



CB ALEXANDER FOUNDATION



ANNUAL REPORT 2016/2017



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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.

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Introduction

I am pleased to introduce the CB Alexander Foundations operation and finance report for the 2016/17 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 no changes to membership during the year.

Foundation achievements, major purchases and activities during the financial year

During the year significant development work was undertaken at Tocal Homestead. This work was possible due to the generous McLachlan Bequest.

The Homestead Barracks were completed and furnished providing four boutique style rooms of accommodation for use by wedding guests and others. Enormous interest has been shown in this accommodation and it will be an excellent adjunct to weddings at the Homestead.

The Daly Kidd Cottage was fully renovated and made ready to accommodate the Homestead Caretaker. It is envisaged that the Caretaker will be relocated from Tocal Homestead to this cottage early in 2018. New contracts and licences have been developed to facilitate the move.

At Numeralla a Mahindra ute was purchased to replace its 19 year old Ford utility. The new utility has four wheel drive capability which will make it a great addition on the farm in wet weather. As well Foundation members approved the replacement of the machinery shed. The old shed was demolished due to its poor condition.

Foundation Day 2016

The theme for Foundation Day 2016 was Future Farmers with a range of guests making presentations on the day. Guests included;

Geoff Smith of Narromine Rotary on the Rotary Youth Crop Agronomy Grain and Seed (RYCAGS) camp; Mia Mackay (Tocal College, NSW DPI) on Young Farmer Business Project – a joint initiative between NSW Department of Primary Industries and NSW Farmers, Ben Stockwin, Chief Executive Officer of Primary Industries Education Foundation Australia (PIEFA) and Michelle Fifield (Tocal College, NSW DPI) on the NSW DPI Schools Program.

Visitors

During the year more than 16,000 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 2017;

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 no changes to the membership of the Foundation.

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 management of the bequest from Miss Daphne McLachlan. Following a rigorous selection process Macquarie Bank was selected to manage the McLachlan portfolio. It is expected that the portfolio will transfer to Macquarie Bank in early 2017.

Attendance at Meetings

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

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

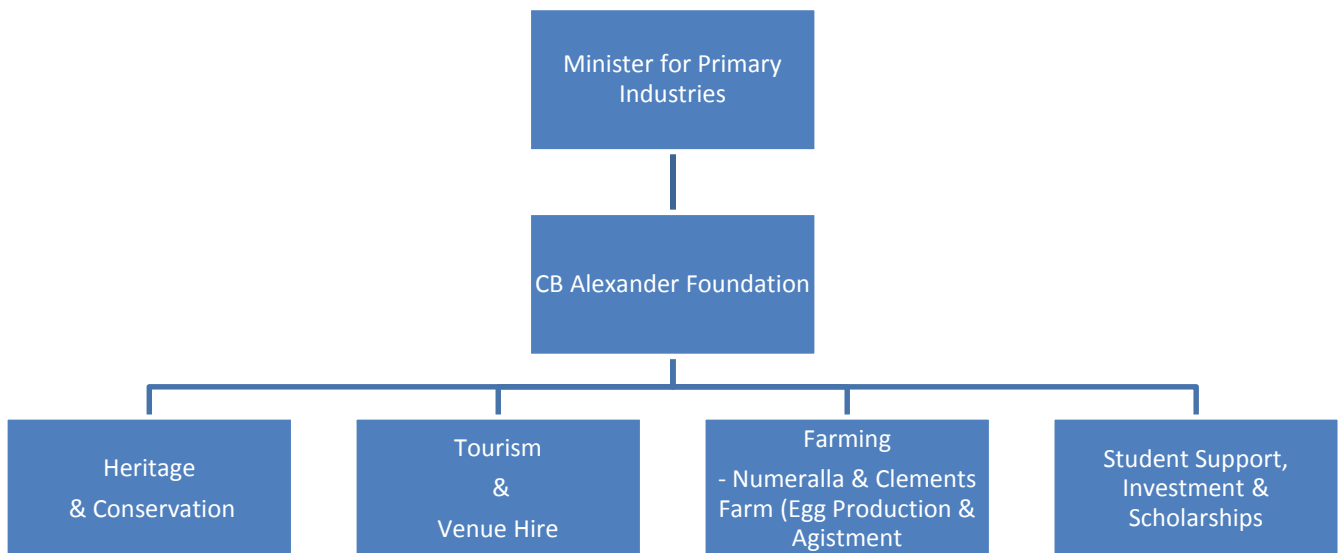
Ms Margo Duncan - Chair, Tocal College Advisory Council

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 Michael Ison – Centre Manager
Ms Robyn Papworth – Principal's Assistant
Ms Vicky Delany - Assistant Registrar
Ms Debbie Guy – Accounts Officer
Ms Carol Cairney – Supporting Accounts Officer

Organisational Chart



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.

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.

Vision

To promote and advance agricultural education
To improve Tocal College and its assets
To provide student scholarships and financial assistance

Our strategic priorities:

TOTAL HOMESTEAD
HISTORIC PRECINCT

To preserve, maintain and improve heritage buildings and infrastructure

To provide community access and enhance appreciation and interpretation of the historic homestead site and surrounds through coordinated events and visitation

To promote the site's history, environment and agricultural heritage to school students through engaging and curriculum-aligned visits, tours and resources

To build a sense of place and connection with the local community and surrounding region

We aim to:

Activate and make effective use of the **Barracks** and the **Daly Kidd Cottage** to provide an integrated accommodation service to support weddings and other major events

Maximise revenue from the **Tocal Function Centre** through collaboration with events coordinator to increase wedding bookings and mid-week events (especially corporate sector). Update and digitise homestead tour app and key heritage photos to aid interpretation of site

Develop the **Schools Program** to ensure curriculum alignment and connection with schools in the region and an increase in visitation

Host six significant community **events** each year to engage the broader community (eg. Peek into the Past)

By concentrating on:

A commercial focus for all Tocal Homestead operations to be financially sustainable allowing for reinvestment in the site, associated programs and student support

Collaboration with Sprout Catering to increase bookings and general performance, and to ensure contract is effectively implemented

Income streams to support a scheduled maintenance plan for heritage buildings including the Blacket Barn, Bull Barn and to start work on Thunderbolt's Cottage

Working with the DPI schools team to develop programs that engage schools and teachers

Growing the Friends of Tocal membership and number of active volunteers. Includes identifying different roles and functions that will attract a diversity of volunteers and capabilities

Measures:

The Barracks providing a valuable income and the Daly Kidd Cottage in use

Increase in wedding and function centre bookings. New homestead tour app completed. Key heritage photos digitised and accessible.

Three new school programs aligned to curriculum and promoted through school networks and website; increase school visits and age range of programs

Six community events at the site. Established as part of the community calendar; engaging and valued by community members

Core services:

Visitation and accomodation

Weddings and community access

School programs

Tours and events

Our work is underpinned by the values of service, accountability, integrity and connection

Visitation

Visitor Statistics

Over the year 2016/17 the total number of visitors to the Homestead was 16,364. The two major events for that period, Total Field Days and Peek Into The Past drew unprecedented numbers. Total Field Days visitors to the Homestead showed a 25% increase on the previous best attendance and Peek Into The Past showed a 250% increase on the previous average.

School visits also increased significantly due to the adoption of the new national curriculum at the beginning of 2016.

Total Homestead and Visitor Centre																												
	Tours														Weddings		Barracks		(Exhibitions) Film/Photo	Functions / Meetings		Events	Visitor Centre Open					
															Ceremony only	Sprout weddings	# nites	# guests			Peek/Past, Back/back, TFD's							
	Homestead							Farm																				
	Tours	Adults	Schools	Teachers / parents	Primary	Secondary	Total Head	Tours	Adults	Schools	Teachers / parents	Primary	Secondary	Total Head					Number Events	Number Events		Number Events	People	Number Events	People	Number days	People	Days Open
2016																			People		People		People					
Jul	2	35	1	10	63		108							0		0			2	230	1	2636 *	9	124	12	60		
Aug	3	99	3	16	224		339	1	19					19		4		1	15				8	128	10	50		
Sep	2	53	7	62	368		483	1	37	1	10	137		184		9			3	150			8	184	16	80		
Oct	2	41	6	82	401		524							0		9							5	169 #	8	40		
Nov	7	245	2	30	127		402	1	25					25		6			1	50			4	84 ##	9	45		
Dec	0		1	21	69		90							0		3			1	45								
2017																												
Jan							0							0		0												
Feb			1	13	82		95							0		4		1	1	100								
Mar	3	108	6	68	361		537	2	96					96		6			1	100			4	90	6	30		
Apr			2	16	134		150							0		9		4	13				5	163	9	45		
May	3	171	12	88	599		858			2	22	57	68	147		3			1	150	3	1655 **	3	37	4	20		
Jun			12	103	597		700			1	3	14	17		1	4	4	1	6	1	25	1	437 ***	3	54	2	10	
Total	22	752	53	509	3025	0	4286	5	177	4	35	194	82	488	0	54	4	4	6	35	11	850	5	4728	49	1033	76	380

Notes: the Heritage site is closed December to March for Sunday visitors

* Peek Into the Past

** Total Field Days attendance 22,400

*** Back to Back

Sunday only opening commences

Baby naming ceremony

Homestead weekend openings

New roadside signage advertising Devonshire Teas on weekends has resulted in a real increase in visitors to the Homestead site.

From the 1st of October, the Homestead site restricted weekend openings to Sundays and November to March closure for the summer break remained in place.

Initial investigation of new tour apps and platforms has begun. An interview and discussion with Dr Brian Walsh (the Belgenny Farm app developer) has been undertaken. Draft materials to be used as content have been collated in readiness for the new platform.

Accommodation

Daly Kidd Cottage



At the November 2016 meeting of the Foundation members agreed to the funding of renovations to the Daly Kidd Cottage. In early January 2017 local builder Tom Compton commenced work on the project. The fit out and surrounding earthworks and landscaping was completed by 30 June. Phone and data lines have also been installed. The work came in just over budget. This was due to additional costs to install a sewer pump riser and lid to ensure pump access was at ground level and an external access mechanism to enable the garage roller door to be opened in the event of a power failure. The balustrade on the rear verandah and the steps to the garage were ordered and will be completed in the new year. The project will be within the \$200,000 budget approved at the November 2016 meeting. Accommodation will be ready for caretaker occupancy prior to 1 July 2017.

Caretaker During 2017 the Homestead Caretaker position was reviewed, revised and advertised (this included receiving legal review). Interviews have taken place and discussions are underway with the lead applicant. An advertisement for expressions of interest in caretaking services at Tocal Homestead was placed in the local press in late March. In all, four applications were received and interviews took place 17 May 2017.

The Barracks are complete. Surrounding road works, parking area, pathways, grid removal, electric gate and bollard lighting between Function Centre and Barracks has been completed. Final task of reinstating the fence in front of the Barracks is underway and will be completed in the next financial year.

Booking system, website update, marketing materials and manuals are currently being finalised. Strong interest has been shown by wedding parties. The Tocal Homestead Event Coordinator, Sprout catering contractors, has been given a viewing and are actively promoting the accommodation to our clients.



Weddings

Sprout Catering are on track with wedding bookings as per the contract. 45 bookings have been established as the annual target number under the current deed. This number is up on the previous two years. Two mid-week events were held this year at the Function Centre and a further 7 are booked for the remainder of the year.

Communication links with Sprout Catering have been refined and a shared calendar is in place which helps both parties to make better planning and booking decisions.

Community Access

Friends of Tocal

A number of changes have been implemented when rostering volunteers at events, to ensure volunteers have breaks during the day. Further improvements are planned, including job descriptions for all volunteers.

Mrs Olive Brosi, the catering coordinator in the Tea Rooms for the past three years stepped down after Peek Into The Past due to failing health. As yet a replacement has not been found.

Local Federal Member, Dr David Gillespie visited Tocal Homestead during the 2017 Field Days to congratulate Friends of Tocal on receiving a grant from the Volunteer Grants 2016 program. In May, Friends received \$2,850 to provide new outdoor tables, volunteer training, and reimbursement of petrol costs for volunteers. The program is designed to support volunteers in the work they do in their community.

This was the first time Dr Gillespie had visited Tocal Homestead and he was impressed with the heritage site and the volunteers and Tocal students he met.

The Friends have undertaken to recover the club lounge from the entry hall of the Homestead with its two matching chairs. This project has been underway since November and is nearing completion. The final cost will be \$7100 and it will significantly improve the look of the Homestead on entry.

Schools Program

There has been growth in the schools program over the last 12 months and this is continuing in 2017. We are now aligning programs and resources to the syllabus and focussing on a broader age range at different stages. We are drawing on the expertise of the schools team at Tocal College, to develop new teaching resources and specific learning experiences to grow this area of our operation.

The curriculum change for history in primary schools has boosted visits for the Homestead Heritage program. We are currently improving our teacher resources on the Homestead website and ensuring curriculum alignment for Stage One for this program. A targeted promotion to primary teachers is underway to maximize bookings into Term 2 and 3.

A farm study program for Year 9 geography students is also being developed by the DPI Schools Team with the expectation this will be offered widely to local high schools next year. This also reflects changes to the high school geography curriculum.

Fifteen schools with 960 students and staff visited the site in April and May. The majority undertook the Homestead Heritage program.

A large group of Year 9 Geography students from Bishop Tyrell College completed the new Tocal farm study designed by the DPI Schools Team to meet the new geography curriculum for Stage 5.

Progress has been made in the following areas:

- Teaching Resources
- Learning Experience
- Careers and Industry Promotion
- Teacher Professional Development

Tours

A wide range of tour groups visited the site, indicating a general appeal and interest in the community. Coach companies from as far afield as Queensland and the Blue Mountains brought travel groups, along with several Probus Clubs from the Hunter and Central Coast during the year. A number of specialist groups included a group of Canadian farmers and the University of Newcastle architecture students. An interesting group was the Chinese Australian families from Sydney who included a family fun day with their visit, with games in the garden and a treasure hunt.

Events

Peek Into the Past 2016, Sunday 31st July

This event was an unprecedented success with a total of 2,636 people on site over the day. This was a three-fold increase on expected numbers and the most people to have ever attended a single event at the Homestead. Overall takings for the day were \$21,850.

The feature of the event was the 73rd Regiment of Foot (Redcoat re-enactors) who provided a full program of educational and entertaining activities all day. There were also a number of new exhibitors on site, including Hunter Beekeepers, Telarah Croquet and Maitland Family History.

The Tea Rooms, Sausage Sizzle and Old Kitchen were very busy, eventually running out of supplies. There were 40 Friends of Tocal volunteering across the site, including 11 new volunteers.

The visitor survey indicated that 50% of visitors had heard of the event through Facebook, and many of them planned to return in 2017. Plans are underway for more food and toilets next year.

Field days, 5, 6 & 7 May

Tocal Field Days was held in perfect weather and visitor numbers to the Homestead were the highest ever recorded at 1655 over the three days. The scones from the old wood stove were again very popular and added significant funds to the Friends. This was the first time Charles Alexander's generator ran for public display since being restored by volunteers last year.

Overall, it was a very successful event with total takings exceeding \$7500.

Back to Back Wool Challenge, 11 June

The International Back to Back Wool Challenge was well attended with 437 visitors, in spite of the overcast and soggy conditions. The Spinning Knitwits finished in a good time again this year. The world record was broken by the European team in the Netherlands. The team at Tocal went on to win the international trophy for most funds raised for cancer. To add to the visitor interest we hosted the 'Caravan of Camelids' and had a variety of camels, llamas, and alpacas on show in and around Blackett Barn. The Muswellbrook camel dairy also promoted their products to the public.

A number of possibilities for new events have been identified and now timing and resources are under investigation. Our current events will be maintained and improved. For example, at the Back to Back Wool Challenge this year, we will have an alpaca/llama display and information to encourage more visitors to come up from the Function Centre to visit the Homestead.

Numeralla

The second batch of layer birds for sheds 1 and 2 were placed in the week commencing 17 October 2016. The New birds were placed in sheds 3 to 5 in May / June 2016 are producing well. Production continues to increase with the last report available showing average daily production of around 87%.

Disease issues associated with the original flock have not been experienced by their replacement and mortality remains within acceptable levels. Pace have visited the farm on a number of occasions and are happy with the birds progress.

Expressions of Interest were placed in local news media for the Numeralla Assistant Manager and Maintenance positions.

Replacement of Numeralla Farm Vehicle

The use of a utility at Numeralla for the operation of the farm is an essential requirement.

The current 4 x 2 Ford Courier utility was purchased in June 2001 at a cost of \$19,000. It was fully depreciated over a 7 year period i.e. by June 2008 it had been fully depreciated. Over the past 15 years the vehicle has been used as a general farm vehicle, as a passenger vehicle to transport students from the College Campus to Numeralla and return as well as for transport of management staff between Dunnings Hill and Numeralla as per staff rosters.

During 2017 Foundation Members approved the purchase of a new Mahindra ute to replace the existing vehicle.



FARM PRODUCTION

General health and production from birds has been better than expected. The farm was Audited by The Australian Egg Corp on 16th March, with an A grade pass. PACE Farms are happy with our production percentages and the health and well-being of the birds. Rob Murdoch, PACE Field Rep, visits on a regular basis and has no issues with our operation.

The following production for each shed is the cumulative total since placement of birds.

Sheds 1,2

Birds placed(15-10-16)	38558
Birds remaining	33994
Mortality rate	8.4%
Current eggs	210,000/week
Ave. Production	88.5%
Total eggs packed this batch	4,819,139

Sheds 3,4,5

Birds placed(21-5-16)	52300
Birds remaining	44668
Mortality rate	6.8%
Current eggs	276,000/week
Ave. Production	88.0%
Total eggs packed this batch	12,606,478

Total eggs for all sheds since placement 17,425,617

Target production for the financial year 2016-17 is 19.4m eggs.

Homestead

Review of Homestead Inventory; a review of Homestead inventory is scheduled for the 2017/2018 financial year. A revaluation of furniture, jewellery and artefacts was undertaken prior to 30 June resulting in the total valuation of these assets falling by \$95,620

Student Support

Throughout the year the Foundation continued to provide a number of student educational opportunities. The Foundation promotes education into schools through management of funds on behalf of Trade and Investment NSW. The Foundation supported students in 2016/17 through various means in particular scholarships and the administration of the College prize fund investments.

In 2017 scholarships were granted;

- CB Alexander Foundation scholarship recipient was Nicholas Byrne-Quinn from Castle Hill
- Professor Stephen Powles to Chloe Myers – Wamberal
- Jeff Stevenson Memorial to Jordan Phillips – Gunnedah
- Hunt Family scholarship to Isabella Seci – Leura
- Gardiner Family scholarship to Caitlin Vella – South Penrith
- George and Jenny Hammond to Brittany Short – Rouse Hill
- Colin H Dunlop Memorial to Paige Marsh – Coorparoo
- Tocal Alumni Scholarship to Katie Sullivan - Wallarobba
- Bruce Urquhart Memorial Scholarship to Brianna Chatterton - Yarramundi
- Rosemary Dunlop Memorial to Shannon O'Keeffe – Cattai
- Gill Family scholarship to Katie Breckenridge – Castle Hill
- HC White Memorial Scholarship to;
 - Emma-Lee Cooper – Blue Haven
 - Meg Crouch – Condobolin
 - Louise Green – East Maitland
 - Ashley Hall – Parkes
 - Nicholas Hreszczch – Bowral
 - Aiden King – Picton
 - Bailey Kupperts – Allynbrook
 - Paige Marsh – Coorparoo
 - Shannon O'Keeffe – Cattai
 - Stephanie O'Toole – Bootawa
 - Brittany Short – Rouse Hill
 - Nicole Soper – Coorparoo
 - Sharnee Studdert – Dungog
 - Ryley Wickham – Dural
- Country Education foundation of Australia donation

The Foundation administers the Jean Wilson Alexander Memorial Scholarship, which is a scholarship available to graduates of the College to pursue further education. It is for graduates who wish to study at universities, colleges, TAFE or to undertake travel or study tours. This year it was unclaimed.



Appreciation

The Foundation would like to thank the many people associated with it for their assistance during the year, in particular;

- Karen Sanders, Manager Numeralla
- Carol Mears, Acting Assistant Manager, Numeralla
- Sandra Earle, Homestead Coordinator
- All staff associated with the Foundations operations at Tocal Homestead and Numeralla
- Bob Dunn for his work at Tocal Homestead
- Paul Bowers, Homestead Caretaker
- Carol Cairney for preparation of this report
- Ruth Luckner for her IT support for our website www.tocal.com
- Friends of Tocal and volunteers for their ongoing support at Tocal Homestead
- Tocal College Students



CB ALEXANDER FOUNDATION

STATEMENT BY THE MEMBERS OF THE CB ALEXANDER FOUNDATION

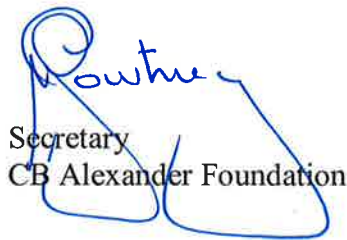
Pursuant to section 41C (1B) of the Public Finance and Audit Act, 1983 and in accordance with a resolution of the members of the CB Alexander Foundation, we declare on behalf of the Foundation that in our opinion:

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 2017 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.



Member
CB Alexander Foundation



Secretary
CB Alexander Foundation

CB ALEXANDER FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT
30 JUNE 2017

		2017	2016
	NOTE	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	(2)	4,033,007	3,581,596
Trade and Other Receivables	(3)	240,093	124,717
Other Current Assets	(4)	1,177	-
Inventories	(5)	1,907	5,558
TOTAL CURRENT ASSETS		4,276,184	3,711,871
NON CURRENT ASSETS			
Financial Assets	(6)	4,729,626	4,028,264
Property, Plant & Equipment	(7)	22,682,879	22,671,614
TOTAL NON-CURRENT ASSETS		27,412,505	26,699,878
TOTAL ASSETS		31,688,689	30,411,749
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	(8)	105,419	88,223
Borrowings	(9)	90,000	90,000
Provisions	(10)	44,198	34,782
TOTAL CURRENT LIABILITIES		239,617	213,005
NON-CURRENT LIABILITIES			
Borrowings	(9)	1,760,000	1,850,000
TOTAL NON-CURRENT LIABILITIES		1,760,000	1,850,000
TOTAL LIABILITIES		1,999,617	2,063,005
NET ASSETS		29,689,072	28,348,744
EQUITY			
Accumulated Funds		15,681,534	14,946,948
Reserves	(21)	14,007,538	13,401,796
TOTAL EQUITY		29,689,072	28,348,744

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

CB ALEXANDER FOUNDATION
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
30 JUNE 2017

CONTINUING OPERATIONS

REVENUE	NOTE	2017 \$	2016 \$
Income from Sale of Eggs		887,472	762,004
Grants	(12)	723,005	6,966,456
Interest / Dividends	(13)	320,071	36,083
Property Income	(14)	26,079	31,497
Tours, Open Days & Wedding Income	(15)	315,067	304,079
Other Income	(16)	4,980	56,729
TOTAL REVENUE		2,276,674	8,156,848
EXPENSES			
Salaries		731,895	588,036
Superannuation Expenses		46,413	34,509
Repairs & Maintenance		179,374	196,131
Depreciation		195,900	187,737
Finance Costs		101,331	107,781
Audit Fees		22,780	18,560
Utilities		76,632	67,601
Other Expenses	(17)	187,763	210,121
Impairment of available-for-sale assets	(11)	-	119,661
TOTAL EXPENSES		1,542,088	1,530,137
NET SURPLUS / (DEFICIT) FOR YEAR CONTINUING OPERATIONS		734,586	6,626,711
DISCONTINUED OPERATIONS			
Profit/(Loss) from discontinued operations	(18)	-	6,364
NET RESULT		734,586	6,633,075
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net result			
Net increase / (decrease) in:			
property, plant and equipment revaluation surplus		(95,620)	(37,217)
financial assets revaluation surplus		701,362	-
TOTAL OTHER COMPREHENSIVE INCOME		605,742	(37,217)
TOTAL COMPREHENSIVE INCOME		1,340,328	6,595,858

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

CB ALEXANDER FOUNDATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
30 JUNE 2017

	Accumulated Funds \$	Revaluation Surplus \$	Financial Assets Reserve \$	Total \$
Balance at 30 June 2015	8,313,873	13,439,013	-	21,752,886
Comprehensive Income				
Surplus / (Deficit) for year	6,633,075	-	-	6,633,075
Revaluation of property, plant & equipment	-	(37,217)	-	(37,217)
Total comprehensive income for the year	6,633,075	(37,217)	-	6,595,858
Balance at 30 June 2016	14,946,948	13,401,796	-	28,348,744
Comprehensive Income				
Surplus / (Deficit) for year	734,586	-	-	734,586
Revaluation of property, plant & equipment	-	(95,620)	-	(95,620)
Revaluation of financial assets	-	-	701,362	701,362
Total comprehensive income for the year	734,586	(95,620)	701,362	1,340,328
Balance at 30 June 2017	15,681,534	13,306,176	701,362	29,689,072

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CB ALEXANDER FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
30 JUNE 2017

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	NOTE	2017 \$	2016 \$
Cash Flow From Operating Activities			
Payments			
Employee Related Expenses		(574,337)	(605,548)
Maintenance & Working Costs		(155,070)	(168,127)
Finance Costs		(101,661)	(99,623)
Audit Fees		(30,180)	(22,475)
Utilities Expenses		(76,748)	(67,790)
Other Expenses		(178,792)	(200,132)
GST Paid		(108,029)	(92,269)
Total Payments		<u>(1,224,817)</u>	<u>(1,255,964)</u>
Receipts			
Sale of Chickens & Associated Products		823,580	789,352
Interest		97,475	18,147
Dividends		123,065	286
Grants and contributions		516,505	2,659,129
Other		453,389	492,638
Total Receipts		<u>2,014,014</u>	<u>3,959,552</u>
Cash Flow from Government Funding Activities			
Grants from State Government		5,000	5,000
Net Cash Flows from Government		<u>5,000</u>	<u>5,000</u>
Net Cash Provided by Operating Activities	(22)	794,197	2,708,588
Cash Flow from Investing Activities			
Proceeds from Sale of Financial Assets		50,000	-
Proceeds from Sale of Property Plant & Equipment		-	6,364
Purchase of Property Plant & Equipment		(302,786)	(415,991)
Net cash used in Investing Activities		<u>(252,786)</u>	<u>(409,627)</u>
Cash Flow from Financing Activities			
Proceeds from Borrowing		-	397,500
Repayment of Borrowing		(90,000)	(67,500)
Net cash (used in) / provided by Financing Activities		<u>(90,000)</u>	<u>330,000</u>
Net Increase/(Decrease) in Cash Held		451,411	2,628,961
Cash at Beginning of Year		3,581,596	952,635
Cash at End of Year	(2)	<u>4,033,007</u>	<u>3,581,596</u>

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

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017

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 2017 have been authorised for issue by the CB Alexander Foundation on 3 November 2017.

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 to be 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
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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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.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017

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.

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 (formerly NSW Department of Primary Industry) revaluation policy.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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Work in Progress

Daly Kidd Cottage

Work on restoration of the Daly Kidd Cottage was completed in May 2017. Work included interior fitout, installation of bathroom and kitchen, completion of back verandah and steps and completion of basement / garage. The cottage has been refurbished to house the Homestead Caretakers and it is expected that the Caretakers will occupy this dwelling in late July 2017.

An independent rental valuation was undertaken to obtain a value for rent for the Caretakers.

Poultry Farm, Coolroom, Sheds and Infrastructure

During 2017, a replacement machinery shed was constructed. The new shed replaced an old structure that was written off in 2015 as being beyond economic repair.

Jewellery and Artefacts

Revaluation of furniture and artefacts was undertaken during 2017 by the relevant experts. Jewellery and artefacts were valued by Ann Newman, Hunter Region Valuation Services and furniture was valued by Swan Murray and Hain. Both valuations were completed by 30 June 2017.

Asset Revaluation

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP14-01). This policy adopts fair value in accordance with AASB 13 Fair Value Measurement, AASB 116 and AASB 140 Investment Property.

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.

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 and 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.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment including accommodation equipment	10 to 33.33% pa
Furniture including beds	14.29% 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.

(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

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017

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.

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.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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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.

(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.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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In September 2015 the CB Alexander Foundation 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 30 June 2017.

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".

During 2017 the Board of the CB Alexander Foundation approved outsourcing the management of this bequest with oversight by a committee appointed by the Board. A tender process was used to select a service provider and a terms of reference were developed to guide the committee. It is expected that the new arrangements will commence in July 2017.

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

(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.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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(k) *Changes in Accounting Policy, Including New or Revised Australian Accounting Standards*

(i) *New Australian Accounting Standards issued and effective for the first time for the 2017 financial year*

The following new Australian Accounting Standards have been issued and are now effective for the first time for the 2017 financial year.

- AASB 1057 Application of Australian Accounting Standards;
- AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138);
- AASB 2015-1 Annual Improvements to Australian Accounting Standards 2012-2014;
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101;
- AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not for-Profit Public Sector Entities;
- AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities; and
- AASB 2015-9 Amendments to Australian Accounting Standards – Scope and Application Paragraphs.

(ii) *New Australian Accounting Standards issued but not yet effective*

NSW Public Sector entities are not permitted to early adopt new Accounting Standards, unless Treasury determine otherwise.

The following new Australian Accounting Standards have been issued but are not yet effective. The Foundation has not early adopted any of these new standards or amendments. When applied in future periods, they are not expected to have a material impact on the financial position or performance of the Foundation.

- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (1 Jan 2018);
- AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15 (1 Jan 2017);
- AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure initiative: Amendments to AASB107 (1 Jan 2017);
- AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities (1 Jan 2017);
- AASB 9 Financial Instruments (1 Jan 2018);
- AASB 15 Revenue from Contracts with Customers (1 Jan 2019);
- AASB 16 Leases (1 Jan 2019);
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014–2016 Cycle (1 Jan 2017);
- AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 (1 Jan 2019);
- AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (until 1 Jan 2019);
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not for-Profit Entities (1 Jan 2019); and

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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- AASB 1058 Income of Not-for-Profit Entities (1 Jan 2019).

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

a) Cash		2017	2016
		\$	\$
Cash on Hand	(Petty Cash)	750	750
Cash at Bank	- Building Fund	53,128	1,420
	- Working Account	85,209	216,903
	- Barracks Project Account	84,262	-
		223,349	219,073
(b) Restricted Assets	(Note 11)	3,809,658	3,362,523
		4,033,007	3,581,596

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:

Cash and cash equivalents

4,033,007 **3,581,596**

Note 3 – Trade and Other Receivables

	2017	2016
	\$	\$
Trade and Other Receivables (1 to 90 days)	233,640	51,792
Accrued Income (net of GST payable)	6,453	72,925
	240,093	124,717

Note 4 – Other Current Assets

	2017	2016
	\$	\$
Prepayments	1,177	-
	1,177	-

Note 5 - Inventories

	2017	2016
	\$	\$
Homestead Souvenirs	549	549
Total Books	1,358	5,009
	1,907	5,558

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017

Note 6 – Financial Assets

Non-Current Asset	2017	2016
	\$	\$
Available-for-sale Financial Assets		
Listed investments, at fair value:		
-shares in listed companies	4,729,626	4,028,264
	4,729,626	4,028,264

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

	2017	2016
	\$	\$
Land and Buildings		
Freehold Land		
At Fair Value	15,400,000	15,400,000
Buildings		
At Fair Value	6,414,766	6,232,017
Less Accumulated Depreciation	(408,711)	(277,077)
	6,006,055	5,954,940
Total Land and Buildings	21,406,055	21,354,940
Plant and Equipment		
At Fair Value	421,991	359,506
Less Accumulated Depreciation	(240,804)	(214,410)
	181,187	145,096
Infrastructure		
At Fair Value	1,032,470	974,919
Less Accumulated Depreciation	(113,768)	(75,896)
	918,702	899,023
Jewellery and Artefacts		
At Fair Value	176,935	272,555
	22,682,879	22,671,614

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, artefacts and furniture were re-valued at 30 June 2017.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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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.

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	21,354,940	145,096	899,023	272,555	22,671,614

2017	Land and Buildings	Plant and Equipment	Infrastructure Systems	Jewellery and Artefacts	Total
	\$	\$	\$	\$	\$
Balance at beginning of year	21,354,940	145,096	899,023	272,555	22,671,614
Additions	182,749	62,485	57,551	-	302,785
Revaluation increments/ (decrements)	-	-	-	(95,620)	(95,620)
Depreciation expense	(131,634)	(26,394)	(37,872)	-	(195,900)
Carrying amount at end of year	21,406,055	181,187	918,702	176,935	22,682,879

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.

Note 8 – Trade and Other Payables

	2017	2016
	\$	\$
Trade Payables	34,454	26,255
Taxes Payable	32,376	29,499
Accrued Expenses	31,988	31,169
Accrued Salaries and Wages	6,601	1,300
	105,419	88,223

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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Note 9 – Borrowings

Current Liability	2017	2016
	\$	\$
Commercial Loan - Secured	90,000	90,000
Non-Current Liability	2017	2016
	\$	\$
Commercial Loan - Secured	1,760,000	1,850,000

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

Note 10 – Provisions

Current	2017	2016
	\$	\$
Provision for Annual Leave	18,390	11,342
Provision for Long Service Leave	25,808	23,440
	44,198	34,782

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.

	2017	2016
	\$	\$
Restricted Assets Comprise		
Cash and Cash Equivalents	3,809,658	3,362,523
Accrued Income:		
- proceeds on disposal of listed shares	-	50,000
- interest	3,718	-
- dividends	113,746	-
Available-for-sale investments	4,729,626	4,028,264
	8,656,748	7,440,787

Movement in Carrying Amount of Restricted Assets

Opening Balance	7,440,787	716,406
Changes in equity		
New Donations -Trust Accounts	17,250	153,023
- McLachlan Bequest	498,797	6,697,975
Interest Received	103,499	17,844
Dividends Received	229,390	-
Deductions – Scholarships Paid	(30,700)	(24,750)
- Building projects	(303,637)	-
Capital loss on disposal of listed shares	-	(50)
Movement in market value of listed shares	701,362	(119,661)
Total Changes in Restricted Assets	1,215,961	6,724,381
Total Restricted Assets at Year End	8,656,748	7,440,787

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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Note 12 – Grants

	2017	2016
	\$	\$
Industry Development:		
- Tocal Homestead Maintenance	27,000	27,000
- Staff contribution to Foundation	174,500	77,352
Contribution to student scholarship – Dunlop	9,750	8,000
Donations to Prize Fund	7,500	150,544
Grants from consolidated fund	5,000	5,000
Total Building Fund Donation	458	585
McLachlan Bequest	498,797	6,697,975
	723,005	6,966,456

Buildings and Maintenance

An allocation of \$27,000 (2015/2016: \$27,000) was made by State Treasury to Department of Industry 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 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 to the Foundation is calculated to be approximately \$174,500 (2015/2016 \$77,352).

Note 13 – Interest / Dividends

	2017	2016
	\$	\$
General Accounts	750	589
Interest from Restricted Assets	82,796	35,208
Dividends	236,525	286
	320,071	36,083

Note 14 - Property Income

	2017	2016
	\$	\$
Property income consists of the following:		
Numeralla Cottage Rental	2,040	10,660
Dunnings Hill Cottage Rental	11,960	9,200
Land Rental - Numeralla	12,000	12,000
- Bureau Meteorology	79	79
- Local Land Services 2014-2022	-	8
- Land Agistment	-	(450)
	26,079	31,497

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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Note 15 - Tour Income

	2017	2016
	\$	\$
Tour income consists of the following:		
Tours	90,642	96,298
Open Days / Photo's	636	818
Visitor Centre	223,789	206,963
	315,067	304,079

Note 16 - Other Income

	2017	2016
	\$	\$
Other income consists of the following:		
Book and Souvenirs Income	3,651	3,063
Miscellaneous (incl Homestead complex)	240	90
Total College 50 Years of Education	-	11,792
Insurance Recoveries for Flood Damage	1,089	21,784
Promotion of Agriculture to Schools	-	20,000
	4,980	56,729

Note 17 - Other Expenses

	2017	2016
	\$	\$
Other expenses consist of the following:		
Cost of Goods Sold	3,651	3,063
Homestead Enterprise Expenses	54,230	48,935
Function Centre	8,260	11,197
Numeralla Farm Expenses	50,008	51,125
Miscellaneous		
Student Scholarships	30,700	32,500
Capital Loss on Disposal of Listed Shares	-	50
50 th Anniversary Back to Tocal	-	16,051
Others	38,052	42,987
Vehicle Costs	2,862	4,213
	187,763	210,121

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.

	2017	2016
	\$	\$
Revenue		
Gain on disposal of assets of the discontinued operation	-	6,364
Expenses		
Profit/(Loss) from discontinued operations	-	6,364

CB ALEXANDER FOUNDATION
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The net cash flows of the discontinued division, which have been incorporated into the statement of cash flows, are as follows:

	2017	2016
	\$	\$
Net cash inflow/(outflow) from investing activities	-	6,364
Net cash increase in cash generated by the discontinued division	-	6,364

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 2017 (2016 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.

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

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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The investments of the Foundation are held in the following sectors at the end of the reporting period:

	2017	2016
	\$	\$
Banking and Finance	19%	20%
Energy	3%	3%
Consumer goods – food and staples	11%	13%
Materials	65%	61%
Telecommunications	1%	2%
Transportation	1%	1%
	100%	100%

During 2017 the Board of the CB Alexander Foundation approved outsourcing the management of this bequest with oversight by the finance committee appointed by the Board. A tender process was used to select 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. A terms of reference were developed to guide the committee. It is expected that the new arrangements will commence in July 2017.

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
2017					
Financial Assets					
Cash and Cash Equivalents	4,033,007	(40,330)	(40,330)	40,330	40,330
Receivables	240,093	-	-	-	-
Available-for-sale investments	4,729,626	-	(472,963)	-	472,963
Financial Liabilities					
Payables	105,419	-	-	-	-
Borrowings	1,850,000	18,500	18,500	(18,500)	(18,500)
2016					
Financial Assets					
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
Financial Liabilities					
Payables	88,223	-	-	-	-
Borrowings	1,940,000	19,400	19,400	(19,400)	(19,400)

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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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.

	2017	2016
	\$	\$
Financial Assets		
Cash and cash equivalents	4,033,007	3,581,596
Trade and Other Receivables	240,093	124,717
Available-for-sale investments at fair value	4,729,626	4,028,264
Total Financial Assets	9,002,726	7,734,577

Financial Liabilities

Financial liabilities at amortised cost:

Trade and other payables	105,419	88,223
Borrowings	1,850,000	1,940,000
Total Financial Liabilities	1,955,419	2,028,223

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	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	4,033,007	3,581,596	-	-	4,033,007	3,581,596
Trade and other receivables	240,093	124,717	-	-	240,093	124,717
Listed company shares	-	-	4,729,626	4,028,264	4,729,626	4,028,264
Total Financial Assets	4,273,100	3,706,313	4,729,626	4,028,264	9,002,726	7,734,577

CB ALEXANDER FOUNDATION
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	Within 1 Year 2017 \$	1 to 15 Years 2017 \$	Total 2017 \$	Within 1 Year 2016 \$	1 to 15 Years 2016 \$	Total 2016 \$
Financial liabilities due for payment:						
Market rate Facility/ Commercial Loan	90,000	1,760,000	1,850,000	90,000	1,850,000	1,940,000
Trade and other payables	105,419	-	105,419	88,223	-	88,223
Total Financial Liabilities	195,419	1,760,000	1,955,419	178,223	1,850,000	2,028,223

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 0.05% (2015/2016: 1.12%). 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 2017 \$1,850,000 of the loan has been drawn with \$1,000,000 fixed until 31 January 2019 at 5.47%. The interest rate on the remaining \$850,000 at 30 June 2017 is 5.309%. Repayment of the loan commenced from October 2015. The facility has an expiry date of 30 September 2030.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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Bank Overdrafts

The Foundation has a bank overdraft limit of \$50,000. The interest rate for the facility is 6.87 % (2015/2016: 6.97%). This facility is presently unused.

Credit Card Facility

The Foundation introduced a credit card facility in April 2013. Two cards are linked to the facility. The Secretary holds a card with a \$7,000 limit and the Manager Numeralla holds the second with a \$3,000 limit. Cards are 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

(a) Fair value hierarchy

The following tables provide the fair values of the Foundation's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

30 June 2017

Recurring fair value measurements	Note	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets					
Available-for-sale Financial Assets:					
- shares in listed companies	(6)	4,729,626	-	-	4,729,626
Total financial assets recognised at fair value		4,729,626	-	-	4,729,626
Non-Financial Assets					
Property, plant and equipment	(7)	-	-	22,682,879	22,682,879
Total non-financial assets recognised at fair value		-	-	22,682,879	22,682,879

CB ALEXANDER FOUNDATION
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30 JUNE 2017

		30 June 2016			
	Note	Level 1	Level 2	Level 3	Total Fair Value
Recurring fair value measurements					
Financial Assets					
Available-for-sale Financial Assets					
- shares in listed companies	(6)	4,028,264	-	-	4,028,264
Total financial assets recognised at fair value		4,028,264	-	-	4,028,264
Non-Financial Assets					
Property, plant and equipment	(7)	-	-	22,671,614	22,671,614
Total non-financial assets recognised at fair value		-	-	22,671,614	22,671,614

(b) 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.

(c) Reconciliation of Recurring Level 3 Fair Value Measurements

	Property, plant and equipment	Total Level 3
Opening balance 1 July 2016	22,671,614	22,671,614
Total gains or losses		
- in net result ('other gains/losses')	-	-
- in other comprehensive income ('other increases/decreases in equity')	(95,620)	(95,620)
Purchases	302,785	302,785
Depreciation expense	(195,900)	(195,900)
Closing balance 30 June 2017	22,682,879	22,682,879

	Property, plant and equipment	Total Level 3
Opening balance 1 July 2015	22,685,087	22,685,087
Total gains or losses		
- in net result ('other gains/losses')	-	-
- in other comprehensive income ('other increases/decreases in equity')	(37,217)	(37,217)
Purchases	211,481	211,481
Depreciation expense	(187,737)	(187,737)
Closing balance 30 June 2016	22,671,614	22,671,614

Note 21 – Reserves

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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(a) Revaluation Surplus

The asset revaluation surplus records revaluations of non-current assets.

(b) Financial Assets Reserve

The financial assets reserve records revaluations of financial assets.

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

	2017	2016
	\$	\$
Operating Surplus / (Deficit) for the year	734,586	6,633,075
Non-cash flows in surplus:		
Depreciation	195,900	187,737
Impairment of available-for-sale assets	-	119,661
Fair value of investments bequeathed	-	(4,197,975)
Net loss on disposal of investments	-	-
Net (gain)/loss on disposal of plant and equipment	-	(6,364)
Changes in assets and liabilities:		
(Increase)/Decrease in Trade and Other Receivables	(165,375)	5,237
(Increase) / Decrease in Inventories	3,651	3,063
(Increase) / Decrease in Other Current Assets	(1,177)	1,101
Increase / (Decrease) in Trade and Other Payables	17,196	(3,869)
Increase / (Decrease) in Provisions	9,416	(33,078)
Net cash provided by operating activities	794,197	2,708,588

Note 23 - Commitments

At the reporting date, the Foundation has given an undertaking to purchase the following:

- a CCTV system at Tocal Homestead valued at approximately \$27,770; and
- the purchase of a replacement egg packing machine valued at approximately \$55,000.

Supply of these purchases will be finalised in 2018.

Note 24 - Contingent Liabilities

There were no contingent liabilities in respect of the Foundation as at 30 June 2017 (nil in 2016).

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.

CB ALEXANDER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017

Note 26 – Related Party Disclosure

During the year, the CB Alexander Foundation incurred Nil Expenses in respect of those key management personnel, having authority and responsibility for planning, directing and controlling the activities of CB Alexander Foundation

During the year, the Foundation did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

Terms and conditions with related parties

All transactions with related parties are conducted on an arm's length basis and on normal commercial terms. During the year, the Department of Industry provided the CB Alexander Foundation with administration services of \$201,500 (2016 \$104,352). The Department waived the costs in favour of the Foundation.

During the year, the Foundation entered into transactions with other entities that are controlled / jointly controlled / significantly influenced by NSW Government. These transactions (incurred in the normal course of business) in aggregate are a significant portion of the Foundation's revenue and expenses, and the nature of these significant transactions are detailed below.

Entity	Nature of Transaction
Audit Office of NSW	Independent audit services of the Trust's financial statements
Department of Industry	Administrative, secretarial support and operational assistance

Note 27 Events Subsequent to Balance Date

There are no known subsequent events as at the date of this report.

Note 28 – Foundation Details

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

End of Audited Financial Statements



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 2017, 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 2017, 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 on the financial statements.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under these standards are 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 the:

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

I have also fulfilled my other ethical responsibilities in accordance with APES 110.

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.

The Member's Responsibility for the Financial Statements

The members of the Foundation are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, 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 and fair presentation of the financial statements that 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 disclose, as applicable, matters related to going concern and the appropriateness of 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, and
- 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 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/auditors_files/ar3.pdf. 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

8 November 2017
SYDNEY



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 2017, 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 blue ink, appearing to read 'Margaret Crawford'.

Margaret Crawford
Auditor-General of NSW

8 November 2017
SYDNEY



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

Contact: Chris Giumelli
Phone no: 02 9275 7167
Our ref: D1729152/0100

8 November 2017

Dear Mr Hanson

STATUTORY AUDIT REPORT

for the year ended 30 June 2017

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 2017, 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 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 the matters you may find of governance interest. Therefore, other governance matters may exist that I have not reported to you.

My audit is continuous. If I identify new 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 that of 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.

The Appendix lists and explains the nature and impact of the misstatements contained in the financial statements.

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

A 2017 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, please seek consent from the Audit Office before releasing this report publicly. Agencies are advised to also seek approval from the Minister(s) and the Treasurer before publishing this report.

Acknowledgment

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

Yours sincerely



Margaret Crawford
Auditor-General

APPENDIX

Table One: Uncorrected monetary misstatements and disclosure deficiencies

Uncorrected monetary misstatements

The following uncorrected monetary misstatements were identified and discussed with management. The misstatements were discussed with Wayne Courtney on 27 September 2017. Management believes the effect of not correcting these misstatements is immaterial, individually and in aggregate, to the financial statements 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
	\$	\$	\$	\$
Judgemental misstatements				
To recognise costs relating to long-service leave provision not accounted for	--	(29,240)	--	29,240
Total impact if misstatements were corrected	--	(29,240)	--	29,240

Table Two: 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				
To adjust for incorrect share price used for investment valuation	(60,793)	--	--	60,793
To reclassify loan between current and non-current	--	1,760,000 (1,760,000)	--	--
Total impact of corrected misstatements	(60,793)	--	--	60,793