by the Government of South Australia. If it were not for these gifts in-kind the Foundation would find it difficult to maintain its current level of financial performance.

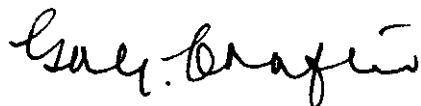
THE DON DUNSTAN FOUNDATION

DECLARATION BY THE TRUSTEE

The Trustees declare:

- (a) that the financial report presents fairly the financial position of the Don Dunstan Foundation as at 30 June 2004 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board; and
- (b)
  - (i) that there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable; and
  - (ii) that the financial report is in accordance with the Trust Deed.

Made in accordance with a resolution of the Trustees.



B. V. Dohnt

\_\_\_\_\_  
Trustee  
Date: 14/12/04

\_\_\_\_\_  
Trustee  
Date: 14/12/04



EdwardsMarshall

**INDEPENDENT AUDIT REPORT  
TO THE TRUSTEES OF THE DON DUNSTAN FOUNDATION**

Angas House, 4 - 8 Angas Street  
Kent Town, South Australia 5067  
GPO Box 2163 Adelaide SA 5001  
DX 240 Adelaide  
Telephone 08 8139 1111  
Facsimile 08 8139 1100  
info@edwardsmarshall.com.au  
edwardsmarshall.com.au

**SCOPE**

*The financial report and trustees' responsibility*

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the declaration by the Trustees of the Don Dunstan Foundation ("the Foundation"), for the year ended 30 June 2004.

The Trustees of the Foundation are responsible for the preparation and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

*Audit approach*

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

We performed procedures to assess whether in all material respects the financial report presents fairly, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Foundation's financial position, and of its performance as represented by the results of its operations and its cash flows.

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

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

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

*Partners*

Brenton W Ellery FCA  
Brian T Morris FCA  
Hugh L McPharlin FCA  
Jonathon W Sando FCA  
Trevor J Spratt FCA  
Steven M Wild FCA  
Noel W Clifford FCA  
Jamie T Dreckow CA  
Geoffrey R Kay CA  
Benjamin L T Miels CA  
Angelo R Piantadosi FCA  
Grantley W Stevens CA

*Senior Employees*

Paul A Dutton CA  
Paul Feltrin CA  
Belinda C Goedecke FCA  
Stephen A Hunter FCA  
Daniel Pezzuto CA  
Leanne Thomas CA  
Carly Thornton CA  
Nicholas K Wilkins FCA



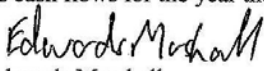
**INDEPENDENT AUDIT REPORT  
TO THE TRUSTEES OF THE DON DUNSTAN FOUNDATION (CONT)**

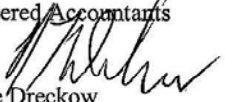
**INDEPENDENCE**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**AUDIT OPINION**

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of the Don Dunstan Foundation as at 30 June 2004, and its financial performance and its cash flows for the year then ended.

  
Edwards Marshall  
Chartered Accountants

  
Jamie Dreckow  
(Partner)

Adelaide  
South Australia

Dated 14/12/04

## Trustees, Board and Staff

The Foundation is governed by Trustees with a Board of Management responsible for overseeing day-to-day operations of the Foundation. During the period, the Foundation employed a total of three staff.

### **Trustees, from 1 July 2003 to 12 December 2003**

Hon Greg Crafter (Chair)  
Hon Dr Jane Lomax-Smith  
Mr Phillip Adams AO  
Mr H David Combe  
Mr Andrew Dunstan  
Hon Barry Jones AO  
Ms Robyn Archer AO  
Mr Greg Mackie OAM  
Ms Carmel O'Loughlin  
Professor Sue Richardson  
Professor James McWha

### **Trustees, from 12 December 2003 to 30 June 2004**

Mr Bill Cossey AM  
Hon Greg Crafter (Chair)  
Ms Bronwen Dohnt  
Professor Anne Edwards  
Professor James McWha

### **Board of Management**

Mr Bill Cossey AM  
Chair

Ms Franchesca Cubillo  
Artistic and Cultural Director, Tandanya National  
Aboriginal Cultural

Professor Mike Innes  
Executive Dean, Faculty of the Humanities and  
Social Sciences, University of Adelaide

Mr Jim Jarvis AM  
Director, JB Jarvis Marketing

Mr George Lewkowicz  
Executive Director, Don Dunstan Foundation

Mr Greg Mackie (as of 10 December 2003)  
Executive Director, Arts SA

Mr Warren McCann (as of 10 December 2003)  
Chief Executive, Department of the Premier & Cabinet

Mr John Olenich  
Advisor to Senator Penny Wong

Dr Lionel Orchard  
Political and International Relations, Flinders  
University

Ms Carol Procter

Ms Michele Slatter  
Senior Lecturer in Law, Flinders University

Mr John Spoehr  
Executive Director, Centre for Labour Research,  
University of Adelaide

**Staff**

Mr George Lewkowicz, Executive Director

Ms Rosslyn Cox, Business and Development Manager (as of 17 November  
2003)

Ms Josie Covino, Administrative Officer

## Our Supporters

The Don Dunstan Foundation thanks the following organisations and individuals for their support this financial year.

### Major Supporters

State Government of South Australia  
The University of Adelaide  
Flinders University of South Australia

### Project Partners

Centre for Labour Research, the University of Adelaide  
Australian Institute for Social Research, the University of Adelaide

### Corporate Supporters

JB Jarvis Marketing and Associates  
Lane Print Group  
Norman Waterhouse Lawyers

### Event Partners

ASIA-LINK Melbourne  
Barossa Slow  
Food Barossa  
Governor Hindmarsh Hotel, Viv & Brian Tonkin  
Mercury Cinema  
New Internationalist  
Oxfam Community Aid Abroad  
Radio Adelaide 101.5fm  
State Theatre Company  
Thorn Park Country House

### Friends of the Foundation

#### South Australia

Convenor Richard Smith/Vince Curro/Alison Galbreath  
Members Susan Byrne, John Caldecot, Barry Clark, Rebecca Clothier,  
Kerryn Croft, Viv Curro, Marg Easson, Lindsay Holmes,  
Mariann McNamara, Krystyna Pindral, Wendy Parsons,  
Beryl and Ennis Westphalen

#### NSW

Convenor Gabrielle Simpson  
Members Terry Carney, Bill and Kerry Ann O'Reilly,  
Monika Law, Len Amadio

#### VIC

Convenor Hon John Cain