

ANNUAL REPORT – 18 Calendar months
1/7/07 – 31/12/08

The Don Dunstan Foundation Annual Report – 18 Months 1/7/07 – 31/12/08

DON DUNSTAN FOUNDATION
FOR A BETTER FUTURE



Flinders
UNIVERSITY
ADELAIDE • AUSTRALIA



THE UNIVERSITY
OF ADELAIDE
AUSTRALIA

Supported by



**Government
of South Australia**

Report from the Chair of Trustees

On behalf of the Trustees of the Don Dunstan Foundation, I am very pleased to present the report for our 'financial year' ending 31 December 2008.

The word 'year' in the context of this report is unusual. This time only our 'year' is 18 months long. In November 2007 the Foundation altered its Constitution to align the Foundation's 'financial year' with the calendar year used by its two University partners.

In this 18 month period the Foundation has continued to build its reputation and range of activities as an important contributor in the interplay of public policy debate. Later in this Report we list the events and activities the Foundation has conducted.

All the research, orations and fora conducted by the Foundation in this period furthered public discussion and stemmed from the essential values that underpin the Foundation. We are grateful for the assistance of our Participating Partners – the University of Adelaide, and Flinders University. As well, the Department of the Premier and Cabinet has supported us in essential ways with the secondment to us of our Executive Director. The Australian Institute of Social Research, in whose offices we are situated at the University of Adelaide provides support and partnership with our work.

In this year the Foundation continued its work with promoting policy research on Aboriginal Employment and on Social Inclusion initiatives. Events conducted as fundraisers and to promote and debate our work in the public arena included:

- An Aboriginal Employment forum and the publication of the Dunstan Paper "Equity Works: Achieving the target of 2% Aboriginal Employment in the South Australian Public Sector"
- A breakfast meeting – 'Social Inclusion – 6 year on ...'
- A forum with Professor Robert Reich -'Essentials for a decent working society in the 21st century'
- A seminar with Professor John Quiggan – 'Creating the Climate for Change'
- The 2008 Lowitja O'Donoghue Orations with the Rev Tim Costello
- The 2007 Human Rights Oration with Mr Tom Calma
- The 2008 Human Rights Oration with the Hon Catherine Branson QC
- The Youth Forum with an address by the Hon Kate Ellis, Member for Youth Affairs

In July 2008 the Queensland Chapter of the Don Dunstan Foundation conducted the inaugural Tom Burns Memorial Lecture so as to raise funds for three initiatives – homeless youth, improving literacy among indigenous Australians, and development of a Tom Burns political oral history. The Prime Minister, Mr Kevin Rudd graciously accepted an invitation to deliver the inaugural lecture.

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The above activities have also been reinforced through a number of other joint activities. I am pleased to report that the SA Policy Online website, collaboration between the three SA universities, the SA Government and the Foundation, continues to gain subscribers and inform people.

The selection of these key areas has, as ever, been shaped largely by the founding values that Don Dunstan left with us. The Foundation has also broadened its remit to include issues to do with the environment and climate change. It is confident that Don Dunstan would be taking a stand on this if he were alive today.

The Trustees commend the work of the Foundation to you and look forward to your continuing involvement in the year ahead.

HON GREG CRAFTER AO
Chair, Board of Trustees

Trustees, Board and Staff

The Foundation is governed by Trustees with a Board of Management (which meets every two months) responsible for overseeing the day-to-day operations of the Foundation. An Executive Committee of the Board meets to discuss matters between Board meetings if necessary.

During the period there has been a complete changeover of staff. Seven different people have worked at the Foundation. The current staff load is one full time position and three part time positions.

Trustees

- Hon Greg Crafter AO
Chair
- Ms Bronwen Dohnt
Representing the Dunstan Family
- Professor Michael Barber
Vice Chancellor, Flinders University
- Professor James McWha
Vice Chancellor, the University of Adelaide
- Mr Bill Cossey AM
Chair, Board of Management

Board of Management

- Mr Bill Cossey AM
Chair
- Professor Nick Harvey
Executive Dean, Faculty of the Humanities and Social Sciences, University of Adelaide
- Mr George Lewkowicz (until June 2008)
Executive Director, Don Dunstan Foundation
- Mr Warren McCann
Chief Executive, Department of the Premier & Cabinet
- Dr Lionel Orchard (until December 2007)
Associate Professor in Public Policy, Flinders Institute of Public Policy and Management, Flinders University
- Ms Michele Slatter
Senior Lecturer in Law, Flinders University

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- Dr Fiona Verity (from February 2008)
Senior Lecturer in Faculty of Social Science, Flinders University
- Associate Professor John Spoehr
Executive Director, Australian Institute for Social Research, University of Adelaide
- Ms Margaret Wallace
Muirgen Consulting
- Mr Bob Angove AM
Retired
- Professor Roger Thomas
Director of Wilto Yerlo and Centre for Australian Indigenous Research and Studies (CAIRS), University of Adelaide
- Ms Gabby Ramsay
Manager, Workforce Development, ETSA Utilities

Staff

- Mr George Lewkowicz
Executive Director (retired June 2008)
 - Ms Claire Bossley (from June 2008)
Executive Director
- Mr Lewkowicz and Ms Bossley are employed by the State Government of South Australia and work with the Foundation on a full time basis
- Ms Debora Thaw (August 2007 – September 2008)
Business and Development Manager (Full-time, employed by The University of Adelaide)
 - Ms Sharna Pearce (from October 2008)
Events Manager (60% part time position, employed by the University of Adelaide)
 - Mr Edwin Relf (from October 2008)
Finance Officer (14% position funded by the Foundation and employed via the University of Adelaide)
 - Ms Josie Covino (until October 2008)
Administrative Officer (Casual, 40%, employed by The University of Adelaide, salary funded by the Don Dunstan Foundation)

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- Ms Louisa Santucci (from September 2008)
Administrative Officer (80% position, employed by The University of Adelaide)

Our Supporters

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

Major Supporters

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

Project Partners

- Australian Institute for Social Research, The University of Adelaide
- Centre for Labour Research, The University of Adelaide
- The Don Dunstan collection Flinders University Library
- State Library of South Australia
- South Australian History Trust

Corporate Supporters

- JB Jarvis Marketing and Associates
- Lane Print Group
- EDS Australia

Event Partners

- EDS Australia
- Australian Institute for Social Research, The University of Adelaide
- Flinders University
- Department of the Premier and Cabinet
- The Hawke Centre and the Hawke Research Institute for Sustainable Societies, University of South Australia
- Oxfam Community Aid Abroad
- Radio Adelaide 101.5fm

Subscribers and Donors to the Foundation

The Foundation acknowledges the support of all of the friends of the Foundation in South Australia and nationally. The Foundation could not operate without the support provided by its subscribers and donors most of whom have limitations on their time, or money, or both.

SUMMARY OF ACTIVITIES

EVENTS

The Foundation held a number of successful events, singly or in partnership with other organisations.

26 July 2007

Creating the Climate for Change Seminar Series

Tackling climate change – a trade off between living standards and the environment?

Featured Professor John Quiggin, one of the world's most cited economists and a highly sought after commentator.

1 August 2007

Professor Robert Reich Public Forum

The Don Dunstan Foundation in partnership with the Australian Institute for Social Research and the Department of the Premier and Cabinet of the South Australian Government hosted Robert Reich at a public forum at Elder Hall in Adelaide on 1 August 2007. Professor Reich has served in three US Administrations, most recently as Secretary of Labor under President Bill Clinton. His lecture focussed on 'Essentials for a decent working society in the 21st century'.

18 September 2007

Don Dunstan Human Rights Oration

"Can the end justify the means? Achieving equality for Aboriginal and Torres Strait Islander peoples and the Northern Territory intervention"

The Don Dunstan Foundation partnered with Oxfam to host Mr Tom Calma for the 2007 Don Dunstan Human Rights Oration. Mr Calma is Aboriginal and Torres Strait Islander Social Justice Commissioner and (then) Acting Race Discrimination Commissioner at the Human Rights and Equal Opportunity Commission. His speech focussed on indigenous health and the unacceptable gap that currently exists between black and white Australians.

17 October 2007

DON DUNSTAN FOUNDATION AND THE FRIENDS OF THE UNIVERSITY OF ADELAIDE LIBRARY

Professor Brian Howe - Former Deputy Prime Minister in the Bob Hawke & Paul Keating administrations.

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Professor Brian Howe, one of Australia's leading thinkers on social policy spoke about his recent book published in 2007 - *Weighing Up Australian Values: Balancing transitions and risks to work and family in modern Australia*.

13 February 2008

Aboriginal Employment Forum

Hosted by Institute for Public Administration Australia in conjunction with the Don Dunstan Foundation and supported by the Department of the Premier and Cabinet. The forum was to present the findings of the report Target 2%: Aboriginal Employment in the SA Public Sector. Panel members were: Associate Professor John Spoehr and Dr Kate Barnett and a panel comprising Mr David Rathman, Mr Patrick Kinnear, Mr Tim Goodes and Ms Marsha Uphill. The MC for the event was Ms Meg Barnett.

21 April 2008

Social Inclusion Initiative - 6 years on...

A breakfast forum hosted by the Don Dunstan Foundation on status and achievements of the South Australian government's social inclusion initiatives. Hosted by the Premier, the Hon Mike Rann, Monsignor David Cappo and Professor Fran Baum this was an informative forum providing both local and international perspectives on social inclusion policy.

28 May 2008

2008 Lowitja O'Donoghue Oration

The 2008 Oration was held on 28 May as part of Reconciliation Week. The Reverend Tim Costello gave an inspiring address to a large audience on the topic '*The Journey of Healing: How we go forward after 'Sorry'*'.

31 July 2008

The Tom Burns Memorial Lecture

The Tom Burns Memorial Lecture was organised by the Queensland Chapter of the Don Dunstan Foundation as an inaugural annual event to mark the contribution to Australian political and public life of former Queensland Deputy Premier, the late Tom Burns, who served as the first President of the Foundation in Queensland until his death in June 2007. Prime Minister Kevin Rudd delivered the inaugural lecture after first being introduced by the Premier, Anna Bligh. The Prime Minister reflected with humour and warmth on the Tom Burns he knew and worked for, mentioned the link between Don Dunstan and Tom Burns, and spoke of his hopes for Australia's long term relationship with China. 350 people attended the event. Funds raised on the day will go towards Aboriginal Literacy, Youth Homelessness and a history of Tom Burns. The event did much to promote the Don Dunstan Foundation in Qld.

6 November 2008

Don Dunstan Foundation Youth Forum

The Don Dunstan Foundation was pleased to have the Hon Kate Ellis, Minister for Youth and Sport, provide the opening remarks for the 2008 DDF Youth Forum. This forum was held in response to an identified need to engage in a youth strategy. The aim of the strategy is to make the Foundation's values relevant to all by continually reinterpreting our values for current generations. The forum was designed to look at ways in which young people may interpret the existing values; to include a youth perspective in DDF's existing programmes; and to consider and introduce mechanisms for continual engagement with young people. Forum participation was by invitation only with approximately 25 young people, aged 18-25, in attendance.

26 November 2008

2008 Human Rights Oration

The 2008 DDF Human Rights Oration was delivered by the newly appointed Chair of the Human Rights Commission, the Hon Catherine Branson QC. Speaking on the topic '*Envisaging a Fairer Australia: Everyone, Everywhere, Everyday*'.

PROJECTS

The Don Dunstan History Project

The Project continues under the leadership of the Foundation's project steering group comprising Professor Margaret Allen, Mr Bruce Guerin, Mr Andrew Strickland, Mr George Lewkowicz, Ms Felicity Morgan and Mr Alan Hutchings.

The project group is conducting interviews of persons significant in the development and implementation of policy on the arts, economic development, women's policy, urban and regional planning, nuclear energy, Aboriginal rights and public sector reform.

Aboriginal Employment Project

Report presented by Kate Barnett

The Project Group continued working under the auspices of a steering committee with a majority of Indigenous members and three Board representatives. In February 2008 the Report was presented to the Board. The report was published in the Dunstan Papers series and a public forum was conducted with panellists to launch and discuss the report.

An impetus for the report is Objective 6 of the South Australian Strategic Plan which has an accompanying target to increase the employment of Aboriginal employees in the public sector from 1.2% to 2% by 2009. The Don

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Dunstan Foundation (DDF) allocated funding to support a project to identify the factors which are assisting progress and the factors which are impeding progress towards the achievement of the 2% Target.

State of South Australia Updates

Work on the next edition of State of South Australia has continued into 2008 and 2009. Associate Professor John Spoehr, editor of the series, plans to publish the second edition with the Foundation's assistance in 2009.

South Australian Policy Online (SAPO)

SAPO continues to be the only State-based single resource of its kind, mirroring the national Australian Policy On-line website. The site stores government publications and provides the means of access to the latest academic research and the latest work of non government organisations on SA public policy.

SCHOLARSHIPS

The Foundation continued with funding of the Smith Family scholarship until February 2008 and opted not to continue past that date.

The Don Dunstan Anangu Pitjanjatjara Scholarship was not taken up in 2008 though matters were set in train at the end of 2008 so as to award the scholarship in early 2009.

SUBSCRIPTIONS, FUNDRAISING AND MARKETING

The Foundation received \$92,333 in donations between 1 July 2007 and 31 December 2008. \$48,300 of the \$92,333 was raised by the Queensland committee of the Foundation.

Subscriptions

Subscription income for the period was \$13,776.

Sponsors

Jarvis Marketing and Lane Print Group provide the design and printing services for the Bulletin. EDS continued providing assistance for the Industry Breakfasts for the calendar year 2007.

Investment Account

The Foundation's investment account is managed through the University of Adelaide's composite fund. The composite fund has returned well in excess of the market rate in previous years though the fund suffered in the latter part of 2008 because of the effect of the global financial crisis. As a result there was a negative earning of \$47,823 over the 18 month period to December 2008. This item is the major factor in the operating loss for the Foundation in this period. Over the four year period that the Foundation has had its investment,

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the net gain was \$57,099. Earnings on the fund have improved since March of 2009.

Bulletin

Four editions of the Bulletin were published in the period to December 2008.

ADMINISTRATION

Insurance

The Foundation has comprehensive coverage for Directors and Officers Liability, Commercial activities and volunteers, both in South Australia and interstate, through the University of Adelaide.

Foundation Partners

- University of Adelaide

The University of Adelaide supported the Don Dunstan Foundation through funding of the position of Business and Development Manager and the Foundation's operating infrastructure. Professor Nick Harvey, Professor Roger Thomas and Associate Professor John Spoehr continued as members of the Board of Management.

- Flinders University

Flinders University supported the Don Dunstan Foundation through the continued involvement of Ms Michele Slatter, Dr Lionel Orchard and Dr Fiona Verity as Board members and contributors to Don Dunstan Foundation activities and through ongoing contributions by the wider Flinders community.

- State Government

The State Government funded the position of Executive Director.

Friends Activities

South Australian Friends have continued to provide voluntary assistance in the organisation of events.

The Queensland Chapter group of friends held a major event in September 2008 and continue to be very active.

THE DON DUNSTAN FOUNDATION TRUSTEE'S REPORT

The Trustees of The Don Dunstan Foundation have pleasure in submitting the balance sheet of The Foundation at 31st December 2008, related income statement, statement of changes in equity and cash flow statement for the year then ended and report as follows. The period covered in this report is 18 months long. In November 2007, the Foundation altered its Constitution as it had opted to align the Foundation's 'financial year' with the calendar year used by its two University partners.

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Trustees

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

- Hon Gregory John Crafter AO
- Ms Bronwen Vivien Dohnt
- Professor James Alexander McWha (Vice Chancellor, The University of Adelaide, ex officio member)
- Professor Michael N Barber (Vice Chancellor, Flinders University, ex officio member)
- Mr William Raymond Cossey AM

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.

Significant Changes

In November 2007 the Trustees opted to change the financial year of the Foundation to mirror the calendar year. This report is thus for an eighteen month period – from 1st July 2007 through to 31st December 2008.

Results

The net loss of the Foundation for the financial period ended 31st December 2008, was \$123,490 being \$31,380 for the six month period 1st July to 31st December 2007 and \$92,110 for the twelve month period 1st January to 31st December 2008.

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 AO
Trustee

BILL COSSEY AM
Trustee

THE DON DUNSTAN FOUNDATION
DECLARATION BY THE TRUSTEES

The Trustees declare:

- (a) That the financial report presents fairly the financial position of the Don Dunstan Foundation as at 31st December 2008 and its performance for the financial period 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.

Trustee

Trustee

Date ___/___/___

Date ___/___/___

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THE DON DUNSTAN FOUNDATION **INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008**

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008			
	Notes	2008	2007
		\$	\$
Revenue	2	648,673	428,967
Salaries and Associated Expenses		-42,047	-25,125
General Office & Administration expense		-53,937	-24,425
In-Kind Expenses	3	-430,507	-284,999
Publicity and Promotions expenditure		-16,339	-25,653
Fundraising Expenses		-102,273	-21,697
Project and Event Expenditure		-77,391	-69,896
Merchandise Expenditure		-662	-480
Loss on Investments	3	-47,823	
Other Expenditure		-1,185	-1,032
		<hr/>	<hr/>
Profit before income tax		-123,491	-24,340
Income tax expense	4	<u>0</u>	<u>0</u>
		<hr/>	<hr/>
Profit from operations		<u><u>-123,491</u></u>	<u><u>-24,340</u></u>

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THE DON DUNSTAN FOUNDATION
BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	2008 \$	2007 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	37,603	3,820
Investments		117,032	232,425
Trade and other receivables	7	<u>7,934</u>	<u>14,965</u>
TOTAL CURRENT ASSETS		162,569	251,210
NON CURRENT ASSETS			
Property plant & equipment	8	<u>8,629</u>	<u>5,784</u>
TOTAL NON CURRENT ASSETS		8,629	5,784
		<hr/>	<hr/>
TOTAL ASSETS		<u><u>171,198</u></u>	<u><u>256,994</u></u>
CURRENT LIABILITIES			
Trade and other payables	9	<u>51,694</u>	<u>13,999</u>
TOTAL CURRENT LIABILITIES		51,694	13,999
		<hr/>	<hr/>
TOTAL LIABILITIES		<u><u>51,694</u></u>	<u><u>13,999</u></u>
		<hr/>	<hr/>
NET ASSETS		<u><u>119,504</u></u>	<u><u>242,995</u></u>
EQUITY			
Retained earnings		236,374	260,714
Current earnings		-123,491	-24,340
Historical balancing account		<u>6,621</u>	<u>6,621</u>
TOTAL EQUITY		<u><u>119,504</u></u>	<u><u>242,995</u></u>

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THE DON DUNSTAN FOUNDATION **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008**

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2006	267,335	267,335
Profit	-24,340	-24,340
Balance at 30 June 2007	<u>242,995</u>	<u>242,995</u>
Profit	-123,491	-123,491
Balance at 31 December 2008	<u>119,504</u>	<u>119,504</u>

THE DON DUNSTAN FOUNDATION **CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008	2007
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donors, subscribers, sponsors and participants		644,244	394,312
Payments to suppliers and labour		-708,970	-467,073
Interest received		-32,823	40,603
GST returned by the ATO		7,263	8,904
Net cash provided by operating activities		<u>-90,286</u>	<u>-23,254</u>
CASH FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment		-6,295	-2,010
Redemption/(purchase) of investments		130,364	19,500
Net cash provided by investing activities		<u>124,069</u>	<u>17,490</u>
Net increase in cash held		33,783	-5,764
Cash at beginning of year		<u>3,820</u>	<u>9,584</u>
Cash at end of year	6	<u><u>37,603</u></u>	<u><u>3,820</u></u>

THE DON DUNSTAN FOUNDATION **NOTES TO THE FINANCIAL STATEMENTS FOR THE** **YEAR ENDED 31 DECEMBER 2008**

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 Australian Accounting interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

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The financial report covers the Don Dunstan Foundation as an individual entity and complies with all Australian equivalents to International Financial Reporting Standards in their entirety.

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.

The accounting policies set out below have been consistently applied to all years presented. The entity has however elected to adopt the exemptions available under AASB 1 relating to Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement.

The financial report has been prepared on an accrual basis and is based on historical costs modified by the re-evaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a. 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.

b. Property, Plant and Equipment

During the year ended 31 December 2008 plant and equipment to the value of \$6,295 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)

c. Depreciation

The depreciable amounts 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

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held ready for use. The depreciation rates used for plant and equipment is 10 – 25%.

d. Impairment of Assets

At each reporting date, the Foundation reviews the carrying values 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 value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Foundation estimates the recoverable amount of the cash generating unit to which the asset belongs.

f. Provision for Employee Entitlements

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

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at banks including deposits held with banks.

h. 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 from 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

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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 net impact on cash flow.

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the component of investing and financing activities, which are undisclosed as operating cash flows.

j. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. The word 'year' in the context of this report is unusual. The 2008 'year' is 18 months long. In November 2007 the Foundation altered its Constitution to align the Foundation's 'financial year' with the calendar year used by its two University partners.

Critical Accounting Estimates and Judgments

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

Key Judgments - Doubtful Debt Provision

Included in accounts receivable at 31 December 2008 is an amount receivable from ticket sales to Accommodation Solutions during the current

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financial year amounting to \$5,200. Accommodation Solutions went into liquidation in 2009.

The Board has an expectation that the full amount of the debt may be recoverable from the partners. However a provision has been made in the accounts as at 31 December 2008 on the possibility that that debt may not be recovered.

Note 2: Revenue

	Notes	2008 \$	2007 \$
Operating Activities			
- Donations income		92,333	39,251
- Subscription income		13,776	10,362
- Interest received	3	0	40,603
- Project and event income		85,492	48,360
- Merchandising income		26,565	623
- Other income		0	4,769
- In-kind income		430,507	284,999
		648,673	428,967

Note 3: Loss

	Notes	2008 \$	2007 \$
Significant elements of the Income statement			
State Govt of SA, University of Adelaide & Other		430,507	284,999
Loss taken up on negative earnings on investments with the University Composite Fund due to the GFC		47,823	
		478,330	284,999

Note 4: Income Tax Expense

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.

Note 5: Auditor's Remuneration

	Notes	2008 \$	2007 \$
Auditor's Remuneration			
The following total remuneration was received, or is due and receivable, by the Auditor of the Foundation in respect of:			
Auditing the financial statements		6,050	2,200
		6,050	2,200

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Note 6: Cash and Cash Equivalents

	Notes	2008	2007
		\$	\$
Cash on hand		945	200
Cash at bank		36,658	3,620
		37,603	3,820
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:			
		37,603	3,820

Note 7: Trade and Other Receivables

	Notes	2008	2007
		\$	\$
Event income on Invoice		5,762	-478
Refunds on GST from the ATO		2,172	443
Interest on funds invested		0	15,000
		7,934	14,965

Note 8: Property Plant and Equipment

	Notes	2008	2007
		\$	\$
Office Equipment			
At Cost		17,223	10,928
Accumulated Depreciation		-8,594	-5,144
		8,629	5,784

Note 9: Trade and Other Payables

	Notes	2008	2007
		\$	\$
Trade Creditors		0	7,799
PAYG Liabilities and WorkCover		684	0
Accruals		11,151	2,200
Scholarships		0	4,000
Income in Advance (Qld)		34,097	
Provision for doubtful debts		5,762	

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51,694

13,999

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Note 10: Cash Flow Information

	Notes	2008 \$	2007 \$
Reconciliation of Cash Flow from Operations with Loss from Operations			
Loss		-123,491	-24,340
Cash flows excluded from loss attributable to operating activities			
Non-cash flows in loss:			
Depreciation		3,450	2,187
Changes in assets and liabilities:			
(increase)/ decrease in receivables		-7,940	1,177
Increase/(decrease) in payables		37,695	-2,279
Net cash provided in/(used in) operating activities		-90,286	-23,255

Note 11: 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 2007, the Foundation had the following pledged donations, which it has not brought to account:

	Within 1 year \$	After 1 Year \$	Total \$
Pledged donations	800	1,600	2,400

Note 12: 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	
	2008 %	2007 %	2008 \$	2007 \$
Cash and cash equivalents	0.50%	0.50%	37,603	3,820
Investment - University of Adelaide Composite Fund	-21.00%	5.00%	117,033	232,425
			154,636	236,245
Financial Liabilities				
Payables	0.00%	0.00%		

Note – The Composite Fund with the University of Adelaide invests in a diversified portfolio. The earnings of the fund vary dependant on overall market conditions. Distributions of a negative or positive value are made annually on 31st December, with an adjustment to reflect the actual earnings or losses on the fund being made to the capital value of the investment.

Credit Risk

The maximum exposure to credit risk at reporting date to recognised financial assets is the carrying amount of these 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 Value

The financial assets and liabilities are recorded in the balance sheet at amounts that approximate their net fair value.

Note 13: Trust Details

The principal place of business of the Foundation is:

Level 4

230 North Terrace

University of Adelaide SA 5005

and its principal activities are 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 14: 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.

Note 15: Events after Balance Sheet Date

On February 6th 2009 the Foundation celebrated the 10th anniversary of its formation and commemorated Don Dunstan who had died on the same day ten years ago. At this event the Premier the Hon Mike Rann MP made a contribution to the Foundation of \$300,000 over three years to be given to the Foundation on the basis of its fundraising on a \$2 for \$1 basis.