



**C B ALEXANDER FOUNDATION**

**2015-16 Annual Report**

**CB Alexander  
FOUNDATION  
TOCAL**



## C B ALEXANDER FOUNDATION

### 2015-16 Annual Report

This report has been submitted to the Minister for Primary Industries in accordance with the Annual Reports (Statutory Bodies) Act 1984.

The CB Alexander Foundation is a Statutory Authority for the purpose of Section 44 of the Public Finance and Audit Act 1983 under division 4 of the Act and is scheduled within Clause 3 of the Public Finance and Audit Regulations 1984.

C B Alexander Foundation  
815 Tocal Rd  
PATERSON NSW 2421

**Phone:** (02) 4939 8888  
**Fax:** (02) 4938 5549  
**Email:** [info@tocal.com](mailto:info@tocal.com)

[www.tocal.com](http://www.tocal.com)



**Office Hours:** Mon – Fri 8.30am – 4.30pm

**Cover image – Tocal Homestead Outbuildings**

# CONTENTS

<b>Introduction</b>	1
<b>Membership of the Foundation</b>	2
<b>Organisational Chart</b>	3
<b>Charter</b>	4
<b>Review of Operations</b>	
Key Achievements 2015 - 2016	5
Website Statistics	6
Numeralla	7
Tocal Homestead	7
Tours	8
Open days & Events	9
Tocal Homestead Function Centre	10
Friends of Tocal	10
Purchases & Maintenance Work	11
Foundation Day 2015	11
International Groups	12
Student Support and Funds Held in Trust	12
Grants to the Foundation	13
Appreciation	13
<b>Finance Report</b>	14

*CB Alexander Foundation  
Annual Report 2015-2016*

## INTRODUCTION

I am pleased to introduce the CB Alexander Foundations operation and finance report for the 2015/16 financial year. This report provides a detailed overview of operations and audited financial statements.

### **Membership and Meetings**

The Foundation met on four occasions during the year.

There were a number of changes to membership during 2016. The Hon Rick Colless replaced The Hon Robyn Parker, Dr Cameron Archer and Mr Simon Fraser were appointed, Dr Beth McDonald was reappointed and Ms Susan Hunt was appointed an ex-officio member.

### **Foundation achievements, major purchases and activities during the financial year**

Due to financial constraints, limited work was undertaken at Tocal Homestead with work restricted to general maintenance.

At Numeralla, production across the farm was impacted due to bird health. The first batch of layer birds was changed over in April/May 2016 requiring a full cleanout of sheds 3, 4, 5.

CCTV cameras were installed around the egg packing shed to improve farm security. At shed 5 a new conveyor was installed to allow both egg belts in that shed to be operated simultaneously. This installation has improved egg processing and packing and increased efficiency.

Following two flood events in early 2016, a pedestrian foot bridge was constructed at the entry to the farm to provide staff with safe access to the farm during flood times.

During the latter stages of 2015, the Foundation received notification that it was to receive a substantial bequest. The donor, Miss Daphne McLachlan, left a portion of her estate to the Foundation in memory of her grandfather HC White. Her Will stipulated that funds were; *"to be used for the primary purpose of training students at Tocal Agricultural College (or such other institution as shall succeed Tocal Agricultural College if Tocal College shall change its name) with the object of improving land pastures and stock particularly sheep and beef cattle and secondly for the general purposes of the College"*

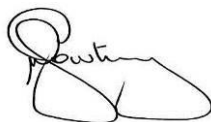
### **Foundation Day 2015**

Professor Stephen Powles provided an address to guests on Foundation day. Professor Powles, an eminent Tocal ex-student also provided a \$100,000 donation towards student scholarships.

Other highlights of the day included, opening a 25<sup>th</sup> Anniversary time capsule and the preparation of a 50 year time capsule, launch of the Tocal Alumni and release of books and a DVD celebrating the College's 50 year anniversary. NSW Deputy Premier The Hon Troy Grant unveiled a plaque signifying 50 years and also announced the Daphne McLachlan Bequest.

During the year approximately 11,900 visitors attended a range of tours, special events, weddings and functions at Tocal Homestead.

I commend this report to you.



Wayne Courtney  
Secretary



## Membership of the Foundation

The Act provides for five members who are appointed by the Minister for Primary Industries.

The position of Chair has always been held by a senior member of the Department, usually the Director General.

The remaining positions are selected from a range of fields to provide a broad cross section of government, community and business representation.

The Act calls for a minimum of three members to form a quorum to transact any business of the Foundation and they shall have, and may exercise and discharge, all the powers, duties and functions of the Foundation. Meetings are held three to four times annually generally at either Tocal or in the Sydney Office of the Department.

Current Membership at 30 June 2016

**Mr Scott Hansen** – Chair and Director General, NSW DPI

**Dr Cameron Archer** - Member

**Dr Beth McDonald** – Member

**Hon Mr Rick Colless** - Member

**Mr Simon Fraser** - Member

**Ms Susan Hunt** – Ex-officio

During the year there were changes to the membership of the Foundation. At the beginning of the 2015/16 year, Professor Tim Roberts resigned as a member and the Hon Rick Colless was appointed as a member. Dr Cameron Archer and Mr Simon Fraser were appointed as members in March 2016 and Dr Beth McDonald was reappointed as a member in March 2016. Susan Hunt was appointed an ex-officio member in March 2016 but attended the March meeting as a member as notification had not been received from the Minister advising that the changes in membership had been approved.

Members of the Foundation met for four official meetings during the year to discuss a range of business. Of the business discussed the most significant was the bequest from Miss Daphne McLachlan.

### Attendance at Meetings

Member Name	Attendance
Mr Scott Hansen	4 of 4
Dr Cameron Archer	3 of 3
Dr Beth McDonald	4 of 4
Hon Rick Colless MP	3 of 3
Mr Simon Fraser	1 of 1
Ms Susan Hunt	3 + 1 as ex-officio

*CB Alexander Foundation  
Annual Report 2015-2016*

**Assistance**

Throughout the year the Foundation was assisted by the attendance of:

Mr Darren Bayley – Director, Tocal Agricultural Centre

Mr Wayne Courtney – Secretary of the Foundation

Ms Margo Duncan – Chair, Tocal College Advisory Council

Ms Kate Lorimer-Ward – Director Education and Regional Services

Members also acknowledge the administrative support of the NSW Department of Primary Industries staff, in particular:

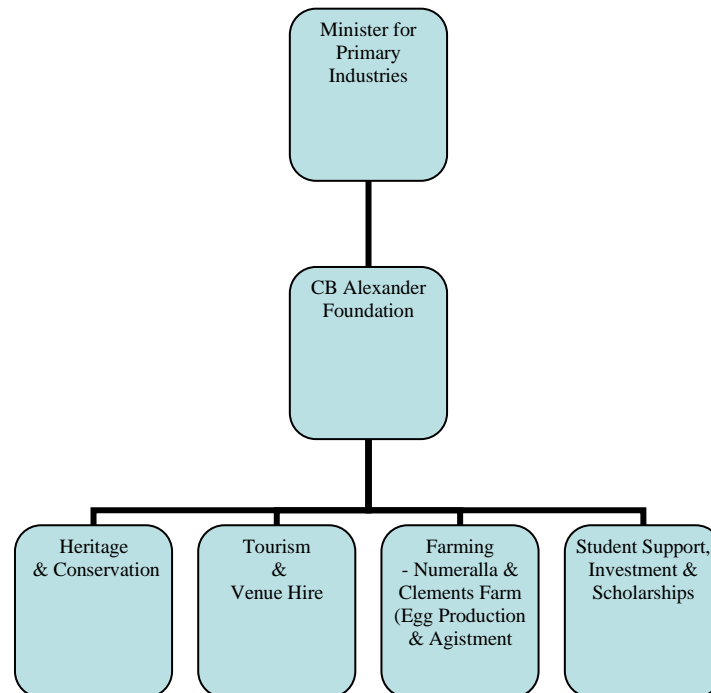
Mr Basil Gijsbers – Centre Manager

Ms Robyn Papworth – Principal's Assistant

Ms Vicky Delany – Assistant Registrar

Ms Debbie Guy – Accounts Officer

**Organisational Chart**



*CB Alexander Foundation*  
*Annual Report 2015-2016*

## **Charter**

The CB Alexander Foundation is constituted under the CB Alexander Foundation Incorporation Act No 61 of 1969. This Act defines the objectives and powers of the Foundation. The objectives as stated in the Act are:

- a) "to promote and advance, in consultation with the Minister for Primary Industries, agricultural education at the CB Alexander Campus of Tocal College, Tocal or other agricultural colleges or institutions",
- b) "to assist and advise as far as practicable, the Minister in the operation and maintenance of the College".

As well;

a) to take or accept any gift, subsidy or endowment whether subject to any special trust or not, for all or any of the objects of the Foundation and to carry out any special trust to which such gift, subsidy or endowment may be subject according to the terms thereof. To facilitate this process the Foundation has established a number of tax Deductible Gift Recipient (DGR) accounts. These include; students trust deeds to enable donors to allocate scholarships to students, building fund DGR which allows donors to provide funds for building works / renovations to the Tocal Homestead and complex of buildings.

b) to grant scholarships or financial assistance to students attending Tocal College.

c) to effect improvements to the CB Alexander Campus or other agricultural colleges or agricultural institutions.

d) to do such supplemental, incidental and consequential acts as may be necessary or expedient for the exercise or discharge of its powers, duties and functions under this Act.

The Foundation became the holding body from the original Trust for the Lands occupied by the then CB Alexander Presbyterian Agricultural College, Tocal. It was then transferred to the State as CB Alexander Agricultural College. In other words, the CB Alexander Foundation owns the land and the State, namely NSW Department of Industry, Skills and Regional Development, owns and operates the buildings and infrastructure on the land. There are three exceptions to this arrangement namely

1. Tocal Homestead and complex of buildings
2. Dunnings Hill
3. Numeralla and Clements Farm

In all three cases the land and all structures and improvements on it are owned and operated by the Foundation.

Since its inaugural meeting in April 1970, the Foundation has provided a wide range of support to the College.

- Financing the construction of the Tocal pool
- Purchase of additional land for College operations namely Dunnings Hill, Clements Farm and Numeralla
- Student support through a range of scholarships
- Staff support through staff development activities
- Sponsoring Friends of Tocal
- Facilitation of an agreement whereby the Local Land Services (formally the Hunter Central Rivers Catchment Management Authority) constructed its Head Office on Foundation land through a 25 year lease arrangement.



- 5 -  
*CB Alexander Foundation  
Annual Report 2015-2016*

The Foundation has also undertaken a range of maintenance and operational activities some of which are used to produce income

- A series of publications has been developed. Publications in the "All about Tocal" suite provide a historical commentary on various activities involving the Tocal property and its owners and tenants' over the years.
- Use of Tocal Homestead as a venue for weddings outsourced to Sprout Catering.
- Conservation work around the Tocal Homestead site including renewing structures such as the slaughter house, pig shed and yards, fencing and conservation of a range of buildings in the Homestead precinct.
- Operation of a free range egg production enterprise, at Numeralla, as part of the College's farms and training programs.

## Highlights of 2015-16

### Key achievements 2015 – 2016

The CB Alexander College Campus at Tocal celebrated 50 years of agricultural education in 2015 which culminated in over 600 people attending a "Back to Tocal Weekend" on the 25<sup>th</sup> and 26<sup>th</sup> of July 2015. Guests were treated to tours of the College and greater property along with a large bonfire, fire drums, music and a spectacular fireworks display on Saturday night. The weekend also saw the establishment of the Tocal Alumni which included ex-students, former staff and community members who have an interest in Tocal. A group of the first 15 students were present and took part in a ceremonial tree planting with the College's first principal, Rev Dr Colin Ford, along with long time farmer and supporter, Mr Eric Holiday OAM.



In early September 2015, the College was advised that Miss Daphne McLachlan had left the CB Alexander Foundation a significant bequest in her will. The bequest was to commemorate her late grandfather HC White, a noted pastoralist and bloodstock breeder. Mr White was born in the Hunter and owned a number of

Hunter properties. Miss McLachlan specified in her will that the bequest was for the CB Alexander Foundation in memory of her grandfather, HC White in recognition of his interest in the land. It is to be used for the primary purpose of training students at Tocal Agricultural College with the object of improving land pastures and stock particularly sheep and beef cattle, and secondly for the general purposes of the College.

In late September 2015 Dr Cameron Archer, who was Principal of Tocal College for 27 years, retired. Dr Archer saw the College grow to be one of the largest specialist training institutions for agriculture and land management in Australia.

During the month of October, Sprout Catering held a record 10 weddings at the Homestead.

In March, 100 first year architecture students from the University of Newcastle spent a day at the Homestead site sketching, measuring and photographing the buildings for an assignment.

This year Tocal Homestead hosted numerous events during the year;

Peek into the Past was held on Sunday 26<sup>th</sup> July 2015, which coincided with the Back to Tocal 50<sup>th</sup> Anniversary weekend.

In September and October several functions were held in the grounds of the Homestead including a family christening, a visit from the Hawkesbury Ag College Old Boys and a group of architects from the 20<sup>th</sup> Century Heritage Society.

On the 29 & 30 April and the 1 May 2016 the Homestead was open for the Tocal Field Days.

In June, the Homestead once again, hosted the International Back to Back Wool Challenge competition. This was a collaborative venture with the Newcastle Spinners and Weavers.



Miss Daphne Ursula McLachlan

*CB Alexander Foundation  
Annual Report 2015-2016*

**Website Statistics**

The Foundations website, Tocal.com, is maintained by College staff.

The following statistics were for [www.tocal.com](http://www.tocal.com) for the period 1 July 2015 to 30 June 2016.

Successful requests: 1,874,372

Average successful requests per day: 5,121

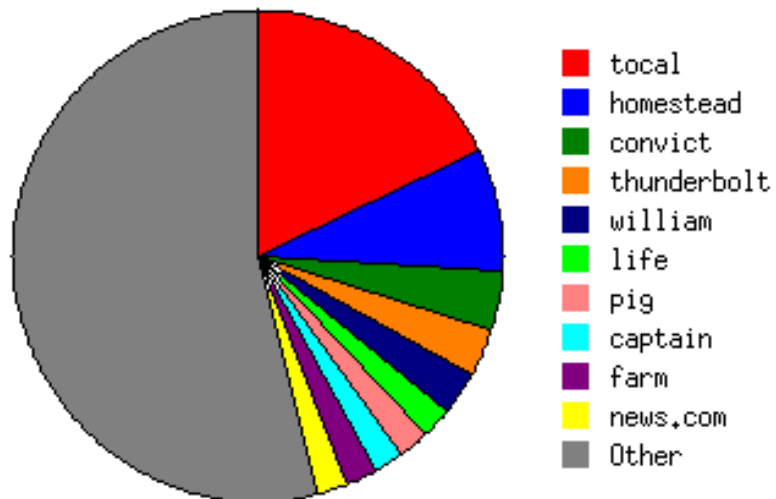
Successful requests for pages: 166,718

Average successful requests for pages per day: 455

Data transferred: 75.11 gigabytes

Average data transferred per day: 210.16 megabytes

The following pie chart lists which words people used in search engines to find the site.



The wedges are plotted by the number of requests.

- 7 -  
*CB Alexander Foundation  
Annual Report 2015-2016*

The following chart lists the top query words by the number of requests.

Requests	Search term
517	Tocal
299	Homestead
98	50 anniversary
47	Thunderbolt/s
61	College
38	Captain
35	Convict

### **Numeralla**

It has been another year of challenge and change at Numeralla. The final cost of the conversion from Broiler production to Free Range Egg production was approximately \$2 million and was completed in November 2015. The cost included the purchase and installation of nesting equipment, perches, egg conveyors, egg packing machinery, the modification of all five sheds from tunnel ventilation to curtain sided, natural ventilation, the erection of over six kilometres of fencing covering nearly 15 hectares, the building of an egg packing facility and modification of sheds, silos, feeding and watering systems as well as roads to suit.

In August 2015, Assistant Numeralla Farm Manager, Mr Laurie Frost resigned from his position. The position was advertised and refilled by Mrs Karen Sanders in November 2015. Then Mr Bill Peden, Numeralla Farm Manager, resigned in March 2016. In May 2016, after another round of advertising and interviewing, Mrs Karen Sanders was appointed Numeralla Farm Manager and Mr Craig Keane, Assistant Numeralla Farm Manager. The Foundation has also recruited and employed ten casual staff to give a constant staffing of five every day

Production across the farm was impacted due to bird health. The first batch of layer birds was changed over in April/May 2016 requiring a full cleanout of sheds 3, 4, 5. Through all of this we have been guided by experts from Pace Farms with whom we have a supply contract. The hens, feed and medication are provided by Pace Farms in return for the supply of free range eggs, which are produced for a set fee. The milestones that we have achieved include the changeover, which is now complete, to the audited standards of Pace Farms, the Food Authority and Coles, 90,000 hens have been placed and over 70,000 eggs per day produced at our peak.

Overall, this change has generated a positive income stream and, possibly most importantly, training facilities for students within this significant industry have been greatly enhanced, as the facilities are kept relevant to the trends and employment needs of the wider industry.

### **Tocal Homestead**

The CB Alexander Foundation supports agricultural education at Tocal College and holds, in perpetuity, the Tocal lands and resources. The Foundation is responsible for the conservation and development of the Tocal historic homestead complex.

Tocal has a long and proud history, during which it has become one of the foremost agricultural institutions in Australia. Tocal was on part of the land of the Gringai clan of the Wonnarua people. The name 'Tocal' is a Koori word meaning 'plenty'.

Its involvement with agriculture began in 1822 when James Webber took up the property as one of the first land grants in the Paterson Valley. Webber sold Tocal to Caleb Wilson in 1834, and Caleb's son, Felix, subsequently acquired it.



*CB Alexander Foundation  
Annual Report 2015-2016*

Felix built the Homestead in 1841 and it is the centrepiece of a set of timber, brick and stone buildings that are subject to a Permanent Conservation Order and registered in the National Estate.

Charles Reynolds leased the property in 1844. During the next 82 years, Charles and subsequently his widow Frances, his son Frank and grandson Darcie ran Tocal as one of the most important Hereford, Devon and Thoroughbred studs in the country. Frank Reynolds purchased Tocal from the Wilson family in 1907.

In 1926, the Alexander family, Isabella, Robert, Jean and Charles, bought Tocal from the Reynolds family as their retirement home. But rest was not in their blood, and they continued to breed and sell cattle.

In the 1930's Charles and his sisters began planning to use their properties as agricultural training homes for destitute children. When Charles died in 1947, he left a very large estate and a complex will, which provided life tenancy for his nieces, Myrtle and Marguerita Curtis, to remain at Tocal until their deaths in 1985.

The Curtis sisters bequeathed the entire contents of the Homestead, their personal effects and portion of their estates to the Foundation for use and display in the Homestead.

Today we are left with the results of Charles Boyd Alexander's vision, a thriving agricultural college and a rural property that hold a unique place in history. Without his foresight and generosity, there would be much less practical training available for agriculture in NSW today.

### **Tours**

Tocal Homestead is open to the public every Sunday from March to November between 10.00am and 3.00pm. Visitors can take an informative, self-paced audio tour of the homestead and surrounding complex using 'Acoustiguide' equipment.

Group tours of Tocal Homestead and the Tocal College farms are available on any day by prior arrangement and are ideal for larger groups and schools.

A two hour guided tour of the Homestead can be tailored to the interests of your group and will take in the highlights of the heritage site, including the Homestead, the Blackett Barn, Thunderbolt's Cottage and a range of original outbuildings and yards.



Heritage programs are available for primary school children. 'A Study in Change' for years K-6 is designed to meet the curriculum across a number of areas. In the heritage surrounds of Tocal Homestead, students have a hands-on experience of life on an Australian farm 100 years ago.

Farm tours provide an opportunity to experience the beautiful 2200 hectare property. The tour includes the beef, horse, dairy and sheep enterprises as well as the natural features of the historic landscape. Tocal is a working farm so visitors are able to view the seasonal activities of the farm operations. A farm visit for younger students is a great way to discover where our food comes from. They will talk to the farmers and get a chance to see what it's like on a farm.

Groups can also visit Tocal College, CB Alexander Campus, and inspect its unique buildings. Buildings of note include the famous Tocal Chapel and EA Hunt Hall, designed by architects Philip Cox and Ian McKay.



- 9 -  
*CB Alexander Foundation  
Annual Report 2015-2016*

#### Homestead Visitor Statistics

Calendar Year	2013	2014	2015
Homestead Tours	67	59	68
Homestead Visitors	3228	4470	3313
Farm Tours	8	3	6
Farm Visitors	224	159	257
Weekend Visitors & Events	5308	3525	2938
Weddings / Functions	70	75	64
Visitors Attending Functions	6798	6684	5327
Total Visitors	15558	14838	11835

#### Open Days and Events

The open days and events held at the homestead this year were; "Peek into the Past", which was held on the same weekend as the Celebration of 50 Years of Tocal College, visit by architecture students from the University of Newcastle, Tocal Field Days and the regions International Back to Back Wool Challenge competition.



Peek into the Past was held on Sunday 26 July 2015, which coincided with the Back to Tocal 50<sup>th</sup> Anniversary weekend. Attendance for the day was the best ever at the Homestead for this event. The shuttle buses from the 50<sup>th</sup> Celebrations brought over 200 visitors from the College.

This year's features included the 73<sup>rd</sup> Regiment of Foot (redcoats), who performed drills, musket firing, had their musicians performing around the site and regaled visitors with stories. Howard Archbold from 'Rare Chairs' was another highlight as he demonstrated how to handcraft traditional chairs entirely by hand. His pole lathe was on display and showed visitors how to lathe the spindles for the chairs; using a technique from 500 years ago.

Other special features of the day, were the milk separating demonstrations and rope making, along with a display by the Hunter Valley Vintage Farm Machinery Club. The Rattling Bones and Engine Moans Club from Dungog had a tractor trek through the Tocal property on Saturday afternoon for those attending the 50<sup>th</sup> Anniversary celebrations. The tractors were then displayed at Peek into the Past on the Sunday

In March, 100 first year architecture students from the University of Newcastle spent a day at the Homestead site sketching, measuring and photographing the buildings for their first assignment.

The Homestead was open on the 29 & 30 April and the 1 May 2016 for the Tocal Field Days. Visitor numbers were down on previous years with 983 visiting the site over the three days.

A new attraction at the Homestead this year was the agricultural drones. A twice daily flying program was held which interested a large number of visitors from the main site. The heritage fashion parade, presented by the Museum of Clothing twice each day on Saturday and Sunday, was themed 'A Wedding in the Family'.

*CB Alexander Foundation  
Annual Report 2015-2016*

Visitors also enjoyed the hourly history talks, blacksmithing demos, sheep shearing and watching the scones being made in the old kitchen. Cart rides with Harry the Clydesdale were offered on Friday and Sunday and the young "Tocal Talent" performers entertained the visitors on Saturday and Sunday. Sprout Catering also had a display in the Function Centre promoting their weddings at the Homestead.

Sunday, 12 June 2016 saw the Homestead, in collaboration with the Spinners and Weavers, host the International Back to back wool challenge competition. 941 people attended the event, which was a big turnout.

The Spinning Knitwits of Maitland were pleased with the time they set although it was not fast enough to beat the Groenewoud Team in the Netherlands. The Knitwits completed their jumper in 6 hours, 31 minutes and 01 second. They retained their title of Australian Champions. The Groenewoud Team from the Netherlands once again won the world title with a finishing time of just over 5 hours.

Proceeds from the gold coin door donation are given to the Calvary Mater Cancer Research in Newcastle.

### **Tocal Homestead Function Centre**

The Centre was created by adapting and refurbishing a large hay shed. It showcases hardwood timbers of NSW, including internal doors of red cedar, to provide a special atmosphere for events. The original walls of the shed are on the inside, and the outer skin has been added, with all services hidden between the two layers. It is effectively a shed within a shed.



To complete the transformation, the building was fitted with a glass front, with a framework of Western Australian Karri. The glass roof over the front door encloses the open section of the original shed while preserving its effect.

The Centre's capacity is 100 seated at round tables or 200 in a theatre style arrangement. The spacious feel and magnificent view over the lagoon and rural landscape have made the Tocal Visitor Centre a popular venue for weddings and functions.

Sprout Catering officially commenced management of catering for all weddings at the Function Centre from 1 July, 2015. Despite a slow start the benefit of the new arrangement has started to be reflected in the Foundations accounts. A range of equipment was purchased and the basement of the Function Centre was fitted out as a commercial kitchen as part of the agreement with Sprout Catering.

### **Friends of Tocal**

Friends of Tocal Inc. is open to anyone interested in the activities of Tocal Homestead and Tocal Agricultural Centre and College. Friends receive a newsletter four times a year and have opportunities to be involved in outings, events, College activities and visitor services.

This year, volunteers from Friends have provided assistance at "Peek into the Past", Tocal Field Days and the Back to Back Wool Challenge at the Homestead. They have also staffed the Visitor Reception for weekend openings, undertook year round upkeep of the Valley Garden, maintained our heritage machinery, provided caretaking and security of the site and cared for animals, buildings and grounds.

During the year the volunteers gave in excess of 3,050 hours of work at the Homestead, valued at \$61,000.

In February, Friends had a 'Day Out' at The Museum of Fire in Penrith and Wivenhoe House at Cobbitty. At the Museum of Fire, the friends enjoyed an entertaining tour of the building (Old Power House) with a mix of stories of catastrophic fires and explosions, fire safety hints and tips, current fire and rescue service tasks, early fire brigade and insurance company histories and a walk around the 25 or so perfectly preserved fire carts, wagons, trucks and engines.





*CB Alexander Foundation  
Annual Report 2015-2016*

After a picnic lunch at Wivenhoe House the group then went on a guided tour. The house has a very interesting story as it was built just a few years before Tocal Homestead. Later, in 1905, the third owner extensively renovated inside with high quality interior design of the day. Only five years later it was sold to the Sisters of the Good Samaritan who used it as an orphanage. The Sisters still own the property and now run the Mater Dei School on the site in buildings beside the original house.

During this year, two volunteers passed away. Clem Ellis was a long term 'Friend' and an active volunteer until a few years ago, when he needed to care for his wife Hilma. He was 91. Linda Alexander was a 'Friend' for three years and an enthusiastic volunteer at events and weekends as well as supporting financially. She died suddenly aged 59.

Funds raised by members during the year again provided two student scholarships. In 2016 Jacinta Dummett and Renae Sim were the recipients of the Friends of Tocal scholarships.

### **Purchases and Maintenance Work**

During 2015/16 work continued at Numeralla and the Function Centre to cater for the business changes in both enterprises.



The conversion from broiler farm to free range egg production at Numeralla was completed during the year. This means that all 5 sheds have now had the solid sides removed, nest boxes installed, an egg processing (packing and storage) facility completed and fences for ranging and conveyors to move eggs from sheds to the processing facility constructed.

The basement kitchen at the Function Centre was also completed during the year.

Major purchases during the year were a new 2 door bottle chiller in the Function Centre, 3 seating stands with back rests for use by the College and the Rotary Youth Driving Awareness program as well as the installation of CCTV cameras around the egg packing shed at Numeralla to improve farm security.

Work at Tocal Homestead during the year was restricted to general maintenance, which included the replacement of two of the western aspect windows which were replaced with identical new windows. These windows had been in need of replacement for many years. The one in the middle of the house, above the staircase landing, also presented a safety hazard given its decayed condition. The works were closely supervised and reputable local joinery was enlisted to undertake the works. This project used up a significant amount of the years maintenance funds but had to be done and done to a high standard.

Other work around the site included the construction of a footbridge across the creek at Numeralla to allow access during times of flood, as well as routine tasks, such as minor road works and repairs and servicing of the mowers, bobcat and generator.

### **Foundation Day 2015**

This year Foundation Day was celebrated on Friday 6 November 2015. Foundation Day marks the opening of the College and the establishment of the CB Alexander Foundation. It is a day to reflect upon the wonderful bequest of CB Alexander; the vision and drive of the late EA Hunt and the achievements of the College and Foundation. CB Alexander died on 26 June 1947, bequeathing his large Tocal estate and other properties for charitable purposes.

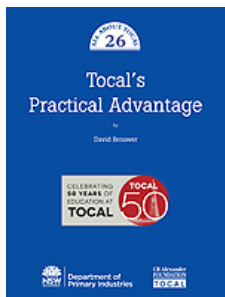
The day started with morning tea and a walking tour of the Tocal Homestead Function Centre Kitchen, Tocal Homestead Visitor Reception Centre, The Barracks and Daly Kidd Cottage. Official proceedings on the day commenced with an address by Professor Stephen Powles, eminent ex-student and Professor of Agronomy, University of Western Australia and Fellow of the Australian Academy of Sciences. Professor Powles generously donated \$100,000 for student scholarships.

Other official proceedings on the day included the opening of a time capsule set at the 25<sup>th</sup> Anniversary of the College in 1990, the launch of the Tocal Alumni and the release of a DVD showcasing the architecture of Tocal.



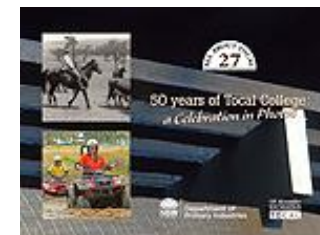
*CB Alexander Foundation  
Annual Report 2015-2016*

Highlights of the day also included the announcement of a bequest from Miss Daphne Ursula McLachlan to the CB Alexander Foundation to commemorate her late grandfather H C White as well as a welcome back to Hon Troy Grant MP and Mrs Toni Grant, who were caretakers at Tocal Homestead in the 1990's. Mr Grant is now the Deputy Premier of NSW, Minister for Justice and Police, Minister for the Arts and Minister for Racing and unveiled a plaque signifying the 50<sup>th</sup> Anniversary of the College. As part of the 50<sup>th</sup> Anniversary celebrations the 25<sup>th</sup> Anniversary time capsule was opened and a new 50 year time capsule prepared, as well as the launch of the Tocal Alumni and the release of a DVD celebrating the College's 50 year anniversary.



The day also saw the launch of two new books in the "All About Tocal" series. Book number 26 "Tocal's Practical Advantage" was written by Mr David Brouwer and is a summary of how the College fits into the agricultural and educational landscape of Australia; its defining features and abiding philosophy. The book records how, despite its growth and changing role, the core values of the College have been maintained and strengthened.

The second book launched on the day was number 27 in the "All About Tocal" series and is called "50 years of Tocal College: a Celebration in Photos" written by Dr Brian Walsh. This book is a pictorial record of the College through the years. Students, staff and landmark events are recorded for each decade in a colourful "snapshot" of College life.



### **International Groups**

Tocal College hosted 29 students and 2 staff from the Gifu Agricultural Academy, Japan in November 2015. They visited the Homestead for a tour and took part in local farm stays with host families, had an industry tour and a formal dinner and presentation night at the EA Hunt Hall. Gifu Agricultural College sends all of its second year students to Tocal each year and they gain an understanding of Australian agriculture and lifestyle. This visit is part of an ongoing agricultural exchange program that has been in operation since 1992.

### **Student Support and Funds held in Trust**

The Foundation supported students in 2015/16 through various means in particular scholarships and the administration of the College prize fund investments.



In 2016 the CB Alexander Foundation scholarship recipient was Maddison Taekata from Dubbo.

The Foundation continues to administer the Jean Wilson Alexander Memorial Scholarship, which is a scholarship available to graduates of the College to pursue further education. It is for graduates wishing to study at university, college, TAFE or to undertake travel or study tours.

This year representatives of the College Advisory Council considered applications and awarded a \$2000 scholarship to Elyse Parker.

Elyse studied and completed a Certificate III (Bronze award) and IV in Agriculture (graduating with merit) at Tocal in 2005 and 2006.

Elyse is using the funds to complete a Bachelor of Agriculture with a plant major through the University of New England in Armidale. She is hoping to become an agronomist.

**The Dairy Trust Fund Scholarship**

This fund was set up to provide training opportunities and resources for Tocal students and ex-students to further their expertise in the dairy industry.

Maddison Taekata with Dr Cameron Archer

It provides funding for further training, travel and skills development in appropriate areas. Support is allocated on a needs basis and as availability of funds allows.

*CB Alexander Foundation  
Annual Report 2015-2016*

Throughout 2015/2016 the Foundation continued to provide a number of student educational opportunities. The Foundation continued to promote education into schools through management of funds on behalf of Trade and Investment NSW. The Foundation also provided opportunities for both Tocal students and University students to gain work experience on its broiler poultry farm.

The Rosemary Dunlop Memorial Trust Fund continued to grow with \$8,000 in contributions being added to the fund during the year by Mr Ian Dunlop.

**Grants to the Foundation**

NSW Department Trade & investment	104,352
Miscellaneous Grants	
- Rosemary Dunlop Memorial Scholarship	8,000
- Prize Fund Donations	8,020
- Stephen Powles Scholarship	49,992
- Grants from Consolidated fund	5,000
- Staff / Archer Scholarship	71,046
- Tocal Ex-student Alumni	21,486
- Tocal Building Fund	585
- McLachlan Bequest	6,697,975
	<u>6,966,456</u>

**Appreciation**

The Foundation would like to thank the many people associated with the CB Alexander Foundation for their assistance and advice generously given during this year, in particular,

- Bill Peden, Manager Numeralla up until March 2016
- Karen Sanders, Manager Numeralla from April 2016
- Laurie Frost, Assistant Manager Numeralla up until August 2015
- Karen Sanders, Assistant Manager Numeralla from September 2015 until March 2016
- Craig Keane, Assistant Manager Numeralla from April 2016
- Sandy Earle, Tocal Homestead Coordinator
- Ruth Luckner for managing the website [www.tocal.com](http://www.tocal.com);
- All casual staff employed by the Foundation as tour guides, administrative assistants, weekend coordinators, cleaners and Numeralla casual egg collectors.
- Vicky Delany for preparing this Annual Report
- Bob Dunn, College Lecturer and carer of the Homestead's Clydesdales and livestock on the site
- Paul Bowers, Homestead Caretaker
- The Friends of Tocal, and
- The Tocal College students.

## **Finance Report**

The Foundation reports an operating surplus for the year of \$6,633,075.

Revenue for the year was \$8,156,848, which was \$7,324,250 more than the previous year. The increase in revenue was due mainly to the large bequest from Miss Daphne McLachlan. Other factors adding to the increase in revenue were increases in income from the sale of eggs at Numeralla and tour income at the Homestead.

The Foundation had a loan of \$1,940,000 at the end of year due to the conversion of the Numeralla farm to free range egg production.

Following are the Financial Statements and Notes to accompany Financial Statements as certified by the NSW Auditor General

*CB Alexander Foundation  
Annual Report 2015-2016*

**CB ALEXANDER FOUNDATION**

**STATEMENT BY THE MEMBERS OF THE  
CB ALEXANDER FOUNDATION**

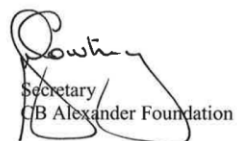
Pursuant to section 41C (1B) of the Public Finance and Audit Act, 1983 and in accordance with a resolution of the members of the CB Alexander Foundation, we declare on behalf of the Foundation that in our opinion:

1. The financial statements consisting of the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and the Notes to the Financial Statements of the CB Alexander Foundation for the year ended 30 June 2016 exhibit a true and fair view of the financial position and transactions of the Foundation; and,
2. The statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, as amended, the Public Finance and Audit Regulation, 2015, the Australian Charities and Not-for-profits Commission Regulation 2013, Australian Accounting Standards (which includes Australian Accounting Interpretations) and with the Treasurer's Directions as they relate to the preparation of these statements.

Further, there are no circumstances which would render any particulars in the financial statements to be misleading or inaccurate.



Chair  
CB Alexander Foundation



Secretary  
CB Alexander Foundation



- 16 -  
*CB Alexander Foundation*  
*Annual Report 2015-2016*

CB ALEXANDER FOUNDATION STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016			
ASSETS	NOTE	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	(2)	3,581,596	952,635
Trade and Other Receivables	(3)	124,717	82,394
Other Current Assets	(4)	0	1,101
Inventories	(5)	5,558	8,621
<b>TOTAL CURRENT ASSETS</b>		<b>3,711,871</b>	<b>1,044,751</b>
<b>NON CURRENT ASSETS</b>			
Financial Assets	(6)	4,028,264	
Property, Plant & Equipment	(7)	22,671,614	22,685,087
<b>TOTAL NON-CURRENT ASSETS</b>		<b>26,699,878</b>	<b>22,685,087</b>
<b>TOTAL ASSETS</b>		<b>30,411,749</b>	<b>23,729,838</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	(8)	88,223	299,092
Borrowings	(9)	90,000	67,500
Provisions	(10)	34,782	58,097
<b>TOTAL CURRENT LIABILITIES</b>		<b>213,005</b>	<b>424,689</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	(10)	0	9,763
Borrowings	(9)	1,850,000	1,542,500
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,850,000</b>	<b>1,552,263</b>
<b>TOTAL LIABILITIES</b>		<b>2,063,005</b>	<b>1,976,952</b>
<b>NET ASSETS</b>		<b>28,348,744</b>	<b>21,752,886</b>
<b>EQUITY</b>			
Accumulated Funds		14,946,948	8,313,873
Asset Revaluation Reserve	(21)	13,401,796	13,439,013
<b>TOTAL EQUITY</b>		<b>28,348,744</b>	<b>21,752,886</b>

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

*CB Alexander Foundation*  
*Annual Report 2015-2016*

**CB ALEXANDER FOUNDATION**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED**  
**30 JUNE 2016**

**CONTINUING OPERATIONS**

REVENUE	NOTE	2016 \$	2015 \$
Income from Sale of Eggs		762,004	201,059
Grants	(12)	6,966,456	232,731
Interest / Dividends	(13)	36,083	29,204
Property Income	(14)	31,497	38,635
Tour Income	(15)	304,079	246,707
Other Income	(16)	56,729	84,262
<b>TOTAL REVENUE</b>		<b>8,156,848</b>	<b>832,598</b>

**EXPENSES**

Salaries		588,036	418,194
Superannuation Expenses		34,509	24,453
Repairs & Maintenance		196,131	64,596
Depreciation		187,737	172,616
Finance Costs		107,781	55,076
Audit Fees		18,560	18,480
Utilities		67,601	30,504
Other Expenses	(17)	210,121	213,089
Impairment of available-for-sale assets	(11)	119,661	
<b>TOTAL EXPENSES</b>		<b>1,530,137</b>	<b>997,007</b>

<b>NET SURPLUS / (DEFICIT) FOR YEAR CONTINUING OPERATIONS</b>		<b>6,626,711</b>	<b>(164,410)</b>
---	--	------------------	------------------

**DISCONTINUED OPERATIONS**

Profit/(Loss) from discontinued operations	(18)	6,364	9,337
--	------	-------	-------

<b>NET RESULT</b>		<b>6,633,075</b>	<b>(155,073)</b>
-------------------	--	------------------	------------------

**OTHER COMPREHENSIVE INCOME**

Items that will not be reclassified to net result

Net increase / (decrease) in property, plant and equipment revaluation surplus	(34,217)	(1,079,772)
--	----------	-------------

<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>(34,217)</b>	<b>(1,079,772)</b>
---	-----------------	--------------------

<b>TOTAL COMPREHENSIVE INCOME</b>	<b>6,598,858</b>	<b>(1,234,845)</b>
-----------------------------------	------------------	--------------------

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

*CB Alexander Foundation*  
*Annual Report 2015-2016*

CB ALEXANDER FOUNDATION  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED  
30 JUNE 2016

	Accumulated Funds \$	Asset Revaluation Reserve \$	Total \$
Balance at 30 June 2014	8,468,946	14,518,785	22,987,731
<b>Comprehensive Income</b>			
Surplus / (Deficit) for year	(155,073)	-	(155,073)
Revaluation of property, plant & equipment	-	(1,079,772)	(1,079,772)
<b>Total comprehensive income for the year</b>	(155,073)	(1,079,772)	(1,234,845)
Balance at 30 June 2015	8,313,873	13,439,013	21,752,886
<b>Comprehensive Income</b>			
Surplus / (Deficit) for year	6,633,075	-	6,633,075
Revaluation of property, plant & equipment	-	(37,217)	(37,217)
<b>Total comprehensive income for the year</b>	6,633,075	(37,217)	6,595,858
Balance at 30 June 2016	14,946,948	13,401,796	28,348,744

*CB Alexander Foundation*  
*Annual Report 2015-2016*

**CB ALEXANDER FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2016**

	<b>NOTE</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b>Cash Flow From Operating Activities</b>			
<b>Payments</b>			
Employee Related Expenses		(605,548)	(374,879)
Maintenance & Working Costs		(168,127)	(52,300)
Finance Costs		(99,623)	(56,838)
Audit Fees		(22,475)	(17,942)
Utilities Expenses		(67,790)	(37,843)
Other Expenses		(200,132)	(172,113)
GST Paid		(92,269)	(201,891)
Total Payments		(1,255,964)	(913,806)
<b>Receipts</b>			
Sale of Chickens & Associated Products		789,352	501,154
Interest		18,433	29,205
Grants and contributions		2,659,129	67,600
Other		492,638	325,632
Total Receipts		3,959,552	923,591
<b>Cash Flow from Government Funding Activities</b>			
Grants from State Government		5,000	84,705
Net Cash Flows from Government		5,000	84,705
<b>Net Cash Provided by Operating Activities</b>	(22)	2,708,588	94,490
<b>Cash Flow from Investing Activities</b>			
Proceeds from Sale of Property Plant & Equipment		6,364	17,236
Purchase of Property Plant & Equipment		(415,991)	(1,609,487)
<b>Net cash used in Investing Activities</b>		(409,627)	(1,592,251)
<b>Cash Flow from Financing Activities</b>			
Proceeds from Borrowing		397,500	1,610,000
Repayment of Borrowing		(67,500)	(50,000)
<b>Net cash used in Financing Activities</b>		330,000	1,560,000
Net Increase/(Decrease) in Cash Held		2,628,961	62,239
Cash at Beginning of Year		952,635	890,396
<b>Cash at End of Year</b>	(2)	<b>3,581,596</b>	<b>952,635</b>

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

*CB Alexander Foundation  
Annual Report 2015-2016*

**C B Alexander Foundation  
Notes to the Financial Statements  
For the Year Ended  
30 June 2016**

**Note 1 – Summary of Significant Accounting Policies**  
Reporting Entity

The CB Alexander Foundation is a reporting entity. These financial statements are general purpose financial statements that have been prepared in accordance with applicable Australian Accounting Standards, Australian Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the requirements of the Public Finance & Audit Act 1983, the Public Finance & Audit Regulation 2015, the Australian Charities and Not-for-profits Commission Act 2012 and the Treasurers' Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities.

The Foundation is endorsed as a Charitable Institution under the Income Tax Assessment Act.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The Foundation is a NSW statutory authority created under the CB Alexander Foundation Incorporation Act 1969. The Foundation is a not-for-profit entity (as profit is not its principal objective). The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements for the year ended 30 June 2016 have been authorised for issue by the CB Alexander Foundation on 4 November 2016.

**Basis of Preparation**

The financial statements have been prepared on an accruals basis. Property, plant and equipment and financial assets are measured at fair value. Other financial statement items are prepared in accordance with the historic cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

**Statement of Compliance**

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

**Borrowing costs.**

Treasury Mandates Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit general government sector entities.



*CB Alexander Foundation  
Annual Report 2015-2016*

*Payables*

These amounts represent liabilities for goods and services provided to the entity and other amounts. Payables are recognised initially at fair value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

**Accounting Policies**

**(a) Income Tax**

The Foundation is exempt for Income Tax purposes under Subdivision 50B of the Income Tax Assessment Act of 1997.

**(b) Inventories**

Inventories are measured at the lower of cost and net realisable value. Inventories contained in the report comprise souvenirs, books and eggs. Eggs are produced under a free range contract with their value determined under contract.

**(c) Fair Value Hierarchy**

A number of the Foundation's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Foundation categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted prices in active markets for identical assets / liabilities that the Corporation can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Foundation recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer Note 7 for further disclosures regarding fair value measurement of non-financial assets.

**(d) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at fair value less, where applicable, any accumulated depreciation and impairment losses.

**Acquisitions of assets**

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

*CB Alexander Foundation  
Annual Report 2015-2016*

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. deferred payment amount is effectively discounted over the period of credit.

**Plant and Equipment**

Plant and equipment are measured at fair value less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by CB Alexander Foundation 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 that will be received from the assets' employment and subsequent disposal.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. The Foundation sets a capitalisation threshold of \$5,000 for plant and equipment. All other repairs and maintenance are charged to the statement of profit or loss & other comprehensive income during the financial period in which they are incurred.

Plant and equipment acquired upon the purchase of the Numeralla property was valued by the CB Alexander Foundation based on estimated useful remaining life. Other plant and equipment purchased by the Foundation has been valued at its cost price.

Plant and equipment acquired with Tocal Homestead is regarded primarily as having an historic value and is being used as exhibits for public display as they are restored, valued and catalogued. A separate insurance policy exists for contents, plant and artefacts.

**Land and Buildings**

Land, buildings and infrastructure valuations are based on asset valuations provided by Land & Property Information, a division of the Department of Finance & Services on the 31 March 2014 and are undertaken in conjunction with Department of Industry, Skills and Regional Development (formerly NSW Department of Primary Industry) revaluation policy.

**Work in Progress**

*Daly Kidd Cottage*

During 2013 the Foundation reacquired, at no value due to its poor condition, the Daly Kidd cottage from the Department of Industry, Skills and Regional Development. The Daly Kidd Cottage was built at Tocal Homestead in 1916 and relocated away from the Homestead site for privacy reasons in the 1950's. Significant work has been undertaken to stabilise the building, restore the outside façade, reinstate a front veranda that was removed for transport, restore the

*CB Alexander Foundation  
Annual Report 2015-2016*

surrounding site and construct drainage around the basement. This area is still under construction and no depreciation has been applied.

*Poultry Farm, Coolroom, Sheds and Infrastructure*

At the end of 2014, the Foundation's contract to produce broiler chickens was not renewed. During 2015 the Foundation transitioned to the production of free range eggs. The transition included the conversion of 5 sheds to house laying hens, the construction of an egg packing facility and cool room and the erection of fencing to create free range paddocks.

At 30 June 2016, all work has been completed on the conversion to free range eggs. The remaining item, the installation of a conveyor system which allows egg belts in shed 5 to be operated simultaneously was completed at 30 June.

**Jewellery and Artefacts**

Revaluation of furniture and artefacts was undertaken at 30 June 2011 by the relevant experts. Jewellery and artefacts were valued by Roslyn Moore Jewellery and furniture was valued by Swan Murray and Hain.

**Asset Revaluation**

The Foundation revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. A revaluation of land and buildings was completed on 31 March 2014 and was based on an independent assessment.

With the conversion of the Numeralla property from broiler chicken production to free range egg production a revaluation of the property based on an independent assessment was commissioned. The Valuation was completed in February 2015. The revised valuation is reflected in the accounts.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	10 to 33.33% pa
Cottages	2.5% pa
Egg facilities	2.5% pa
Vehicles	14.29% pa
Infrastructure	2.5 to 10% pa

Valuations have been included in Note 7 Property, Plant and Equipment.

Due to the historical nature of buildings at the Homestead and the degree of expenditure on maintenance and restoration work it is considered that the economic benefits contained in the buildings would not be consumed in any part during the year. Therefore no depreciation has been charged.

*CB Alexander Foundation*  
*Annual Report 2015-2016*

**(e) Financial Instruments**

**Initial recognition and measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Foundation becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial instruments are classified and measured as set out below.

**(i) Available-for-sale investments**

Available-for-sale investments are non-derivative financial assets that are not capable of being classified into other categories of financial assets due to their nature or they are designed as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity or determinable payments.

*CB Alexander Foundation*  
*Annual Report 2015-2016*

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

**(ii) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Foundation no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

**Impairment**

At each reporting date, the Foundation assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether any impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

**(f) Employee Benefits**

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include 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. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.



*CB Alexander Foundation  
Annual Report 2015-2016*

**(h) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. Control over grants is normally obtained upon the receipt of cash.

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

When grant 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 revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from the sale of goods and services is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

The CB Alexander Foundation holds a contract to produce free range eggs on its Numeralla property. Income from this operation is derived through the payment of a fee for the production of premium and product eggs. Premium eggs are greater than 43 grams and product eggs are less than 43 grams and include cracked and dirty eggs after grading. The contract sets out owner and contractor obligations under the agreement.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

In September 2015 the CB Alexander was notified of a significant bequest from the late Miss Daphne McLachlan. The extent of the portfolio was not available until the expiration of the period of probate in late January 2016. In the last quarter of 2016 an amount of cash and a share portfolio were transferred to the Foundation. The cash is held in a rolling term deposit and share certificates are on hand for the share portfolio.

The shares were valued as at the date of transfer, 20 May 2016, and subsequently revalued at the 30 June.

Under the terms of Miss McLachlan's will this bequest is to be used "for the primary purpose of training students at Tocal Agricultural College (or such other institution as shall succeed Tocal College if Tocal College should change its name) with the object of improving land pastures and stock particularly sheep and beef cattle and secondly for the general purposes of the College".

The shares and cash have been recognised as cash: available-for-sale investments: and restricted assets.

*CB Alexander Foundation  
Annual Report 2015-2016*

**(i) Accounting for the 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST, unless otherwise stated.

Cash flows are presented in the statement of cash flow on a gross basis, except for the GST component of investing and financing activities, which are recoverable from or payable to the Australian Taxation Office, which are disclosed 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.

**(k) Changes in Accounting Policy, Including New or Revised Australian Accounting Standards**

- (i) Effective for the first time in 2015-16.  
The accounting policies applied in 2015-16 are consistent with those of the previous financial year.
- (ii) Issued but not effective.  
NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have been issued and are not yet effective:

- AASB 9, AASB 2010-7, AASB 2014-1 (Part E), AASB 2014-7 (1 January 2018) and AASB 2013-9 (Part C), AASB 2014-8 regarding financial instruments (1 January 2015);
- AASB 15 and AASB 2014-15 regarding Revenue from Contracts with Customers (1 January 2017);
- AASB 2014-4 regarding acceptable methods of depreciation and amortisation (1 January 2016);
- AASB 2015-2 (1 January 2016) regarding amendments to AASB 101 disclosure initiatives (1 January 2016);
- AASB 2015-3 regarding materiality (1 January 2015);

It is considered that the adoption of these standards and interpretations in future periods will have no material financial impact on the financial statements of the Foundation.

**Note 2 – Cash and Cash Equivalents**

		2016	2015
		\$	\$
a) Cash			
	Cash on Hand (Petty Cash)	750	750
	Cash at Bank		
	- Building Fund	1,420	97,043
	- Working Account	216,903	138,436
		<b>219,073</b>	<b>236,229</b>
(b) Restricted Assets	(Note 11)	3,362,523	716,406
		<b>3,581,596</b>	<b>952,635</b>

*CB Alexander Foundation*  
*Annual Report 2015-2016*

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

<b>Cash and cash equivalents</b>	<b>3,581,596</b>	<b>952,635</b>
----------------------------------	------------------	----------------

**Note 3 – Trade and Other Receivables**

	<b>2016</b>	<b>2015</b>
	\$	\$
Trade Receivables (1 to 90 days)	51,792	20,641
Accrued Income (net of GST payable)	72,925	61,753
	<b>124,717</b>	<b>82,394</b>

**Note 4 – Other Current Assets**

	<b>2016</b>	<b>2015</b>
	\$	\$
Prepayments	0	1,101
	<b>0</b>	<b>1,101</b>

**Note 5 - Inventories**

	<b>2016</b>	<b>2015</b>
	\$	\$
Homestead Souvenirs	549	591
Total Books	5,009	8,030
	<b>5,558</b>	<b>8,621</b>

**Note 6 – Financial Assets**

<b>Non-Current Asset</b>	<b>2016</b>	<b>2015</b>
	\$	\$
Available-for-sale Financial Assets		
Listed investments, at fair value:		
-shares in listed companies	4,028,264	-
	<b>4,028,264</b>	<b>-</b>

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

**Note 7 - Property, Plant and Equipment**

	<b>2016</b>	<b>2015</b>
	\$	\$
<b>Land and Buildings</b>		
Freehold Land		
At Fair Value	15,400,000	15,400,000
<b>Buildings</b>		
At Fair Value	6,232,017	6,111,441
Less Accumulated Depreciation	(277,077)	(123,825)
	5,954,940	5,987,616
Total Land and Buildings	<b>21,354,940</b>	<b>21,387,616</b>
<b>Plant and Equipment</b>		
At Fair Value	359,506	320,547
Less Accumulated Depreciation	(214,410)	(192,673)
	<b>145,096</b>	<b>127,874</b>
<b>Infrastructure</b>		
At Fair Value	974,919	936,852

*CB Alexander Foundation  
Annual Report 2015-2016*

Less Accumulated Depreciation	(75,896)	(39,810)
	<b>899,023</b>	<b>897,042</b>
<b>Jewellery and Artefacts</b>		
At Fair Value	272,555	272,555
	<b>22,671,614</b>	<b>22,685,087</b>

The basis of valuation of land and buildings is fair market value based on existing use. The valuations were carried out by Land & Property Information a division of the Department of Finance & Services on the 31 March 2014. A revised valuation of the land and buildings at Numeralla was carried out by Brorson Hill on 26 February 2015. Jewellery and artefacts were re-valued at 30 June 2011.

**Movement in carrying amounts**

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

2015	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
	\$	\$	\$	\$	\$
Balance at beginning of year	20,990,808	120,205	763,054	272,555	22,146,622
Additions	1,605,871	26,733	158,249	-	1,790,853
Revaluation increments/ (decrements)	(1,085,238)	-	5,466	-	(1,079,772)
Depreciation expense	(123,825)	(19,064)	(29,727)	-	(172,616)
Carrying amount at end of year	<b>21,387,616</b>	<b>127,874</b>	<b>897,042</b>	<b>272,555</b>	<b>22,685,087</b>
2016	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
	\$	\$	\$	\$	\$
Balance at beginning of year	21,387,616	127,874	897,042	272,555	22,685,087
Additions	134,455	38,959	38,067	-	211,481
Revaluation increments/ (decrements)	(37,217)	-	-	-	(37,217)
Depreciation expense	(129,914)	(21,737)	(36,086)	-	(187,737)
Carrying amount at end of year	<b>21,354,940</b>	<b>145,096</b>	<b>899,023</b>	<b>272,555</b>	<b>22,671,614</b>

The Foundation holds a number of plant and equipment assets that have been fully depreciated but still have some use. These assets are not considered material given the total value of the Foundation's property plant and equipment.

*CB Alexander Foundation  
Annual Report 2015-2016*

**Note 8 – Trade and Other Payables**

	2016	2015
	\$	\$
Trade Creditors	26,255	37,093
GST Payable	29,499	(4,954)
Accrued Expenses	31,169	243,267
Accrued Salaries and Wages	1,300	23,686
	<b>88,223</b>	<b>299,092</b>

**Note 9 – Borrowings**

<b>Current Liability</b>	2016	2015
	\$	\$
Commercial Loan - Secured	90,000	67,500
	<b>90,000</b>	<b>67,500</b>

<b>Non-Current Liability</b>	2016	2015
	\$	\$
Commercial Loan - Secured	1,850,000	1,542,500
	<b>1,850,000</b>	<b>1,542,500</b>

Details of the borrowing facility have been included in Note 20 Financial Risk Management.

**Note 10 – Provisions**

**Current**

	2016	2015
	\$	\$
Provision for Annual Leave	11,342	20,319
Provision for Long Service Leave	23,440	37,778
	<b>34,782</b>	<b>58,097</b>

**Non-Current**

	2016	2015
	\$	\$
Provision for Long Service Leave	-	9,763
	<b>-</b>	<b>9,763</b>

**Note 11 – Restricted Assets**

The Foundation's financial statements include cash assets, accrued income and available-for-sale investments which is restricted by externally imposed conditions. The assets are only available for application in accordance with the terms of the donor restrictions.

	2016	2015
	\$	\$
<b>Restricted Assets Comprise</b>		
Cash and Cash Equivalents	3,362,523	716,406
Accrued Income- proceeds on disposal of listed shares	50,000	-
Available-for-sale investments	4,028,264	-
	<b>7,440,787</b>	<b>716,406</b>

**Movement in Carrying Amount of Restricted Assets**

Opening Balance	716,406	669,483
-----------------	---------	---------

**Changes in equity**

New Donations -Trust Accounts	153,023	61,500
-McLachlan Bequest	6,697,975	-



*CB Alexander Foundation  
Annual Report 2015-2016*

Interest Received	17,844	23,721
Deductions – Scholarships Paid	(24,750)	(38,298)
Capital loss on disposal of listed shares	(50)	-
Movement in market value of listed shares	(119,661)	-
<b>Total Changes in Restricted Assets</b>	<b>6,724,371</b>	<b>46,923</b>
<b>Total Restricted Assets at Year End</b>	<b>7,440,787</b>	<b>716,406</b>

**Note 12 – Grants**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Industry, Skills & Regional Development - Tocal Homestead Maintenance	27,000	27,000
- Staff contribution to Foundation	77,352	77,744
Contribution to student scholarship – Dunlop	8,000	5,000
Donations to Prize Fund	150,544	62,600
Grants from consolidated fund	5,000	5,000
Great Eastern Ranges Initiative	-	12,313
Tocal Building Fund Donation	585	-
Habitat Action Grant	-	4,054
Community Building Partnership	-	39,020
McLachlan Bequest	6,697,975	-
	<b>6,966,456</b>	<b>232,731</b>

*Buildings and Maintenance*

An allocation of \$27,000 (2014/2015: \$27,000) was made by State Treasury to Department of Industry, Skills and Regional Development during the financial year. This allocation was expended by the Department on essential care and maintenance of the Tocal Homestead.

*Staff and Students*

The services of students and staff to the Foundation's enterprises are an integral part of the Tocal College and as such it is difficult to cost the Department of Industry, Skills and Regional Development input to the Foundation's operations.

The Charter of the Foundation as contained within the C B Alexander Foundation Incorporation Act 1969 is aimed essentially towards assisting the College with the provision of practical training and education at the College by use of its facilities.

The assessed input of Department of Industry, Skills and Regional Development to the Foundation is calculated to be approximately \$77,352 (2014/2015 \$77,744).

**Note 13 – Interest / Dividends**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
General Accounts	589	2,464
Interest from Restricted Assets	35,208	26,740
Dividends	286	-
	<b>36,083</b>	<b>29,204</b>

*CB Alexander Foundation  
Annual Report 2015-2016*

**Note 14 - Property Income**

	2016	2015
	\$	\$
Property income consists of the following:		
Numeralla Cottage Rental	10,660	13,260
Dunnings Hill Cottage Rental	9,200	11,960
Land Rental - Numeralla	12,000	12,000
- Bureau Meteorology	79	79
- Local Land Services 2014-2022	8	-
- Land Agistment	(450)	1,336
	<b>31,497</b>	<b>38,635</b>

**Note 15 - Tour Income**

	2016	2015
	\$	\$
Tour income consists of the following:		
Tours	96,298	67,206
Open Days / Photo's	818	3,455
Visitor Centre	206,963	176,046
	<b>304,079</b>	<b>246,707</b>

**Note 16 - Other Income**

	2016	2015
	\$	\$
Other income consists of the following:		
Book and Souvenirs Income	3,063	2,609
Miscellaneous (incl Homestead complex)	90	21,378
Total College 50 Years of Education	11,792	6,694
Insurance Recoveries for Flood Damage	21,784	-
Reimbursement of Labour - T&I & Pace Farm	-	53,581
Promotion of Agriculture to Schools	20,000	-
	<b>56,729</b>	<b>84,262</b>

**Note 17 - Other Expenses**

	2016	2015
	\$	\$
Other expenses consist of the following:		
Cost of Goods Sold	3,063	2,577
Homestead Enterprise Expenses	48,935	43,207
Function Centre	11,197	28,331
Numeralla Farm Expenses	51,125	53,710
Miscellaneous		
Student Scholarships	32,500	42,303
Capital Loss on Disposal of Listed Shares	50	-
50 <sup>th</sup> Anniversary Back to Total	16,051	-
Others	42,987	41,501
Vehicle Costs	4,213	1,460
	<b>210,121</b>	<b>213,089</b>

**Note 18 – Discontinued Operations**

At 30 June 2014 the Foundation's contract to grow broiler chickens with Baiada at its Numeralla property ceased. The last income from broiler production was received in August 2014.

Financial information relating to the discontinued contract is set out below.

2016	2015
------	------

*CB Alexander Foundation  
Annual Report 2015-2016*

	\$	\$
Revenue		28,078
Gain on disposal of assets of the discontinued operation	6,364	17,236
Expenses		(35,977)
Profit/(Loss) from discontinued operations	<b>6,364</b>	<b>9,337</b>
The net cash flows of the discontinued division, which have been incorporated into the statement of cash flows, are as follows:		
Net cash inflow from operating activities	-	128,639
Net cash inflow/(outflow) from investing activities	6,364	17,236
Net cash inflow/(outflow) from financing activities	-	(50,000)
Net cash increase in cash generated by the discontinued division	-	95,875

**Note 19 - Emoluments**

Members of the Foundation act in an honorary capacity and have not sought reimbursement of expenses incurred or for fees normally payable to part time members of State authorities.

**Note 20 - Financial Risk Management**

The Foundation's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, listed company shares, accounts receivable and payable.

The Foundation does not have any derivative instruments at 30 June 2016 (2015 nil).

**Financial Risk Management Policies**

A finance committee consisting of committee members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the Foundation in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the Foundation. Risk management policies are approved and reviewed by the Foundation on a regular basis. These include credit risk policies and future cash flow requirements.

**Specific Financial Risk Exposures and Management**

The main risks the Foundation is exposed to through its financial instruments are market risk, including interest rate and other price risk, liquidity risk and credit risk.

**Interest rate risk**

Interest rate risk is managed with a mixture of fixed and floating rate debt.

**Other price risk**

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

*CB Alexander Foundation  
Annual Report 2015-2016*

Such risk is intended to be managed through diversification of investments across industries and geographic locations.

The investments of the Foundation are held in the following sectors at the end of the reporting period

	2016	2015
	\$	\$
Banking and Finance	20%	-
Energy	3%	-
Consumer goods – food and staples	13%	-
Materials	61%	-
Telecommunications	2%	-
Transportation	1%	-
	100%	-

The finance committee of the Foundation intends to commence the selection process shortly for a professional fund manager to assist in managing the risk and future growth of the portfolio of listed company shares received by the Foundation on the 20 May 2016 as a result of the McLachlan bequest.

**Sensitivity Analysis**

The following table illustrates sensitivities to the Foundation's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonable possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Carrying Amount	-1% in interest rates/ -10% in listed shares	1% in interest rates/ 10% in listed shares		
		Profit	Equity	Profit	Equity
<b>2016</b>					
<i>Financial Assets</i>					
Cash and Cash Equivalents	3,581,596	(35,816)	(35,816)	35,816	35,816
Receivables	124,717	-	-	-	-
Available-for-sale investments	4,028,264	(402,826)	-	-	402,826
<i>Financial Liabilities</i>					
Payables	88,223	-	-	-	-
Borrowings	1,940,000	19,400	19,400	(19,400)	(19,400)
<b>2015</b>					
<i>Financial Assets</i>					
Cash and Cash Equivalents	952,635	(9,526)	(9,526)	9,526	9,526
Receivables	82,394	-	-	-	-
<i>Financial Liabilities</i>					
Payables	299,092	-	-	-	-
Borrowings	1,610,000	16,100	16,100	(16,100)	(16,100)

*CB Alexander Foundation*  
*Annual Report 2015-2016*

**Liquidity risk**

The Foundation manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

**Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, 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 receivable or group of receivables under financial instruments entered into by the Foundation.

	2016	2015
Financial Assets	\$	\$
Cash and cash equivalents	3,581,596	952,635
Trade and Other Receivables	124,717	82,394
Available-for-sale investments at fair value	4,028,264	-
<b>Total Financial Assets</b>	<b>7,734,577</b>	<b>1,035,029</b>

**Financial Liabilities**

Financial liabilities at amortised cost:

Trade and other payables	88,223	299,092
Borrowings	1,940,000	1,610,000
<b>Total Financial Liabilities</b>	<b>2,028,223</b>	<b>1,909,092</b>

**Financial Liability and Financial Asset Maturity Analysis**

The following tables detail the Foundation's remaining contractual maturity for its financial assets and liabilities. The tables have been drawn up based on the discounted cash flows of financial assets and liabilities based on the earliest date on which the financial assets and liabilities are to be paid or received.

	Within 1 Year		1 to 5 Years		Total	
	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>						
Cash and cash equivalents	3,581,596	952,635	-	-	3,581,596	952,635
Trade and other receivables	124,717	82,394	-	-	124,717	82,394
Listed company shares	-	-	4,028,264	-	4,028,264	-
<b>Total Financial Assets</b>	<b>3,706,313</b>	<b>1,035,029</b>	<b>4,028,264</b>	<b>-</b>	<b>7,734,577</b>	<b>1,035,029</b>

Within 1	1 to 15	Total	Within 1	1 to 15	Total
----------	---------	-------	----------	---------	-------

*CB Alexander Foundation  
Annual Report 2015-2016*

	Year 2016 \$	Years 2016 \$	2016 \$	Year 2015 \$	Years 2015 \$	2015 \$
<b>Financial liabilities due for payment</b>						
Market rate Facility/ Commercial Loan	90,000	1,850,000	1,940,000	67,500	1,542,500	1,610,000
Trade and other payables	88,223	-	88,223	299,092	-	299,092
<b>Total Financial Liabilities</b>	<b>178,223</b>	<b>1,850,000</b>	<b>2,028,223</b>	<b>366,592</b>	<b>1,542,500</b>	<b>1,909,092</b>

**Cash**

Cash includes cash on hand, investments and cash in the bank. Interest is earned on a daily basis on bank account balances. The average interest rate during the year was 1.12% (2014/2015: 1.06%). This rate is variable depending upon cash held within the account.

**Receivables**

All trade debtors are recognised as receivables at balance date. Collectability of trade debtors is reviewed on an ongoing basis. No provision for impairment has been used as all outstanding amounts are considered to be fully collectable. The credit risk is the carrying amount (net of any provision for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are made on thirty-day terms.

**Shares in Listed Companies**

All shares in listed companies are recognised as available for sale financial assets at balance date. The shares are the only financial instruments measured at fair value held by the Foundation. The fair value of the listed shares has been determined using closing quoted bid prices at the end of the reporting period obtained from the active market of the Australian Stock Exchange.

**Financial Liabilities**

In order to finance the transition from Broiler growing to Free Range Eggs a flexible loan facility of \$2,000,000 was secured through the National Australia Bank. In accordance with the CB Alexander Foundation Act to secure the loan the Foundation was required to seek and obtained the NSW Governor's consent to register a mortgage over the Foundation's properties known as "Numeralla" and "Clements Farm". These properties are represented as Lot 171, DP610453 and Lot 8, 975697 respectively

The Foundation currently has a flexible rate loan of \$2,000,000. At 30 June \$1,940,000 of the loan has been drawn with \$1,000,000 fixed until 31 January 2019 at 5.47%. The interest rate on the remaining \$940,000 at 30 June 2016 is 5.105 %. Repayment of the loan commenced from October 2015. The facility has an expiry date of 30 September 2030.



*CB Alexander Foundation  
Annual Report 2015-2016*

**Bank Overdrafts**

The Foundation has a bank overdraft limit of \$50,000. The interest rate for the facility is 6.97 % (2014/2015: 7.22%). This facility is presently unused.

**Credit Card Facility**

The Foundation introduced a credit card facility in April 2013 and a card was issued to the Secretary. The card is not used to obtain petty cash and no interest is payable as monthly transactions are cleared automatically by the bank at the end of each month. Interest for the facility is 15.5%.

**Payables**

Liabilities are recognised for amounts due to be paid in the future for goods or services received whether or not invoiced. Amounts owing to suppliers (all unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year.

**Fair Value measurement of non-financial assets**

**Fair value hierarchy**

2016

	Level 1	Level 2	Level 3	Total Fair Value
<b>Property, plant and equipment (Note 7)</b>				
Property, plant and equipment	-	-	22,671,614	22,671,614
Financial Assets – held for sale	4,028,264	-	-	4,028,264
	<u>4,028,264</u>	<u>-</u>	<u>22,671,614</u>	<u>26,699,878</u>

**(a) Valuation techniques, inputs and processes**

The fair value measurement technique utilised by the Foundation for property, plant and equipment is fair market value based on existing use. Please refer to Note 7 for further information.

**(b) Reconciliation of recurring Level 3 fair value measurements**

	Property Plant and Equipment \$'000	Total Recurring Level 3 Fair Value \$'000
Fair value as at 1 July 2015	22,685	22,678
Additions	211	211
Revaluation increments/decrements recognised in Net result – included in the line item 'Other gains/losses'	-	-
Revaluation increments/decrements recognised in other comprehensive income – included in line item 'Net increase/ (decrease) in property, plant and equipment revaluation surplus'	(37)	(37)
Transfers from Level 2	-	-
Transfers to Level 2	-	-

*CB Alexander Foundation  
Annual Report 2015-2016*

Disposals	-	-
Depreciation	(188)	(188)
Fair value as at 30 June 2016	22,671	22,664

**Note 21 – Reserves**

**Asset Revaluation Reserve**

The asset revaluation reserve records revaluations of non-current assets. Please refer to Note 7 for details of current year movements in this reserve.

**Note 22 - Reconciliation of Cash Flows from Operations with Profit  
From Ordinary Activities**

	2016	2015
	\$	\$
<b>Operating Surplus / (Deficit) for the year</b>	6,633,075	(155,073)
Non-cash flows in profit	(4,078,314)	
Depreciation (gain)/loss	187,737	172,616
Net (gain)/loss on disposal of plant and equipment	(6,364)	(17,236)
Changes in assets and liabilities		
(Increase)/Decrease in Trade and Other Receivables	5,237	75,602
(Increase) / Decrease in Inventories	3,063	2,577
(Increase) / Decrease in Other Current Assets	1,101	74
Increase / (Decrease) in Trade and Other Payables	(3,869)	21,089
Increase / (Decrease) in Provisions	(33,078)	(5,159)
<b>Net cash provided by operating activities</b>	<b>2,708,588</b>	<b>94,490</b>

**Note 23 - Commitments**

At the reporting date, the Foundation had \$11,130 in outstanding commitments to complete the conversion of facilities to free range egg production. This is recorded under Property, Plant and Equipment (Approximately \$390,000 at 30 June 2015).

**Note 24 - Contingent Liabilities**

There were no contingent liabilities in respect of the Foundation as at 30 June 2016 (nil in 2015).

**Note 25 – Segment Reporting**

The Foundation operates predominantly in one business and geographical segment, being the promotion and advancement of agricultural education at the CB Alexander Agricultural College.

**Note 26 – Events Subsequent to Balance Date**

There are no known events at 30 June 2016.

**Note 27 – Foundation Details**

The principal place of business is:  
CB Alexander Foundation  
815 Tocal Road  
PATERSON NSW 2421

*CB Alexander Foundation  
Annual Report 2015-2016*



Mr Scott Hanson  
Chairman  
CB Alexander Foundation  
Tocal Agricultural College  
TOCAL NSW 2421

Contact: Chris Giumelli  
Phone no: 02 9275 7167  
Our ref: D1630955/0100

29 November 2016

Dear Mr Hanson

**STATUTORY AUDIT REPORT**

**for the year ended 30 June 2016**

**CB Alexander Foundation**

I have audited the financial statements of CB Alexander Foundation (the Foundation) as required by the *Public Finance and Audit Act 1983* (PF&A Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2016, and details matters I found during my audit that are relevant to you in your role as one of those charged with the governance of the Foundation. The PF&A Act requires me to send this report to the Foundation, the Minister and the Treasurer.

This report is not the Independent Auditor's Report, which expresses my opinion on the Foundation's financial statements. I enclose the Independent Auditor's Report, together with the Foundation's financial statements.

My audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. It is not designed to identify and report all matters you may find of governance interest. Therefore, other governance matters may exist, which I have not reported to you.

My audit is continuous. If I identify further significant matters, I will report these to you immediately.

**Audit Result**

I expressed an unmodified opinion on the Foundation's financial statements and I have not identified any significant matters since my previous Statutory Audit Report.

**Misstatements in the Financial Statements**

I have certain obligations for reporting misstatements:

- the PF&A Act requires agencies to obtain the Auditor-General's approval for all changes to the financial statements originally submitted for audit. The more significant/material changes are reported in a Statutory Audit Report
- the Auditing Standards require matters of governance interest and significant misstatements identified during the audit to be brought to your attention and others charged with governance
- statutory obligations require the Auditor-General to report misstatements resulting from or not detected because of failures in internal controls and/or systemic deficiencies which pose a significant risk to the Foundation.

*CB Alexander Foundation  
Annual Report 2015-2016*

The financial statements contained misstatements, which are listed in the Appendix.

- Table One reports significant corrected misstatements individually
- Table Two reports significant uncorrected misstatements individually.

**Compliance with Legislative Requirements**

My audit procedures are targeted specifically towards forming an opinion on the Foundation's financial statements. This includes testing whether the Foundation has complied with legislative requirements that may materially impact on the financial statements. The results of the audit are reported in this context. My testing did not identify any reportable instances of non-compliance with legislative requirements.

**Auditor-General's Report to Parliament**

Volume 13 of the 2016 Auditor-General's Report to Parliament will incorporate the results of the audit.

**Publication of the Statutory Audit Report**

I consider this Statutory Audit Report to fall within the definition of 'excluded information' contained in Schedule 2(2) of the *Government Information (Public Access) Act 2009*. Under Schedule 1(6) of this Act, you should ask for consent from the Audit Office before publicly releasing this report. You may also need to seek approval from the Minister and the Treasurer before publicly releasing this report.

**Acknowledgment**

I thank the Foundation's staff for their courtesy and assistance.

Yours sincerely



Margaret Crawford  
Auditor-General

## APPENDIX

### Table One: Corrected Monetary Misstatements and Disclosure Deficiencies

#### Corrected Monetary Misstatements

Management corrected the following misstatements in the current year's financial statements. I agree with management's determination and confirm this treatment complies with Australian Accounting Standards.

Description	Assets	Liabilities	Retained earnings/Equity	Comprehensive income
Effect of correction	Increase/ (decrease)	(Increase)/ decrease	(Increase)/ decrease	(Increase)/ decrease
	\$	\$	\$	\$

#### Factual misstatements

Correct the value of property, plant and equipment

(36,249)	--	37,217	(968)
----------	----	--------	-------

#### Total impact of corrected misstatements

(36,249)	--	37,217	(968)
----------	----	--------	-------

#### Corrected Disclosure Deficiencies

Management corrected the following disclosure deficiencies in the current year's financial statements. I agree with management's determination and confirm this treatment complies with Australian Accounting Standards.

AASB reference	Disclosure title	Description of disclosure deficiency
AASB 101	Borrowings	Re-classification from current to non-current borrowings of \$1.85 million.

*CB Alexander Foundation  
Annual Report 2015-2016*

**Table Two: Uncorrected Monetary Misstatements and Disclosure Deficiencies**

**Uncorrected Monetary Misstatements**

The following uncorrected monetary misstatements were reported to management. The management believes the effect of not correcting these misstatements is immaterial, individually and in aggregate, to the financial statements taken as a whole. I agree with management's determination and do not consider the uncorrected misstatements significant enough to modify my opinion in the Independent Auditor's Report.

Description	Assets	Liabilities	Retained earnings/Equity	Comprehensive income
Effect of potential correction	Increase/ (decrease)	(Increase)/ decrease	(Increase)/ decrease	(Increase)/ decrease
	\$	\$	\$	\$
<b>Factual misstatements</b>				
To recognise liability for construction work	--	(11,568)	11,568	--
To recognise the credit card liability	--	(1,335)	--	1,335
<b>Total impact if misstatements were corrected</b>	<b>--</b>	<b>(12,903)</b>	<b>11,568</b>	<b>1,335</b>



*CB Alexander Foundation  
Annual Report 2015-2016*



To the Members  
CB Alexander Foundation

**Auditor's Independence Declaration**

As auditor for the audit of the financial statements of CB Alexander Foundation for the year ended 30 June 2016, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Margaret Crawford'.

Margaret Crawford  
Auditor-General of NSW

29 November 2016  
SYDNEY

*CB Alexander Foundation  
Annual Report 2015-2016*



**INDEPENDENT AUDITOR'S REPORT**

**CB Alexander Foundation**

To Members of the New South Wales Parliament

**Opinion**

I have audited the accompanying financial statements of CB Alexander Foundation (the Foundation), which comprise the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entity's declaration.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Foundation as at 30 June 2016, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

My opinion should be read in conjunction with the rest of this report.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report.

I am independent of the Foundation in accordance with the auditor independence requirements of:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (the Code).

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*CB Alexander Foundation  
Annual Report 2015-2016*

**The Member's Responsibility for the Financial Statements**

The members of the Foundation are responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act and the *Australian Charities and Not-for-Profits Commission Act 2012*, and for such internal control as the members of the Foundation determine is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Foundation must assess the Foundation's ability to continue as a going concern unless the Foundation will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must include, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

**Auditor's Responsibility for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Foundation carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented.



Margaret Crawford  
Auditor-General of NSW

29 November 2016  
SYDNEY

*CB Alexander Foundation*  
*Annual Report 2015-2016*