Foundation
for the WA Museum

ANNUAL REPORT
2016/2017



Foundation Patron

Member

Her Excellency the Governor of Western Australia, Kerry Sanderson AC

Board of Directors

Member

Mr Justin Mannolini (Chair)

Hon Julie Bishop MP (Deputy Chair)

Dr Marina Hogan (Deputy Chair)

Mr Nick Brasington

Ms Mae Cardaci

Mr Fred Chaney

Mr Torsten Ketelsen

Mr Tim Lester

Mr James McClements

Ms Rubini Ventouras

Mr Alec Coles OBE (ex-officio)

Investment Committee

Member

Mr Brendon Shepherd (Chair)

Mr James McClements

Mr Justin Mannolini

Mr Fred Chaney

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MESSAGE FROM THE CHAIRMAN



The 2016-17 financial year has seen a number of changes for the Foundation for the WA Museum.

Early in 2017, the Board resolved to embark on a substantial restructure of the Foundation's constitution and operations, with a view to seeking DGR1 (Deductible Gift Recipient) status under the tax legislation, through inclusion on the Register of Cultural Organisations.

Subject to achieving that status, the Foundation will be able to offer PAFs (Public Ancillary Funds) the opportunity to invest in the future of the Museum through the Foundation. The Board considers this critical to ensure that the Foundation is "fit for purpose" in an environment where PAFs are increasingly seen as the vehicle of choice for private philanthropy.

I am grateful for the continued hard work and support of the Foundation Executive, led by Jenny Allen, and our lawyers, Jackson McDonald, in this important process.

During the year, the Board has also signed off on a new, three-year Strategic Plan which has at its core our objective to achieve a $35m endowment fund for the benefit of the WA Museum. I am pleased to report that good progress is already being made towards that objective, with the endowment growing by about $800,000 after operating expenses, and a substantial commitment being received, after year end, from Tianqi Lithium.

The Foundation has also adopted a new name and logo which is designed to achieve a distinctive new identity which we hope will resonate with sponsors and donors.

The Board has had a strong focus on adopting sound corporate governance practices.We continue to aspire to best practice in this area, and have adopted a number of new policies and procedures designed to achieve that aim during the year.

Once again, the Foundation has benefited greatly from an excellent working relationship with WA Museum CEO Alec Coles OBE and the Museum's Board of Trustees, without whose support the progress made throughout the year would not have been possible.We look forward to continued co-operation in the lead up to the opening of the New Museum in 2020.

We are now able to look across the cityscape and see the first elements of the New Museum structure take shape.It is an exciting time for all involved in this truly world class development, and the Foundation takes very seriously its role in building a substantial endowment to benefit the Museum – and all West Australians – over the long term.On behalf of the Board, I wish to thank all those that have contributed to the Foundation's success in 2016 – 17, and look forward to providing more exciting news of our achievements in 2018.

Justin Mannolini

Justin Mannolini
Chairman

Foundation for the WA Museum

MESSAGE FROM THE CEO



The Foundation for the WA Museum sees its role as cultivating and developing relationships with individuals, organisations and community groups to understand the critical role that our West Australian Museum plays in society.

This year, the Foundation has undergone change, restructure, relaunching of our brand and bringing together a "fit for purpose" organisation to gain Deductible Gift Recipient (DGR1) status, which is essential for us to move forward. This will enable the Foundation to support not only the New Museum project, but also be set to invest on the really important Discovery Endowment Fund in readiness for the WA Museum to embark on exciting, unique and international projects.

The Foundation for WA Museum (our new name), has continued to support the WA Museum in many different projects over the past year. Our purpose, objectives and advocacy in obtaining funding, setting up opportunities in the areas of education, assisting the museum in sourcing acquisitions and stewarding our important partners, donors and philanthropists has all added to who the Foundation is and shows the growing importance of our existence.

We have embarked on a number of projects over the past year which have added to the research, acquisitions and external activations. The Foundation continues to work with a diverse range of community, corporations and donors to engage them as ambassadors and funders as we move closer to the opening in 2020 of our exciting "state of the art" new West Australian Museum.

Our Artefact Circle has continued to build its donor base and be instrumental in offering donors attractive and successful events throughout the year, together with exciting opportunities at exhibitions, CRC tours, Kailis Pearls Soirees and other events that the Foundation presents on their behalf.

On behalf of the team at the Foundation, we wish to thank all who have supported us to achieve our goals over the past year. We look forward to working with our partners and donors to truly make our WA Museum a recognised, envied and superb icon for West Australians and our international tourists.

It is indeed an exciting time, where we have the opportunity of being part of something sensational and I encourage everyone to play their part, small or large.

Again we all express our sincere thanks for your continuing support.

Jenny Allen

Jenny Allen
Chief Executive Officer

Foundation for the WA Museum

ABOUT THE FOUNDATION





The Foundation's key role is to act as an independent body committed to enhancing the cultural heritage, advocacy and the long- term financial sustainability of the WA Museum by building private and corporate support in the public and private sectors.

The Foundation for the Western Australia Museum was established in 1995 as the fundraising partner for the Museum. Independent of Government, the Foundation is a self-funded private trust. Playing a critical advocacy role, the Foundation manages the Museum's corporate partnership programs encouraging corporate social responsibility, individual philanthropy through donations and bequests, and conducts regular community, education and engagement activities.

Supporters of the Foundation appreciate the necessity to provide private investment to ensure the New Museum for Western Australia is a State-of-the-art institution which maximizes its potential beyond the capability of government funding. To realize this vision, the Foundation has created a permanent Endowment - The Discovery Fund - this will provide sustainable ongoing funding to the Museum, enabling programs and grants to support key Museum activities beyond the remit or scope of government funding. Through the Foundation, corporate, private and charitable supporters invest in the Museum's high caliber exhibition, fieldwork and research, collection acquisitions and public education programs.

In February 2017, the Foundation was delighted to welcome Ms Jenny Allen as the incoming Foundation CEO. Jenny comes with a wealth of experience not only from her 16 years with Youth Focus, but also a career spanning diverse sectors both nationally and internationally.

The Foundation is working closely with the Museum to maximize the significant opportunity provided by the investment of $428.3 million by the Western Australian Government to develop a world-class museum with new facilities, refurbished spaces and exciting New Museum experiences. This infrastructure investment provides Western Australia with the opportunity to create a museum worthy of the 21st Century: a goal that can only be fully attained by partnership with the community.

The Foundation is actively working to grow it's Discovery Fund to support the New Museum for Western Australia and enable the Museum to attract international exhibitions, acquire world class objects and generate global recognition. Strong progress has been achieved this year with assistance from corporate sponsors and individual donors.

OUR VISION

To provide meaningful and sustainable financial support to the WA Museum by building private and corporate support through advocacy and partnership with the private, public and third sectors

OUR PURPOSE

To enhance the cultural heritage of, stakeholder support for, and long-term financial sustainability of, the WA Museum

OUR OBJECTIVES

To promote and raise awareness of the Foundation within the corporate and broader community

To grow the Endowment Discovery fund to $35M by the time the New Museum opens it's doors to the public in 2020

To maintain a strong governance model, responsibly managing and distributing funds in accordance with the Foundations goals, values and objectives in support of the WA Museum

To provide advocacy, education services and financial support for the WA Museum

OUR VALUES

Integrity Passion

Teamwork Collaboration

Excellence

948,518

Online Visitors to Website

$784,397

Monies Raised by the Foundation

659,566

Visitors to WA Museums

WOODSIDE

The 2016 – 2017 year saw the highly successful long term Woodside partnership deliver a number of exciting outcomes.

The partnership furthered it's strong focus on the marine biology's of WA's North West. In March 2017, with Woodside's strong support, the Foundation enabled the WA Museum to open the new WA Down Under Gallery at the WA Maritime Museum. This gallery highlights the impressive research outcomes of the Woodside 19 year Award winning partnership and showcases the broader marine biodiversity of WA. Gallery highlights include the Blue Room which encourages visitors to step into a virtual experience to engage with marine animals from the waters of the Kimberley; discover the extremely rare Ruby Sea Dragon that lives off the WA Coast; learn more about the animals that live within our reef systems and explore the detrimental elements that effect coral bleaching.

Research work also continued on the highly significant Woodside Collection with the first wave of peer-reviewed scientific papers highlighting the nature and importance of this valuable research collection.

The interactive web based documentary "Beneath the Waves",launched in early 2016, utilized footage filmed during numerous partnership marine surveys.

This unique footage enabled the public to engage and explore layers of information on the species and biology of the marine animals of the Kimberley coast.

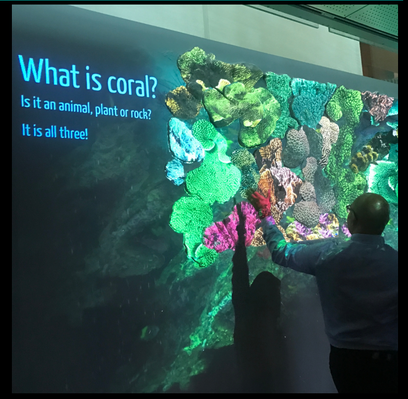
Its unique content has gone on to win four Australian Awards over the past year:

- WA Screen Award for Best interactive Project
- SAE ATOM (Australian Teachers of Media) award for Best Educational Website
- Australian Web Awards for Innovation and Content
- Silver Medal for excellence in Content at the Australian Web Awards, Perth.

The Woodside partnership is seen as a leading key partnership by both partners. The strength and value was clearly demonstrated by Woodside in December 2016 when the partnership won the internal Woodside Award for Technology.

The Foundation and Museum were presented with a generous cheque which contributed to two major initiatives: the popular April 2017 school holiday program focused on marine biology's and attracted over 2700 families; and the Foundation's Woodside Marine Biodiversity Fund within the Discovery Endowment Fund.

Woodside's leadership investment has established an enduring and permanent legacy which will ensure the Museum can generate a sustainable income stream to continue the ongoing development of the Woodside Collection Project and associated initiatives.





QUADRANT ENERGY





The Foundation was delighted to welcome on board Quadrant Energy in 2016 – 17 as the exclusive Principal Partner of two distinct but coordinated major public engagement initiatives; the Museum'sVoyages to the Deep exhibition at the WA Maritime Museum on display from May to July 2017 and the off-site marine environment engagement program during June to July 2017.

Voyages to the Deep focused on undersea exploration and adventure using Jules Verne's 20,000 Leagues Under the Sea and popular culture from Jacques Cousteau to the Octonautsas engagement mediums. Using Verne's fantastical Nautilus submarine as a learning tool with a strong foundation in genuine technologies, the exhibition presented the fantasy of the Verne novel in tandem with the remarkable and diverse marine biological facts of today. Visitors were able to explore Verne's imaginary world alongside the real-life wonders of the oceans via an engaging, family friendly and entertaining exhibition. Both the exhibition and the off-site program contained strong links to the school curriculum in the areas of natural and built environments.

As an important element in the Museum's broader engagement strategy, the Quadrant off-site activation partnership has underpinned the Museum's major initiative to develop a robust off site activation program. The program delivered strongly on the primary objectives to allow the Museum to continue to strongly engage with Perth's diverse metropolitan communities during the temporary closure of the Museum's Perth site, while the building of the exciting New Museum for Western Australia is in progress.

Inherent in the off-site initiative were the major advantages of flexibility in location, audience, demographic, socio economic areas, ages and content, enabling the Museum to create a strong presence beyond its sites. The popular program traveled to a variety of areas engaging with diverse communities. In addition, the well attended activities provided Quadrant and the Museum with excellent brand exposure.

The exhibition and public programs were located in Fremantle, Elizabeth Quay Perth, Ocean Keys Clarkson and Garden City Booragoon. Visitation numbers for the exhibition and off-site programs were impressive, attracting over 13,565 visitors in the WA Day weekend alone. This highly successful partnership has delivered on all outcomes with future partnership opportunities being actively explored by the Foundation for the WA Museum.

MOORE STEPHENS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WESTERN AUSTRALIAN MUSEUM FOUNDATION

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000
PO Box 5785, St Georges Terrace,
WA 6831

T +61 (0)8 9225 5355
F +61 (0)8 9225 6181

www.moorestephens.com.au

Opinion

We have audited the accompanying financial report of The Western Australian Museum Foundation, which comprises the statement of financial position as at 30 June 2017, the statement of surplus or deficit and other comprehensive income and statement of cash flows for the year ended on that date, other explanatory notes and the statement by the Board of Governors.

In our opinion, the financial report presents fairly, in accordance with Australian Accounting Standards, the financial position of The Western Australian Museum Foundation as at 30 June 2017 and its financial performance and cashflows for the year then ended.

Report on Compliance with Pulic Ancilliary Fund Guidelines 2011

Effective from 1 January 2012, affected entities holding philanthropic funds are required to comply with the *Public Ancillary Fund Guidelines 2011* (the "Guidelines") imposed by the Australian Taxation Office. The Board of Governors of the Western Australian Museum Foundation are responsible for ensuring that the Foundation complies with the applicable provisions of these guidelines. Our responsibility is to express an opinion on whether The Western Australian Museum Foundation has complied with these applicable guidelines for the year ended 30 June 2017, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, in all material respects, The Western Australian Museum Foundation has complied with the applicable provisions of the *Public Ancillary Fund Guidelines 2011*.

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 Foundation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

Responsibility of The Board Of Governors for the Financial Report

The Board of Governors are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the needs of the members. The Board's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, the Board of Governors are responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Foundation either intends to liquidate or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Foundation.
- Conclude on the appropriateness of the Foundation's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

NEIL PACE
PARTNER

MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 31st day of August 2017.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT BY THE BOARD OF GOVERNORS

In the opinion of The Western Australian Museum Foundation:

i) the accompanying statement of surplus or deficit and other comprehensive income is drawn up so as to give a true and fair view of the result of the Foundation for the year ended 30 June 2017;

ii) the accompanying statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Foundation as at 30 June 2017 and;

iii) the Financial Statements have been prepared in accordance with applicable Accounting Standards.

This statement is made in accordance with a resolution of the Foundation and is signed for and on behalf of the Foundation by:

MR JUSTIN MANNOLINI
CHAIR
WA MUSEUM FOUNDATION

DR MARINA HOGAN
DEPUTY CHAIR
WA MUSEUM FOUNDATION

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	NOTE	2017 $	2016 $
CURRENT ASSETS			
Cash at Bank	3	281,914	429,912
Managed Investments (at Fair Value)	5	3,675,276	3,297,069
Other Receivables	6	-	-
Share Investment (at Fair Value)	11	3,366,900	2,800,000
TOTAL CURRENT ASSETS		7,324,090	6,526,981
TOTAL ASSETS		7,324,090	6,526,981
CURRENT LIABILITIES			
Other Payables		909,486	969,889
GST Payables	6	10,406	6,769
Financial Liability	11	-	72,614
TOTAL LIABILITIES		919,892	1,049,272
NET ASSETS		6,404,198	5,477,709
TRUST FUNDS			
Opening Retained Surplus		3,351,190	3,377,216
Operating Surplus (Deficit)		(96,021)	(26,026)
Financial Assets Reserve – Managed Investments		1,014,143	854,519
Financial Assets Reserve – Shares		2,134,886	1,272,000
		6,404,198	5,477,709

To be read in conjunction with the attached notes.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 $	2016 $
INCOME			
Sponsorship, Event & Donation Income	9	306,985	469,790
Investment Income		304,804	211,342
Gain/(Loss) on Sale of Investments		(327,854)	7,612
Admin Levy		11,500	27,600
General Donation		488,962	233,844
TOTAL INCOME		784,397	950,188
EXPENDITURE			
Bank Fees		3,449	2,575
Legal and Accounting		9,511	6,600
Sponsorship & Donation Expenditure	10	307,403	421,772
Superannuation		41,426	39,482
Salaries & Allowances		440,272	424,480
Investment Fees		24,685	25,933
Recruitment Costs		323	-
Sundries		41,349	55,372
Consultancy Fees		12,000	-
TOTAL EXPENDITURE		880,418	976,214
TOTAL OPERATING SURPLUS/(DEFICIT)		(96,021)	(26,026)
Other Comprehensive Income			
Revaluation of Investment Portfolio		159,623	(156,849)
Revaluation of Shares		862,886	1,272,000
TOTAL COMPREHENSIVE INCOME		1,022,509	1,089,126

To be read in conjunction with the attached notes.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION

STATEMENT OF CASHFLOW

FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017	2016
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		708,069	761,494
Cash payments in the course of operations		(837,806)	(900,723)
Interest Received		18,822	21,190
Dividends/Distributions Received		285,982	190,152
Net Cash (Used in) / Provided by Operating Activities	4	175,067	72,113
CASH FLOW FROM INVESTING ACTIVITIES			
Sale/(Purchase) of Investment		(323,065)	(175,272)
Net Cash (Used in) / Provided by Investing Activities		(323,065)	(175,272)
CASHFLOW FROM FINANCING ACTIVITIES		-	-
NET INCREASE / (DECREASE) IN CASH HELD		(147,998)	(103,159)
CASH AT THE BEGINNING OF THE YEAR		429,912	533,071
CASH AT THE END OF THE FINANCIAL YEAR	3	281,914	429,912

To be read in conjunction with the attached notes.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards, Interpretations of the Australian Accounting Standards Board and the requirements of the Trust Deed.

The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Revenue

Non-reciprocal grant and sponsorship revenue is recognised in profit or loss when the entity obtains control of the grant/sponsorship and it is probable that the economic benefits gained from the grant/sponsorship will flow to the entity and the amount of the grant/sponsorship can be measured reliably.

If conditions are attached to the grant/sponsorship which must be satisfied before it is eligible to receive the contribution, the recognition of the grant/sponsorship as revenue will be deferred until those conditions are satisfied.

When grant or sponsorship revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant/sponsorship revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant/sponsorship is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest and dividend revenue is recognised when received.

All revenue is stated net of the amount of goods and services tax.

b. Fair Value of Assets and Liabilities

The Foundation measures some of its assets and liabilities at fair value on a recurring basis. Fair value is the price the Foundation would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Fair Value of Assets and Liabilities (continued)

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

The Foundation's managed investments and share investments are valued based on market pricing information, being ASX quoted prices for equities and market prices provided by fund managers in respect of managed funds.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

c. Financial Instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Foundation commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement
Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Financial Instruments (continued)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Impairment
At the end of each reporting period, the Foundation assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).
When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

d. Impairment of Assets

At the end of each reporting period, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

e. Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

f. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

g. 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 Taxation Office (ATO).
Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Income Tax

No provision for income tax has been raised as the Foundation is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

i. Comparative Figures

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

When the Foundation retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed.

2. DATE OF ESTABLISHMENT

The Western Australian Museum Foundation was established on 22 September 1995.

3. RECONCILIATION OF CASH

For the purposes of this statement of cashflows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

Cash at the end of the year is shown in the statement of financial position as:

	2017 $	2016 $
Cash at Bank	281,614	429,612
Cash in hand	300	300
	281,914	429,912

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

4. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS:

	2017 $	2016 $
Operating Surplus / (Deficit)	(96,021)	(26,026)
Add / (Less) non cash items: (Gain)/Loss on sale of investments	327,854	(7,612)
Net Cash Provided by Operating Activities	231,833	(33,638)
(Increase)/Decrease in Other Receivables	-	30,259
Increase/(Decrease) in Other Payables and Accruals	(56,766)	75,492
Net Cash Provided by / (Used in) Operating Activities	175,067	72,113

5. MANAGED INVESTMENTS

Managed Investments comprise of a diversified portfolio managed by an independent fund manager. The holding is represented by investments in wholesale managed funds and direct cash.

Managed investments are classified as Available for Sale Financial Assets and recorded at fair value, with changes in market value of the investments recognised in the Balance Sheet under Financial Assets Reserve.

Managed Investments	2017 $	2016 $
At Market Value	3,675,276	3,297,069
	3,675,276	3,297,069

6. OTHER RECEIVABLES/PAYABLES

GST (Payable)/Receivable	(10,406)	(6,769)
	(10,406)	(6,769)

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

7. FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Foundation's financial instruments consist mainly of cash at bank, a portfolio of managed investments and Share Investment.

The Foundation does not have any derivative instruments at 30 June 2017 and other than as disclosed in Note 11 does not speculate in any type of financial instrument.

Financial Risks

The activities of the Foundation expose it primarily to the financial risks, associated with its financial instruments, of interest rate risk, liquidity risk and credit risk. The Board of Governors are responsible for monitoring and managing the financial risk of the Foundation. They monitor these risks through bi-monthly board meetings where bi-monthly management and investment accounts are presented and analysed. Any changes indentified are communicated to the finance and administration team who implement the changes.

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, is limited only to its cash holdings with banks and term deposit held with JBWere.

The level of exposure to interest rate risk is not significant.

Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The Foundation has surplus cash reserves which enable sufficient cash to be available to settle obligations as they fall due. The Foundation Director manages liquidity risk by monitoring forecast cash flows on a regular basis and ensuring that adequate cash reserves are maintained.

All financial liabilities are expected to be paid out at their carrying amounts, within a period of less than 12 months.

Price Risk

Market price risk arises from available for sale investments held by the Foundation in the form of a managed portfolio of investments and listed shares. The portfolio of investments is managed by an external portfolio manager. The investment value and returns are reported to the Investment Committee, comprised of three board members of the Foundation Board with an independent chair who is external to the board, on a regular basis. The Investment Committee monitors the effective return and goes back to the fund managers if any changes are required. Minutes of all Investment Committee meetings are provided to the Board of Governors at the bi-monthly board meetings.

To demonstrate the Foundation's sensitivity in changes to market prices a movement in the value of the managed portfolio of investments and shares in listed companies of plus or minus 10% at the reporting date would have increased/decreased the Trust Funds by $704,218.

FINANCE

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

7. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Net Fair Values

Aggregate net fair values of financial assets and financial liabilities at balance date approximate their carrying values.
The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

8. RELATED PARTY TRANSACTIONS

During the year there were no transactions with Board of Governor related entities and no remuneration was paid to any member of the Board of Governors.

9. SPONSORSHIP, EVENT & DONATION INCOME

	2017	2016
Dept Defence - Bundera S/Hole	5,350	11,663
Damper/De Freycinet Project	-	300
Woodside Kimberley Research	36,580	-
Woodside Project 5	160,023	296,244
Alcoa Frogwatch Resource Kit	-	3,493
Famelab Project	12,500	-
Dampier Gallery Enhancement	-	27,364
Hawaiian Cross PromotionP/ship	-	6,000
Woodside Marine Survey Team	10,935	3,080
J Thompson China Collection	-	1,700
IKUWA6	10,644	1,100
Last Night at the Museum Event	-	118,846
Woodside 6 – WA Downunder Gallery	3,630	-
Travellers and Traders in the Indian Ocean	20,035	-
Woodside April 2017 School Holiday Program	10,000	-
Woodside South By Southwest Interactive	5,455	-
Seafaring Soiree Event	20,977	-
Lost World Event 2017	10,000	-
Artefact Circle CRC Tour March 2017	856	-
	306,985	469,790

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

10. SPONSORSHIP & DONATION EXPENDITURE

	2017	2016
Dept Defence - Bundera S/Hole	5,350	11,663
Damper/De Freycinet Project	-	300
Woodside Kimberley Research	36,580	-
Woodside Project 5	160,023	296,245
Alcoa Frogwatch Resource Kit	-	3,493
Famelab Project	12,500	-
Dampier Gallery Enhancement	-	27,364
Hawaiian Cross PromotionP/ship	-	6,000
Woodside Marine Survey Team	10,935	3,080
J Thompson China Collection	-	1,700
IKUWA6	10,644	1,100
Last Night at the Museum Event	-	69,327
Woodside 6 – WA Downunder Gallery	3,630	-
Travellers and Traders in the Indian Ocean	20,035	-
Woodside April 2017 School Holiday Program	10,000	-
Woodside South By Southwest Interactive	5,455	-
Seafaring Soiree Event	25,167	-
Lost World Event 2017	2,084	-
Discovery Fund – General	5,000	1,500
	307,403	421,772

11. FMG SHARES

As at 30 June 2017 the Foundation owned 645,000 ordinary shares in FMG which were valued at $3,366,900 ($5.22 per share).

In March 2016 the Foundation executed a call option to sell 400,000 FMG shares at a price of $3.91, which expired on 22 December 2016. The consideration received for executing the call option was recorded as a financial liability as at 30 June 2016. During the current year the call option was closed out.

INDIVIDUAL GIVING AND THE ARTEFACT CIRCLE

The Foundation for the WA Museum could not support the important work of the WA Museum without our valued individual donors and bequestors. To you we say, thank you for your generosity.

Individual Giving

Donations to the Discovery Endowment Fund, enable the Foundation for the WA Museum to support the WA Museum in enhancing the State's collections through acquisitions, exhibitions, scientific research and engaging public and educational programs. Through philanthropic gifts and bequests, the Foundation supports the WA Museum to provide experiences beyond the scope of government funding.

Artefact Circle

The Artefact Circle is an exclusive philanthropic annual giving program for individual donors of $1,000 or more, with proceeds supporting the Discovery Endowment Fund. Artefact Circle donors are passionate about preserving WA's cultural history and unique environments and are in turn offered unique opportunities to engage with the WA Museum. Since inception around 100 individuals have become Artefact Circle donors, with over 60% of people renewing their commitment after the first year.

The Artefact Circle Committee facilitates the cultivation of these generous gifts. They are a group of 10 dedicated individuals committed to raising the profile of community giving to the Foundation for the WA Museum. Each year the Committee hold a gala fundraising event, with proceeds supporting the Discovery Endowment Fund. Planning is in progress for the next major fundraising event,The Lost World: Night at the Museum, to be held amongst the dinosaurs in September 2017.

Seafaring Soirée

Following on from the very successful 2016 fundraising gala event,Last Night at the Museum, Artefact Circle hosted a Seafaring Soirée at the WA Maritime Museum on Friday 11 November 2016. Attended by nearly 200 people, guests were treated to an evening of entertainment, along with entry into the world premiere exhibition, Travelers and Traders in the Indian Ocean World. Feature cocktails by West Winds Gin, premium wines by Liquor Barons and Voyager Estate and gourmet food from By Word of Mouth Catering were enjoyed on the evening.

Other events

Throughout the year, our generous donors were also offered opportunities to experience: exclusive access to a behind-the-scenes tour of the WA Museum Collections and Research Centre; an invitation-only Christmas event; and a private look at the plans for the New Museum for WA.





WE ARE GRATEFUL

TO THE COMMITTEES, BUSINESSES AND INDIVIDUALS WHOSE SUPPORT MAKE OUR WORK POSSIBLE.

DISTINGUISHED PATRONS

Minderoo Foundation

Woodside Energy Limited

PATRONS

Estate of the late Dr Harry Butler AO CBE

NWS Shipping

Singapore Airlines

Singapore Airlines Cargo

Stan Perron Charitable Foundation

BENEFACTORS

McCusker Charitable Foundation

Ungar Family Foundation

FOUNDERS

Jackson McDonald

Kailis Bros

Kailis Consolidated Pty Ltd

Kailis Fisheries Holdings Pty Ltd

KB Foods

Moore Stephens

Phelps, Rosalind Ruth (nee Rowell)

Quadrant Energy Australia Limited

Seven West Media

The McClements Foundation

DONORS

Embassy of the Kingdom of the Netherlands

Faye, Bridget

Fletcher AM, Ian and Fletcher, Christine

Hasluck OAM, Sally Anne

Heyder & Shears

Kailis Australian Pearls

Karma Group

Liquor Barons

Scoop Digital

Shell Australia

Wright Burt Foundation

MEMBERS

Abode Real Estate

Be. Fremantle

David Gardiner Public Relations

Friends of the Western Australian Museum

Gage Roads Brewing

Gerard Daniels

JB Were

London Hilton Metropole

Macleod, Dr Ian

McKechnie, John & Beth

OMG Events

EVENT PARTNERS

By Word of Mouth

Voyager Estate

West Winds Gin

ARTEFACT CIRCLE COMMITTEE

Cardaci, Mae (Chair)

Chaney, Jody

Gardiner, David

Goodlad, John

Hughes, Janine

Lewis Dr, Richard

McClements, Meredith

Milner, Emma

Packer, Philippa

Sloboda, Anna

ARTEFACT CIRCLE DONORS

Alder and Partners Private Wealth Management

Allen, Angela

Ashforth, Ileana

Ashforth, Michael

Bassett, Karen

Black, Melissa

Cafferelli, Pina

Cardaci, Mae

Chaney AO, Hon Fred

Chaney, Hon John

Chaney, Jody

Clark, Peter

Clough, Jock

Coles OBE, Alec

Collins, Harvey

Constantine, Aaron

Constantine, Joanne

Cooper, Andrew

Crommelin, Peter

Crommelin, Jade

Crostella, Luca

Foundation for the WA Museum

WE ARE GRATEFUL

TO THE COMMITTEES, BUSINESSES AND INDIVIDUALS WHOSE SUPPORT MAKE OUR WORK POSSIBLE.

ARTEFACT CIRCLE DONORS cont.

Davis, Brian

Douglas, Elena

Edel, Robert

Faye, Bridget

Fletcher, Christine

Fletcher, Ian

Goodlad, John

Gubgub, Jamelia

Harmanis, Kerry

Harris, Elizabeth

Hasluck, Sally Anne

Hickman, Dallas

Horton, Jonathan

Horton AO, E Prof Tracey

Hughes, Janine

Hughes, Peter

Hughes, Sean

Johnston, Michelle

Kailis OBE AM, Dr Patricia

Kailis, Amanda

Ketelsen, Mona

Ketelsen, Torsten

Kopejtka, Karen

Kopejtka, Paul

Kyle, David

Lang, Karen

Larsen, Peter

Leitch, Tamzin

Lester, Tim

Levin, Adam

Lewis, Dr Richard

Lewis, Dr Stephen

Lonsdale, Belinda

Loton, Mandy

Major, Lauren

Mannolini, Amanda

McClements, James

McClements, Meredith

McDonald, Susan

McKechnie QC, Hon John

McKechnie, Beth

Michael, David

Michael AC, Dr Ken

Milner, Emma

Nagle, Fred

Oliver, Peter

Osborn, Wayne

Packer, Philippa

Packer, Ron

Parker, Ian

Phelps (nee Rowell), Rosalind Ruth

Ranalli, Rob

Robson AO CitWA, Prof Alan

Rodgers, Bryan

Rowell, Alexandra

Rowell, Heather

Rowell, Rob

Salmon, Bobbie

Scudamore, Stephen

Seed, Kathy

Sloboda, Anna

Stanning, John

Stewart, Alan

Stewart, Vivienne

Teo, Mei

Ungar, Chris

Ungar, Tim

Ventouras, Rubini

Wallace, David

Watts, Mel

Wehr, Fred

Foundation for the WA Museum

THE YEAR AHEAD

EVENTS AND PROJECTS

GENERAL

DGR1 Status approval - June 2018

SCHOOL HOLIDAYS

Autumn & Winter school holidays – Find the Museum's team at surprising new locations these school holidays

EXHIBITIONS

ANTARCTICA VR EXPERIENCE
18 June – 27 July 2018
HORRIBLE HISTORIES – PIRATES: THE EXHIBITION
24 March – 12 August 2018

EVENTS

HARBOUR SUNDAYS WITH RTRFM (Annually)
until 25 February 2018

FAMELAB SEMI-FINALS
18 April 2018

FAMELAB NATIONAL FINALS
20 May 2018

ANNUAL GALA EVENT

ANTARCTICA: NIGHT AT THE MUSEUM
22 June 2018



150 WILLIAM STREET
PERTH, WA, 6000

(+61) 8 655 27474
WWW.MUSEUM.WA.GOV.AU/FOUNDATION