



CREATING



2017 ANNUAL REPORT
SYDNEY GAY AND LESBIAN MARDI GRAS LTD | ABN 87 102 451 785
MARDI GRAS ARTS LTD | ABN 41 158 800 018

SEASON HIGHLIGHTS: MARDI GRAS CREATING EQUALITY

Thank you for a spectacular Sydney Gay and Lesbian Mardi Gras 2017! The very best in LGBTQI creativity and diversity brought us together at more than 90 events from 17 February to 5 March.

Along with eye-popping, heart-warming, soul-soaring and life-affirming experiences, our festival also highlighted ways that we can work together to eliminate discrimination and prejudice in all its forms. No one is equal until we are ALL equal.

Our Mardi Gras spirit ignited in vibrant colours across the city in one of the world's greatest celebrations of creative self-expression and social justice.



MY PEOPLE | MY TRIBE

The 2017 Mardi Gras season theme CREATING EQUALITY artwork featured a selection of stunning stripped-down photographs from the ongoing My People | My Tribe photography project #barenakedtruth.

Our big and bold 20 metre long, 2.4 metre high EQUALITY letters were unmissable at Fair Day, the Parade and Party. Each letter featured a different participant from the My People | My Tribe community project, highlighting the wonderful diversity of our LGBTQI community. Each subject shared real-life experiences of coming out, facing adversity and discovering strength in uniqueness.



KOORI GRAS @ 107

A new addition to our program, Koori Gras @ 107 was a week-long festival all of its own, and a chance to discover Aboriginal and Torres Strait Islanders' long history of passionate involvement with Mardi Gras.

The Black Nulla cabaret night was packed with First Nations drag entertainers, the Black Point roundtable encouraged dialogue about local services and events, and the special Koori Gras exhibition provided glimpses into the shared stories and history for First People's gay, lesbian, bi-sexual, transgender, Sistagirl, Brothaboy, intersex and queer communities.

Koori Gras was produced by Moogahlin Performing Arts in association with 107 Projects, Intimate Spectacle and Sydney Gay and Lesbian Mardi Gras.



FAIR DAY

Newtown truly embraced the annual LGBTQI family fun day, with rainbow decorations at the train station along with many Mardi Gras posters and messages of support in the windows of local businesses lining King Street.

Tens of thousands of our closest friends and their precious pups joined us at 2017's Fair Day location, Camperdown Memorial Rest Park, to browse the 200+ stalls, sample the tasty treats, meet a variety of LGBTQI organisations, catch the action at Team Sydney's Sports Village, strut on stage showing off their fabulous Fashions of the Fair, and get their pooches pampered at ACON's Doggywood.

The excellent line-up of entertainment on the ANZ Main Stage included the fabulous Callum Francis from Kinky Boots, The Voice winner Alfie Arcuri, Melinda Schneider, Trevor Ashley, Swing Out Sydney, Aimee Francis, Hannah Conda, Greg Gould, the Sydney Gay and Lesbian Choir, DJ Kitty Glitter and many more.



MARDI GRAS COMEDY FESTIVAL

Mardi Gras had never been this hilarious before. We partnered with Frontier Comedy who presented the Mardi Gras Comedy Festival, bringing comedians from all over the world for a week of laughs! Joining us were Ireland's Panti Bliss, the UK's Stephen K Amos, the USA's Bridget Everett and Dixie Longate, and there were local acts galore too, all kicking off with a star-studded, fun filled, glittering and glamorous comedy gala.



ART GALLERY OF NSW HOSTS QUEER THINKING

Queer Thinking had a new home for 2017, and plenty of smart guests. The Art Gallery of NSW had a fabulously queer makeover sparking extraordinary storytelling, discussion, creativity and talent. The weekend featured a 'Queer Warhol' discussion of the artist's early works, and the EqualITEA Party featuring speakers Benjamin Law, Bonnie Hart, Teddy Cook, Jordan Raskopoulos, Jacqueline Tomlins and Be Steadwell. Later in the week, Politics in the Pub was brought to you by the Australian Marriage Equality Campaign at the Beresford Hotel.

"Cannot wait for next year, I think I've found my new favourite holiday!"
Andy Taylor on facebook



QUEER ART AFTER HOURS

Fun, fabulous... and free! Queer Art After Hours was a stunning showcase of the best new contemporary queer performing artists. A big crowd enjoyed our star-studded queer line-up: Glitta Supernova, Blake Lawrence, Matt Format, Brendan Maclean, Cocoloco, James Welsby, The Huxley's and Verushka Darling. What an amazing night of home-grown entertainment!



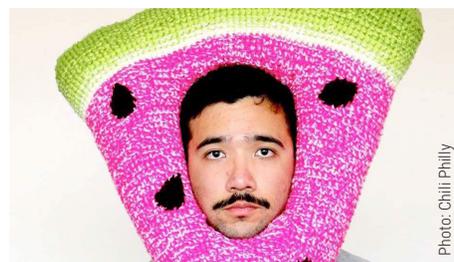
POOL PARTY

A splashy favourite event in our festival, the annual party at the Ivy Pool Club was our first event of 2017 to completely sell out. It was fun in the sun with glorious weather and plenty of tourists frolicking with the locals. Thanks to party guru Dan Murphy and DJs Du Jour, Matt Emblen, Andrew Gibbons, Brett Austin and Amanda Louise for their thumping poolside beats!



DIAMONDS ARE FOR TREVOR

The irrepressible Trevor Ashley provided a highlight of the Mardi Gras season, taking to the Opera House stage to celebrate Dame Shirley Bassey's 80th birthday with an incredible tribute show. With his trademark humour, unrivalled set of lungs, and sequins to spare, Ashley performed dozens of Bassey classics accompanied by a stunning 24-piece orchestra. Result: A standing ovation and smiles all around!



CHILI PHILLY: CROCHET SOCIAL

Witty knitter Phil Ferguson's wearable arts were on display at the Australian Design Centre all through Mardi Gras season. Igniting a crochet craze with the food-inspired cheeky designs that made him insta-famous.



SEASON HIGHLIGHTS



2017 PARADE

187 floats, 12,000+ participants, 300,000 spectators! 2017's Parade was truly spectacular. The passion and enthusiasm of waving participants and cheering spectators made for a truly awesome and inspiring experience.

While we celebrated our wonderfully colourful communities, we also had a number of floats dedicated to important issues. Marriage equality, refugees, mental health and the recognition of transgender rights were all represented widely in this year's Parade. We were also thrilled to have the First Nations float who worked together with the original 1978 Mardi Gras marchers to begin the Parade.

This year Mardi Gras partnered with Google to increase our capacity to provide individuals and community groups with grants up to \$5,000 each to support their parade entry. The grants program helped 16 community organisations lift their parade entries to a completely new artistic level.

Coverage of the Parade was popular for SBS, reaching a combined total of 1 million viewers across its screenings on SBS and SBS Viceland. Hosts Patrick Abboud, Faustina Agolley, Joel Creasey and Em Ruciano led the highlights show, while commentators from JOY 94.9 provided commentary during the live streaming online via Facebook, YouTube and the SBS On Demand website.



THE PARTY OF THE YEAR

Thousands of punters of all persuasions packed the Mardi Gras Party zones and danced the night away. The incredible line up of international and home grown music acts included The Veronicas, Client Liaison, Steve Grand, Sydney's Nat Conway, Peyton, Luke Anthony and DJs Sylvin Wood, Joelby, Corey Craig, THE SWEATS, Citizen Jane High Low, Anhy and local favourites Kate Monroe, DJ Tiny, Rob Davis, Dan Murphy, Oxford Hustlers, JimJam and DJ Mickey.

There were plenty of big shows on the RHI stage, while the Hordern Pavilion was a jungle of special effects as lasers cut through a real-life forest featuring wild performances and pop-up happenings, creating a bizarre world of debauchery and fun.



LANEWAY

We kissed goodbye to another magical memorable Mardi Gras season at The Beresford Hotel. Our Laneway party was another sell-out, farewelling the 2017 season in style, and featuring powerhouse vocalists Peyton, Zoë Badwi and Paulini in pop-up performances.

"What you do is create magical memories for thousands of people."

Jim Argent on facebook

CEO REPORT



Terese Casu
CEO

Our community around the world face violence and inequality because of who they love, how they look, or who they are. This year we experienced a groundswell within our community and our young people, awakening to the harsh reality that in our own civilised country, the fight for full LGBTQI equality, that we thought was so close... is far from over.

Sydney Gay and Lesbian Mardi Gras was built on the foundations of social justice. 39 years on we remain committed to supporting and working with our vibrant community to advocate for positive change and equality for all Australians. We honour the incredible tenacity and achievements of our community, and the amazing individuals across Australia that have worked so hard for social justice.

The 39th Mardi Gras was true to its theme: CREATING EQUALITY. Our staff and Board worked closely with our community and partners to celebrate LGBTQI identity, and the power and beauty of diversity.

Engagement with the community continues to be a priority for Mardi Gras and we were delighted to support over 90 community events across Sydney in our Mardi Gras Festival. We know we are stronger when we work together, 2017 was a testament to this. Our events sold out, corporate partnerships increased by 30%, and a number of exciting new creative partnerships were established including the Art Gallery of NSW, where we presented our Queer Thinking program and Queer Art After Hours that saw us taking over the Art Gallery with pop up queer

performances. The wonderful First Nations partnership Koori Gras at 107 Redfern Street provided a hub for Aboriginal cabaret and included a stunning exhibition by Tim Bishop of First Nations participation in Mardi Gras over 39 years.

I was honoured to lead the wonderful new Mardi Gras team in my first year as CEO and am privileged to be one of the caretakers of this extraordinary organisation. I would like to acknowledge all the leaders that have left a legacy at Mardi Gras over the last 39 years and thank them for their tireless commitment – you have not gone unnoticed. We were delighted to welcome our new Creative Director to the team, the indefatigable Greg Clarke who brought new vitality to our Parade and Festival. I would also like to express my gratitude to the Volunteer Manager Sam Hartland and the amazing team of volunteers in 2017. Mardi Gras was created and shaped by volunteers within the LGBTQI community and remain part of our vital life force.

My sincere thanks to our Co-Chairs and Board Directors who volunteer their time and provide leadership and support. And to all our incredible staff and every person who participated in working groups, helped raise funds, wrangled crowds, managed traffic, bandaged ankles, held a hand and danced until dawn... thank you!

We look forward to seeing you all next year for our fabulous 40th birthday celebrations.

CREATIVE DIRECTOR REPORT



Greg Clarke
CREATIVE DIRECTOR

What an incredible honour it was to have the opportunity to be the Creative Director of the 2017 Sydney Gay and Lesbian Mardi Gras. It was a joyous celebration in which our diverse communities came together to dance, play, be seen, be entertained and party.

Fair Day found a temporary home at Camperdown and our giant EQUALITY letters featuring the stunning My People | My Tribe photographs set the stage for what was an amazing day. The very timely theme of 'Creating Equality' was woven throughout the program and the giant EQUALITY letters were also on show at the Parade, forming a wonderful tableau for the opening ceremony in Taylor Square.

Our new partnership with the Art Gallery of NSW saw us present a number of special events around the Adman: Warhol before pop exhibition including Queer Thinking, a special new event Queer Art After Hours and the spectacular gold-glittered Warhol shoe float in the Parade.

We discovered the history of First Nation's involvement in Mardi Gras through an

extraordinary exhibition curated by Tim Bishop and produced by Moogahlin Performing Arts in association with 107 Projects, Intimate Spectacle and Sydney Gay and Lesbian Mardi Gras. We were thrilled to have welcomed the Tiwi Island Sistagirls to Sydney for Mardi Gras this year – they truly were one of the highlights of this year's Parade.

With thousands of party-goers from around the city, across Australia and all over the world, the Party was an unmissable extravaganza featuring The Veronicas, Client Liaison, Steve Grand and an exciting midnight community show featuring My People | My Tribe, community dancers, Sydney's fabulous drag queens, and singers Peyton, Greg Gould, Luke Anthony, Hannah Macklin and Nat Conway.

The 2017 Mardi Gras was an incredible achievement by all involved: from the participants, the artists, and the producers; the audiences and visitors; Mardi Gras staff, volunteers and the Board; and to our Government supporters and corporate partners.

Thank you everyone.

CO-CHAIR REPORT



Sydney Gay and Lesbian Mardi Gras has been Creating Equality since 1978. Members of the LGBTQI communities were doing so long before that, and have continued to do so ever since. Particularly so in Season 2017 as we partnered with My People | My Tribe and presented an amazing celebration of our diverse and resilient communities.

We remain one of the largest Pride parades, and one of the most recognised LGBTQI diversity and social justice organisations in the world. The Parade was once again at capacity with 12,150 members of the our LGBTQI communities and their supporters from all over the world marching in pride. Together with the street audience of over 300,000, and the SBS TV Broadcast reaching over 1,000,000 people, we came together in an explosion of colour and glamour to celebrate and champion equal rights.

This year also saw the consolidation of our transformation journey across the organisation that we outlined in our 2015 Annual report, which has resulted in another pleasing surplus.

We continued to build partnerships with other arts, theatrical and cultural organisations to reach an even broader audience. The Art Gallery of New South Wales provided the hub for several Festival events including Queer Art After Hours and Queer Thinking, while a highlight of this season was the

festival-within-the-festival that was Koori Gras, in partnership with 107 Projects. A vibrant showcase of the history of First Nation's involvement in Mardi Gras.

Our largest community event Fair Day moved temporarily to a new location in 2017 in Camperdown Memorial Rest Park. 75,000 friends and family celebrated together and provided us with the opportunity to reassess and review how Fair Day operates and how it can be even more spectacular.

We continued to invest in digital and social media channels that saw communications reach an audience of over 12 million and a circulation of 1.6 billion between the launch and end of season.

Work has already begun to catalogue and digitise the enormous amount of historical material available about our communities and celebrations. Our stories will reach regional, interstate and international audiences through a roaming Mardi Gras museum.

This year thanks to the work of our membership committee the organisation issued its new membership programme and member cards. Membership is now grown to 2,175 an increase of 706 on 30 June 2017.

Membership is now focused on aligning our members and organisation focus on the social justice impacts that effect our community. Mardi Gras is the creation of many people and we could not do any of this without the support of so many people and organisations working tirelessly each year:

Terese Casu, CEO and Greg Clarke, Creative Director brought their 60 years of arts, events and festival experience within LGBTQI and broader communities and created a truly memorable season.

Our volunteers, staff, working groups and committees who are the life-blood of our amazing organisation. No amount of thanks is ever quite enough. They are wonderful and extraordinary human beings.

Destination NSW as our strategic partner giving support and acknowledgement of the huge contribution we bring to NSW through visitors, both interstate and overseas.

Our government partner, City of Sydney, who supports the Parade and community conversations and believes as much as we do that Sydney Gay and Lesbian Mardi Gras is an essential part of the rich, colourful fabric of the city.

Our Principal Partner ANZ, who recognise that supporting Mardi Gras shows their employees and their customers that they truly embrace and support diversity.

This year we completed the final stages of our initial transformation plan:

- We restated our accounts to 30 June each financial year to coincide with acquittal of the grants and sponsorship programmes;
- We restated our financial statements for members to show performance between operating segments to help us better identify events for further investment or restructure which included the Main party and Harbour party;
- We made a strategic decision to be more inclusive of other event producers to expand the festival, and we assessed each event on set criteria to ensure they appealed to a more diverse audience;
- We continued to build more artistic partnerships with other organisations so they could become our voice and tell our stories;
- We brought sponsorship in-house to better manage costs and create better alignment with our sponsors internal staff diversity programmes;
- We completed a feasibility study of parade and determined that there would be no change to the parade route until at least 2025 due to transport construction programmes;

• We commenced cataloguing of our digital and recorded history to facilitate the roaming museum which will commence as part of the 2018 festival.

Now that the organisation has re-established its liquid reserve levels and has demonstrated it can generate sustained surpluses, it is now time to re-invest those future surpluses in the future of our festival and in our community.

PARADE GRANTS

This year we introduced a number of new Parade and Community Grants programmes in conjunction with our corporate sponsor Google.

Google contributed \$35,000 to create a Parade Grant programme to assist community organisations in putting floats into the parade.

ART AND COMMUNITY GRANTS

Next year Mardi Gras in conjunction with major sponsor ANZ will allocate a percentage of surplus operating funds to new community grants and arts programmes for the development of the Mardi Gras festival in the future.

PUBLIC GIFT FUND

This coming season Mardi Gras will co-fund with City of Sydney a new piece of artwork to be exhibited at Taylor Square during the 2018 season.

The organisation will contribute \$40,000 from its Public Gift Fund for the artwork, with \$80,000 in funding being provided by a special grant from the City of Sydney.

We continue to shine as a beacon of hope and diversity in Australia and around the world. We celebrate our LGBTQI identities and the power and beauty of diversity.

Each of us makes a difference, and together we make change. We have proved that time and again; and we continue to do so as we work together and celebrate together to Create Equality.

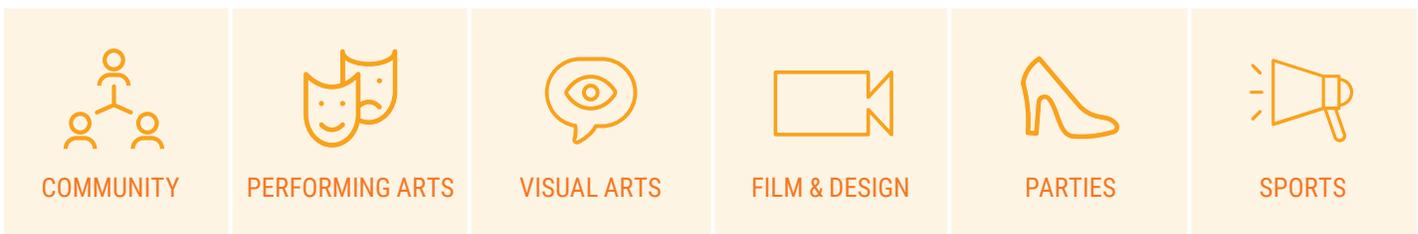


Damien Hodgkinson
CO-CHAIR

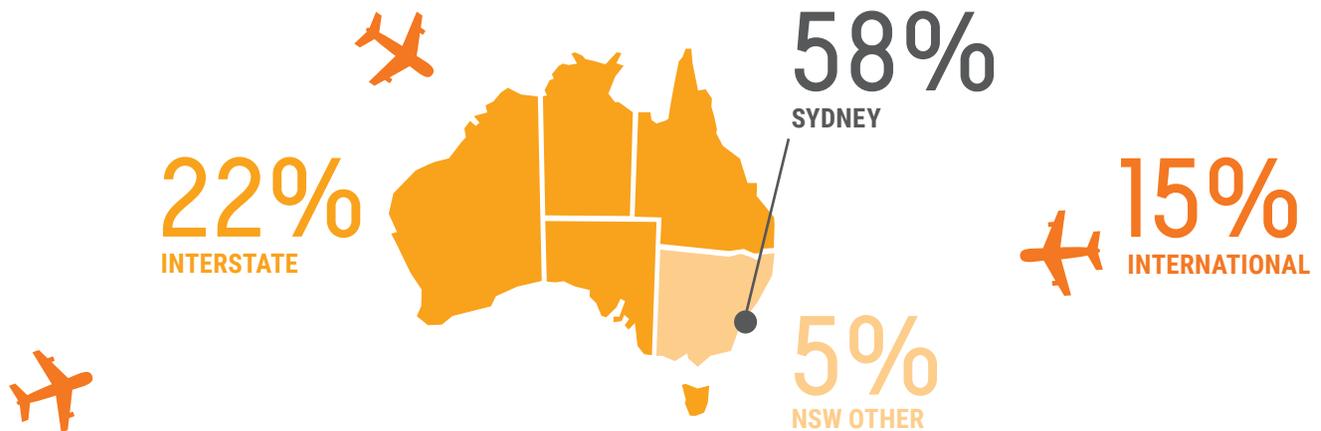
Fran Bowron
CO-CHAIR

mardigras.org.au

MARDI GRAS AT A GLANCE

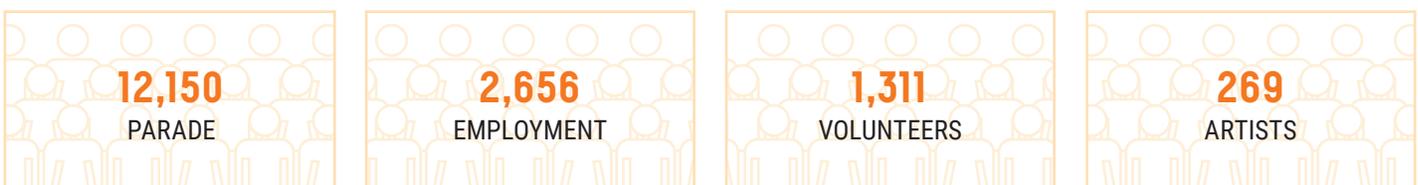


SGLMG ATTRACTS A DIVERSE NATIONAL AND INTERNATIONAL AUDIENCE TO SYDNEY EACH YEAR



37% of our attendees come from interstate or overseas. Mardi Gras is a key tourist destination as the largest LGBTQI festival of its kind in the world

Stollznow Audience Research 2017



* 500,000 Parade; 70,000 Fair Day; 12,007 Party; 2,641 Laneway; 1,700 Diamond Club; 1,973 Side Show; 700 Pool Party; 100 Queer Thinking.

SYDNEY GAY AND LESBIAN MARDI GRAS MEANS A LOT TO MANY



Mardi Gras 2017 Post-Event Research - April 2017 Stollznow Research and Insights Advisory



BROADCAST AND DIGITAL REACH VIA SBS AND VICELAND 2017

1.6 BILLION TOTAL CIRCULATION



2017 Media Results (8 Sep 16 - 31 Mar 2017 data) Cardinal Spin

12 MILLION DIGITAL REACH



From October 1st 2016 to March 12th 2017

mardigras.org.au

VOLUNTEERS



Photo: Hamid Mousa

Once again our extraordinary volunteer workforce helped us deliver a series of world-class events, made new friends, and had a fun and rewarding experience doing it! The 2017 SGLMG season saw over 1,300 volunteers joining our ranks, many volunteering for the first time but hopefully not the last.

“... the entire organization was flawless”

Stefano Mercanti on facebook

Some of the notable moments and achievements for the 2017 season include:

- Combined Volunteer Thank You and MG Awards afternoon on The Sky Terrace. A well-attended and social end to the season to say thank you and reflect on our collective achievements.
- MG season launch in December, which was supported by an engaging and professional team of volunteers who helped run the event.
- The Fair Day volunteer working group rose to the challenge of moving the event to a new park with energy and excitement, which provided the platform for the event to be a success.
- With the inclusion of Queer Art After Hours and Queer Thinking we were able to provide new and diverse volunteer engagement opportunities.
- Particular thanks must go to our core team of Workshop volunteers who supported us with all the painting and glittering they could handle.

Volunteers are the energy, spirit and life of Sydney Gay and Lesbian Mardi Gras.

WHY VOLUNTEER WITH US?

Sydney Gay and Lesbian Mardi Gras offers you the opportunity to meet new people, learn new skills, share and contribute to the organisation, learn about our communities and have a great time. At the same time, we offer invitations to social events and functions, your chance to be recognised in the annual Sydney Gay and Lesbian Mardi Gras Awards, discounted and complimentary tickets to our events, and products and services offered by sponsors from time to time.

WANT TO GET MORE INVOLVED?

Volunteer opportunities at SGLMG are wide-ranging and varied from event operations to information technology to human resources and logistics. Make sure you check out our website regularly for current volunteering opportunities available for you.

EVENT DAY OPPORTUNITIES

During season we have volunteering opportunities at all of our major events from Fair Day to Parade and everything in between! We usually start recruiting for event day volunteers in spring. All our volunteer opportunities are advertised through our website www.mardigras.org.au



VOLUNTEER OF THE YEAR 2017

Daniel Lester is our volunteer of the year 2017.

Daniel has shown leadership, teamwork, innovation, service and embodies all of the organisations values. Daniel has been volunteering with Sydney Gay and Lesbian Mardi Gras for over 15 years.

As a volunteer Daniel is communicative, passionate and selfless in his commitment to the organisation and his role. In his role as manager of the Parade registration team he plays a pivotal part in the success and smooth running of the Mardi Gras Parade. SGLMG are incredibly thankful to Daniel for the sharing of his skill, insight, management abilities and beautiful energy with us.

Congratulations!

ONGOING VOLUNTEER OPPORTUNITIES

In addition to our event day roles we have ongoing volunteer opportunities in a variety of different leadership, professional and skilled roles.

For more information or to see what current opportunities are available visit us at www.mardigras.org.au or contact us directly at volunteers@mardigrasarts.org.au



AWARDS



The Mardi Gras Awards signalled the official end to the spectacular 2017 season. The extended Mardi Gras family came together on a beautiful sunny afternoon at the Sky Terrace bar at The Star, to celebrate and acknowledge the incredible achievements of our communities throughout the season.



The Awards consisted of a number of different areas and categories. The recipients of the 2017 Sydney Gay and Lesbian Mardi Gras Awards were:

WORKFORCE AWARDS

EXCELLENCE IN INNOVATION
Alan O'Riordan and Rick Stone

EXCELLENCE IN SERVICE
Adrian Hinder

EXCELLENCE IN TEAMWORK
Louis Hudson

EXCELLENCE IN LEADERSHIP
Kim Williams

ICARE AWARD
Laura Fazzolari

VOLUNTEER OF THE YEAR
Daniel Lester

LIFETIME ACHIEVEMENT AWARD
Ann-Marie Callihanna

PARADE AWARDS

BEST CHOREOGRAPHY
Glamcocks

RON MUNCASTER AWARD FOR BEST COSTUME
The Force of Love

BEST FLOAT DESIGN
Poof Doof

BEST INDIVIDUAL OR SMALL GROUP
Wonder Mama and Friends

RON AUSTIN AWARD FOR MOST FABULOUS PARADE ENTRY
Oceania Rainbow Network

PARADE SPECIAL COMMENDATIONS
Sydney Rangers
Sydney Queer Irish
Sydney Trans Pride



FAIR DAY AWARDS

BEST STANDARD STALL
University of Sydney

BEST FOOD STALL
Berlin Bangers

BEST COMMUNITY STALL
The Gender Centre

FAIR DAY STALL OF THE YEAR
Uniting

FAIR DAY SPECIAL COMMENDATIONS
Pink Mountains
Rainbow Store
Rainbow Families



PARTNERSHIPS



Partnerships at Mardi Gras showcase the wonderful contribution that businesses make in the LGBTQI space through their diversity and inclusion initiatives with their own staff, and support of the broader community during Mardi Gras.

Mardi Gras prides itself on developing strong ties with business and government to deliver the annual festival. We partner with organisations that demonstrate a strong commitment to supporting the LGBTQI community both within their own staff and broader society. Through the generous support of its partners, via cash and contra investments, Mardi Gras is able to heavily subsidise community involvement in the festival, and spread the message of equality and diversity further in innovative ways.

In 2017, Mardi Gras employed a full-time Partnerships Manager and part time coordinator to bring the procurement and delivery of sponsorships in-house. This resulted in the authentic engagement with partners to respond to Mardi Gras 2017 theme of Creating Equality.

Mardi Gras cash income rose by 19% in 2017 compared to the previous year, with a combined government and corporate investment of \$1,998,760. Contra investment rose by 13% to \$499,300.

“Respect and Diversity are core values of our organisation, and we are proud to be a part of the Mardi Gras family”

Hayley Smith
Senior Manager Sponsorship, ANZ

Mardi Gras continued its important partnership with Strategic Sponsor, Destination NSW, helping to deliver the world acclaimed Mardi Gras Parade, and profile the festival as a key tourist attraction in Sydney and NSW. The City of Sydney also continued to support Mardi Gras and the LGBTQI communities in many ways in 2017.

Mardi Gras celebrated another fantastic year with Principal Partner, ANZ, who this year won three Cannes Lion awards for their Mardi Gras #Holdtight campaign. ANZ was named Australia’s 2017 Employer Of The Year, received the 2017 Transgender Inclusion Award, and ANZ’s Dave Beks was recognised as Out Role Model of the year at the LGBTI Inclusion Awards.

In 2017 SBS also continued its important relationship with Mardi Gras, and moved the national broadcast of Parade from SBS2 to SBS1, and increased the reach of community messaging via its affiliate broadcaster Viceland.

Mardi Gras welcomed back Major Partners: Medibank, Qantas, Airbnb, Facebook, Ansell, The Star and Brown Forman, and new Major Partners: Holden and MLA.

Mardi Gras received a record 1.6 billion engagements in the media this year due to our publicist, Cardinal Spin, and collaborative partnerships with: KIIS 1065, Sydney Star Observer, JOY FM, BuzzFeed, samesame and DNA magazine.

Mardi Gras official Supporters and Suppliers for 2017 were: ACON, IVFAustralia, Google, Lush, QT Sydney, Australia Post, Minter Ellison, V Energy, Barefoot Wines and Asahi.

Mardi Gras would also like to thank the important contribution made by our Festival and Venue Partners: Queer Screen,

COMMUNITY GRANTS

SGLMG with the support of Google provided a total of \$35,000 to community organisation in 2017 via the Community Parade Grants Program to support their Parade floats:

- AISSGA – intersex support group
- Selmat Datang
- People with Disability Australia
- Life Savers with Pride
- Trans Sydney Pride
- Sistagirls
- Psychedelic Love Float
- Sydney Women’s AFL
- GLAD – doctors and dentists
- Wett Ones Sydney Swim Team
- Inner City Legal Centre
- DAYENU – Jewish LGBTQI group
- Gay Tradies
- Oceania Rainbow
- Flourish Australia
- Different Stroke Dragon Boat Club
- Departure Lounge
(NT sexualhealth)

Art Gallery NSW, Moogahlin Performing Arts, Australian Design Centre, Playbill Venues, The University of Sydney and Frontier Comedy.

Each year Mardi Gras works with numerous production companies and suppliers to deliver the festival for audiences. In 2017 we’d like to thank Fourth Wall, Mothership Events, Hamiltons Hospitality, Playbill Venue Management, Max Watts and Norwest Productions for their incredible work during Sydney Gay and Lesbian Mardi Gras.



STRATEGIC SPONSORS



PRINCIPAL PARTNER



GOVERNMENT PARTNER



BROADCAST PARTNER



MAJOR PARTNERS



MEDIA PARTNERS



OFFICIAL SUPPORTERS AND SUPPLIERS



FESTIVAL PARTNERS



FINANCE REPORT

The Board of Directors of Sydney Gay and Lesbian Mardi Gras Ltd and Mardi Gras Arts Ltd are pleased to announce a surplus on operations for the year ended 30 June 2017 of \$173,780, building on our previous surplus for the year ended 30 June 2016 of \$183,068.

KEY PERFORMANCE INDICATORS

- Revenue for the year was \$5,421,523 a positive variance to budget of \$305,629 (Budget \$5,115,894) and improvement on previous year of \$5,071,619.

Ticket revenue was \$1,896,563 an improvement on budget of \$92,215 and in line with 30 June 2016 \$1,903,644 despite the exclusion this season of Harbourama.

We made the decision not to include Harbourama due to the loss incurred on the event in 2016 and the anticipated costs of bringing sponsorship in house.

The improvement in revenue was largely due to an increase in contra of \$304,597 being the growth in radio and media sponsorship.

- Costs of Sales (Events) for the year were \$3,290,928 in line with the budget of \$3,292,757, and an improvement on 30 June 2016 of \$283,207 (FY16 \$3,582,246). The reduced costs were a direct result of the discontinuation of Harbourama which lost \$109,254 in 2016.

- Gross profit (Margin) from events was \$2,122,483, \$299,346 ahead of budget (Budget \$1,823,137) driven by the increase in contra sponsorship.

- Overhead expenses for the year were \$1,956,814 compared to a budget of \$1,766,369 largely driven by overheads being \$244,326 below budget, but contra sponsorship being \$806,876 or \$314,304 ahead of budget (Budget \$492,572). The variance in Administration Overhead of \$246,353 is partly due to a reallocation of overheads directly to events.

FINANCE REPORT
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BUDGET TO ACTUAL

AREA	ACTUAL 2017	BUDGET 2017	VARIANCE TO BUDGET	ACTUAL 2016	VARIANCE TO 2016
	\$	\$	\$	\$	\$
INCOME					
TICKET SALES	1,896,563	1,804,347	92,215	1,903,644	(7,081)
LICENSES & FEES	521,705	469,097	52,608	493,866	27,839
SPONSORSHIP	1,986,310	2,099,010	(112,700)	1,880,025	106,285
SALE OF GOODS	89,270	94,043	(4,773)	106,756	(17,485)
MEMBERSHIP INCOME	31,346	27,791	3,555	34,992	(3,645)
DONATIONS	37,676	43,218	(5,542)	72,826	(35,150)
OTHER INCOME	37,475	61,808	(24,333)	98,511	(61,036)
CONTRA	821,176	516,579	304,597	481,000	340,176
TOTAL INCOME	\$5,421,523	\$5,115,894	\$305,629	\$5,071,619	\$349,903
COST OF SALES					
CONTRA	14,300	24,007	(9,707)	0	14,300
LICENSE & TICKETING FEES	93,991	100,079	(6,088)	102,408	(8,417)
VENUE	348,420	342,647	5,773	413,481	(65,061)
INFRASTRUCTURE	674,700	726,246	(51,546)	748,351	(73,651)
ENTERTAINMENT	230,312	261,573	(31,261)	242,164	(11,851)
PRODUCTION	498,305	473,106	25,199	463,187	35,117
SECURITY	200,680	134,963	65,717	146,754	53,926
EVENT PERSONNEL	643,403	682,253	(38,850)	877,324	(233,922)
MARKETING	259,053	179,976	79,077	172,577	86,476
OTHER EXPENSES	335,876	367,907	(32,031)	416,001	(80,125)
TOTAL COST OF SALES	\$3,299,040	\$3,292,757	\$6,282	\$3,582,246	(\$283,207)
GROSS PROFIT	\$2,122,483	\$1,823,137	\$299,346	\$1,489,373	\$633,110
EXPENSES					
ADMINISTRATION OH	179,586	426,353	(246,766)	427,260	(247,674)
OCCUPANCY COSTS OH	65,181	40,148	25,033	40,148	25,033
EMPLOYEE BENEFITS EXPENSE OH	835,187	760,392	74,795	321,492	513,695
PROFESSIONAL FEES OH	61,872	46,904	14,968	36,404	25,468
CONTRA EXPENSES OH	806,876	492,572	314,304	481,000	325,876
TOTAL EXPENSES	\$1,948,702	\$1,766,369	\$182,334	\$1,306,304	\$642,398
NET PROFIT/LOSS	\$173,780	\$56,768	\$117,013	\$183,068	(\$9,288)

BUSINESS AS USUAL PERFORMANCE – ORDINARY OPERATIONS

	YEAR ENDED 30 JUNE 2015	YEAR ENDED 30 JUNE 2016	YEAR ENDED 30 JUNE 2017
NET OPERATING SURPLUS REPORTED	(336,057)	183,068	173,780
ADDBACK NET ADJUSTMENT FOR 3 MONTHS	243,398		
12 MONTHS TO 30 JUNE	(\$92,659)	\$183,068	\$173,780
ADJUSTMENT NON-RECURRING COSTS			
STAFF REDUNDANCY	45,794		
ASSET WRITE DOWN	59,684		
CEO RECRUITMENT	21,794		
IN-HOUSE SPONSORSHIP		-	133,750
DIGITIZATION PROJECT		50,000	(50,000)
IT TRANSFORMATION		50,000	
FINANCIAL MODELLING		20,000	
PARADE FEASIBILITY(NET)	-	45,000	-
UNDERSTAFFING		(113,220)	
ADJUSTED BAU PERFORMANCE	\$34,613	\$234,848	\$257,530

This year's result evidences the enormous turnaround in our operations and the completion of a significant part of our transformation plan. In the last three years, we have rebuilt our liquid reserves to \$649,515, allowing the organisation to move into the next phase of its strategic re-development. This was the commitment we gave to members when they voted that the best way to protect our intellectual property was to create a sustainable organisation.

PERFORMANCE BY SEGMENTS

SEGMENT	2017: 12 MONTHS 1 JULY 2016 – 30 JUNE 2017					2016: 12 MONTHS 1 JULY 2015 – 30 JUNE 2016					
	REVENUE	COST OF EVENTS	GROSS PROFITS	OVER-HEAD	NET RESULT	REVENUE	COST OF EVENTS	GROSS PROFITS	OVER-HEAD	NET RESULT	VARIANCE
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
PARADE											
PARADE	1,789,400	790,531	998,869	965,714	33,156	1,476,802	837,467	639,335	372,372	266,963	(233,807)
PARADE VIEWING	455,129	358,686	96,444	102,858	(6,415)	357,161	303,927	53,234	114,890	(61,656)	55,241
WORKSHOP	381,890	388,790	(6,900)	47,146	(54,046)	304,199	329,016	(24,817)	118,707	(143,524)	89,478
SUBTOTAL PARADE	2,626,419	1,538,007	1,088,413	1,115,718	(27,305)	2,138,163	1,470,410	667,752	605,969	61,783	(89,088)
CELEBRATION											
MAIN PARTY	1,454,275	1,041,524	412,751	133,687	279,064	1,402,252	1,021,427	380,824	386,117	(5,292)	284,356
LANEWAY	164,842	91,769	73,073	35,436	37,637	154,772	93,874	60,897	35,486	25,411	12,226
SUBTOTAL CELEBRATION	1,619,117	1,133,293	485,824	169,123	316,701	1,557,023	1,115,302	441,722	421,603	20,119	296,582
FESTIVAL											
FAIR DAY	624,127	366,635	257,492	282,478	(24,986)	576,566	306,956	269,610	133,947	135,663	(160,649)
FESTIVAL	481,187	258,645	222,542	346,118	(123,576)	706,393	581,894	124,499	225,614	(101,114)	(22,462)
SUBTOTAL FESTIVAL	1,105,314	625,280	480,034	628,596	(148,562)	1,282,959	888,849	394,110	359,561	34,549	(183,111)
COMMUNITY											
GRANTS	24,417		24,417	2,440	21,977	31,545	0	31,545	0	31,545	(9,568)
MEMBERSHIP	46,256	2,461	43,788	32,825	10,969	38,730	2,654	36,075	1,003	35,072	(24,109)
SUBTOTAL COMMUNITY	70,673		68,205	35,265	32,940	70,274	2,654	67,620	1,003	66,617	(33,677)
OPERATING SURPLUS/ DEFICIENCY	5,421,523	3,299,040	2,122,475	1,948,702	173,780	5,048,419	3,477,216	1,571,204	1,388,136	183,068	(9,924)

FINANCE REPORT

PARADE GROUP

Overall Parade operations produced a small loss of \$27,305 a negative variance to budget of \$53,453 and \$89,088 to the prior year. The reduction in performance was largely driven by an increase in event costs including target hardening for security of \$111,979 which was in part offset by sponsorship.

CELEBRATION GROUP

Overall Celebration operations produced a profit of \$316,701 a positive variance to budget of \$313,756 and \$296,582 to the prior year. The improvement in performance was generated largely from improved ticket sales of \$125,107 and the reallocation of overheads \$105,033.

FESTIVAL GROUP

Overall Festival operations including Fair Day produced a loss of \$148,562 a negative variance to budget of \$186,604 and \$183,111 to the prior year. The reduction in performance was driven by increase in event costs and overhead allocations of \$106,512.

COMMUNITY GROUP

Overall Community operations produced a surplus of \$32,946 a positive variance to budget of \$43,313 and a negative variance of \$33,677 to the prior year. The improvement in performance is due to an increase in membership over the last 12 months. Membership has increased from 1,469 to 2,175.

INTERNAL FINANCE TEAM

This season we took the strategic decision on not to appoint a treasurer and to build financial capacity and knowledge within the business. This reduces the overall risk to the organisation of the need for qualified accountants or finance professionals at the Board level.

IMPORTANT NOTE CASH DONATIONS – QUEERSCREEN 2016

On page 9 of our 2016 Annual Report there was a reporting error under cash donations in respect to Queerscreen. The amount should have read \$4,290 and not \$15,871. Queerscreen received \$4,290 as revenue share in respect to In Bed with Madonna at Harbourama at \$5 per ticket.

The amount was incorrectly categorised as a donation in the body of our report. The amendment does not impact our financial statements in any way.

BROUGHT TO YOU BY

SYDNEY GAY AND LESBIAN MARDI GRAS (SGLMG) BOARD

For a full list of directors, refer to Directors' Report

COMPANY SECRETARY

Refer to Directors' Report

MARDI GRAS ARTS (MGA) BOARD

For a full list of directors, refer to Directors' Report

VOLUNTEER TEAMS

Audit and Risk Committee
Phil Kershaw
Stacey Dowson
Sarah Morgan
Alisdair Campbell

PEOPLE AND GOVERNANCE COMMITTEE

Fran Bowron
Brandon Bear
Aiden Read

MEMBERSHIP COMMITTEE

Silke Bader
Jesse Matheson
Matt Akersten
Robert Manser
Eve Lichtnauer

EVENTS COMMITTEE

Kat Dopper
Brandon Bear
James Brechney

DEVELOPMENT COMMITTEE

Jesse Matheson
James Brechney

FAIR DAY

Eamonn Lorraine
Dave Stevenson
Steve Lowe
Matthew Clark
Frank Iannilli
Mike Whalley
Cameron Dorrington
Shane Farr
Keiron Ng
Terry Everitt
John Hannaford

FUNDRAISING

John Hannaford
Mark Traves
Carrie Holland

PARADE

Sarah Pearce
Cameron Dorrington
Liz Dods
Darren Kelly
Adrian Hinder
Louis Hudson
Leonard Watson
Kim Williams
Peter Moody
Warren Bishop
Terry Everitt
Joel McKinnon
Frank Iannilli
Chris Flaherty
Alison Jaffee

STAFF

Terese Casu (CEO)
Greg Clarke (CREATIVE DIRECTOR)
Rebecca O'Donnell (FINANCE MANAGER)
Joanne Bonomo (FINANCE COORDINATOR)
Samantha Swain (OFFICE COORDINATOR)
David Martin Harris (PARTNERSHIPS MANAGER)
Thomas Murphy (PARTNERSHIPS COORDINATOR)
Matt Akersten (DIGITAL MANAGER & COMMUNITY LIAISON)
Grant Gillies (MARKETING MANAGER)
David Gillett (MARKETING MANAGER)
Anne Haebich (MARKETING COORDINATOR)
Andrea Vale (PARADE PRODUCER)
Emily Santiago (PARADE COORDINATOR)
Nuala Furtado (EVENT PRODUCER)
Luke Nutley (TALENT MANAGER)
Lucy Joseph (ACCREDITATION MANAGER)
George Savoulis (CREATIVE CONSULTANT)
Anthony Russell (PARADE CONSULTANT)
Lisa Gilbert (ADMINISTRATION COORDINATOR)
Hannah Clarke (ADMINISTRATION COORDINATOR)
Sam Hartland (VOLUNTEERS MANAGER)

WORKSHOP

Liz Carter (WORKSHOP MANAGER)
Le Lash
Andy Broadley
Simon Stratten
Ciaran Alcorn
Graham Reed
Trevor Spiers
Matina Moutzouris
Aron Dosiak
Dave Rae
Cassilda Parkinson

CONTRACTORS

Mothership Events
(PRODUCTION FOR PARADE, FAIR DAY, LANEWAY, SIDESHOW, DIAMOND CLUB)
Fourth Wall (PRODUCTION FOR MG PARTY)
Cardinal Spin (PR)
Milestone Creative (BRANDING/GRAPHIC DESIGN)
Pink Media (SPONSORSHIPS AND PARTNERSHIPS)



**SYDNEY GAY AND LESBIAN
MARDI GRAS LTD
ABN 87 102 451 785**

Financial Report
For the year ended 30 June 2017

mardigras.org.au





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SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' REPORT

The directors present their report together with the financial report of Sydney Gay and Lesbian Mardi Gras Ltd ("SGLMG") and its affiliate Mardi Gras Arts Ltd ("MGA") (together referred to as "the Group") for the year ended 30 June 2017 and auditor's report thereon.

List of Directors and Term of Office

The names and details of the Groups' directors in office at any time during or since the end of the year are set out below. The number of meetings of directors held during the year and the number of meetings attended by each director are further set out below.

Directors were in office since the start of the year to the date of this report unless otherwise stated.

Name	Date appointed	Date Retired	Board Meetings	
			A	B
Frances Bowron	4 September 2013	12 May 2017	15	16
Darren Bruce	6 February 2014	12 November 2016	4	6
Damien Hodgkinson	16 May 2014		18	18
Gregory Small	24 August 2014	12 November 2016	6	6
James Brechney	24 August 2014		13	18
Brandon Bear	24 August 2014		17	18
Silke Bader	14 November 2015		15	18
Aidan Read	14 November 2015	31 May 2017	14	17
Jesse Matheson	12 November 2016		13	13
Kat Dopper	12 November 2016		12	13

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

All directors were eligible to attend all meetings held.

Committee Membership

As at the date of this report, the Group had a Governance Audit and Risk Committee. Grant MacKinnon was Chair and Phillip Kershaw and Stacey Dowson were the Co-Chairs of the Governance Audit and Risk Committee during the reporting year.

Members acting on that committee as at the date of this report were:

Name

Phillip Kershaw (Independent Co-Chair)
Stacey Dowson (Independent Co-Chair)
Sarah Morgan (Independent Member)
Alisdair Campbell (Independent Member)

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' REPORT

Information on Directors

Damien Hodgkinson is a non-executive director of Ceramic Fuel Cells Limited (CFU) a listed litigation management and manufacturing business on the Australian Stock Exchange Limited.

None of the other current directors, who were directors during this financial year of MGA, are currently directors of any publicly listed companies, nor have they had any such roles in the last 3 years.

Name	Qualifications	Experience	Special Responsibilities
Frances Bowron (retired)	BA (Political Theory & Sociology) Masters of Technology Management Masters of Human Rights Law and Policy Certified MSP (Managing Successful Programs) Practitioner Cert IV Training & Assessment	Board member for 5 years Women's Committee 2 years WIC Board for 4 years Contract project and program manager in public and private sector	Co-Chair Governance Audit and Risk Committee People & Governance Committee
Damien Hodgkinson	Registered Liquidator Chartered Accountant	Board member for 4 years Chartered Accountant for 30 years. Managing Director of DEM Australasia	Co-Chair Public Fund Committee Budget Working Group Governance Audit and Risk Committee
James Brechney		Board member for 4 years DIY Rainbow Previously executive and board member of ALSA, Northside Broadcasting Co-Operative	Events Committee Development Committee
Brandon Bear	Obtaining Bachelor of Arts, University New England	Board Member for 4 years Board associate for 18 months Ten years of experience in small not for profit governance in youth & community sector	Chair – Events Committee People and Governance Committee

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' REPORT

Information on Directors (continued)

Name	Qualifications	Experience	Special Responsibilities
Darren Bruce (retired)	MHRM BA Information Systems Cert IV Business (Frontline Management) Masters of Human Resource Management	Board member for 3 years Human Resource management in Public Sector Co-Developer of I-CARE	Public Fund Committee Parade Transformation Working Group
Gregory Small (retired)	BA Business, Associate Diploma Business, Cert IV Front Line Management	Board member for 2 years and in previous years including 2007-09, 2013 Manages supply chain logistics operations in Australia and overseas	Co-Chair Chair of Constitution Working Group Budget Working Group
Aidan Read (retired)	BA Business, MBA	Board member for 1 year, Director for 1 year for Human Capital Management, Performance & Reward Specialist in Financial Services	Co-Chair of People & Governance Committee Co-Chair of the Events Committee
Jesse Matheson	Communications (Journalism)	Board member for 7 months, Marketing and Communications team 2010, volunteer member of the organisation's Event Creative, Youth and Membership working groups. Currently studying a Masters of Public Policy.	Membership Committee (Chair) Relationship & Development Committee
Silke Bader	BA Business	Board member for 8 months Publisher, CEO and Editor In Chief for LOTL Magazine since 1999	Co-Chair Membership Committee
Kat Dopper	BA Business, MBA	Board member for 7 months, Executive Event Producer for many brands and charities plus larger organisations such as Destination NSW & the City of Sydney, Founder and Director of Heaps Gay	Events Committee

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, no directors had any interests in the shares and options of the Group.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' REPORT

Company Secretary

David Imrie

David Imrie was appointed as Company Secretary of SGLMG on 28 July 2015 and resigned on 9 October 2016.

Tai Phan

Tai Phan was appointed as Company Secretary of SGLMG on 26 October 2016.

Short-term and Long-term Objectives

The consolidated group's short-term objectives are to:

- Continue to organise and co-ordinate events of celebration, commemoration and protest; and engage in other activities as part of the lesbian, gay, bisexual, transgender, queer and intersex LGBTQI community;
- Consistently achieve events excellence through creativity, production value, community participation;
- Review and re-vision the organisation to meet the needs of its members and the community;
- Return the group to financial sustainability; and
- Increase the reserves of the consolidated group to ensure long term sustainability.

The consolidated group's long-term objectives are to:

- Organise and co-ordinate events of celebration, commemoration and protest; and engage in other activities as part of the gay, lesbian, transgender, bisexual, queer and intersex community;
- Increase visibility of the organisation within the wider community;
- Increase visitation to the organisations events and programs both locally and overseas;
- Consistently achieve events excellence;
- Enhance events to ensure long term financial sustainability; and
- Increase the reserves of the consolidated group to ensure long term sustainability.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Increase artistic and production excellence;
- Better involvement from and consultation with our members and community;
- Open and considered processes to recruit and retain talented people;
- Better decision making, planning and budgeting at all levels of the organisation; and
- Rigorous financial planning, monitoring, risk mitigation and cost control.

Key Performance Measures

The Group measures its performance through the use of both quantitative and qualitative benchmarks to assess the financial sustainability of the Group and whether the Group is achieving its short-term and long-term objectives.

The Group undertakes a number of surveys which assist in the measurement of a number of key performance measures, including:

- Attendance statistics;
- Unique visitation statistics;
- Financial impact;
- Satisfaction levels;
- Volunteer numbers; and
- Member numbers.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' REPORT

Key Performance Measures (continued)

The Group also undertakes the measurement of the profitability and key financial ratios of each of the events that the Group stages during the year.

Principal Activities

The principal activities of the Group during the year were the organisation and co-ordination of an annual LGBTQI cultural and arts festival which produced events of celebration, commemoration and protest as a key part of advancing the community development and promoting the health and wellbeing of the LGBTQI community.

SGLMG is also the parent entity of MGA which forms part of the consolidated group. MGA activities during the year were the organization of fund raising activities administration of the MGA Gift Fund, the operation of the creative workshop, and the provision of management and administration services to SGLMG.

No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

Going Concern

The Group will always be reliant on the support for its events from investors, sponsors, members and community. The directors have undertaken a review of the organizational operating structure and consider that with effective cost control and cash management, the Group will continue to operate and provide services to its members, non-members and the community as a whole.

Significant Events after the Balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Environmental Regulation and Performance

The Group's operations are not registered by any significant environmental regulation under laws of the Commonwealth or of a State or Territory.

Indemnification and Insurance of Directors and Officers

During the year, the Group paid a premium, to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors and officers.

Subject to some exceptions, the liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' REPORT

Indemnification and Insurance of Directors and Officers (continued)

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

Indemnification of Auditors

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Public Company Limited by Guarantee

The entity, SGLMG, is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the entity. Based on the number of members as at 30 June 2017, the total amount that members of SGLMG are liable to contribute if SGLMG is wound up is \$2,125 (2016: \$1,415).

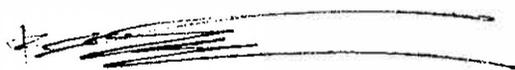
Auditor's Independence Declaration

A copy of the auditor's declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

Signed in accordance with a resolution of the Board of Directors:

Director

Director



Brandon Bear



Damien Hodgkinson

Dated this 4th August 2017



Ernst & Young
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Sydney NSW 2000 Australia
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Auditor's Independence Declaration to the Directors of Sydney Gay and Lesbian Mardi Gras Limited

In relation to our audit of the financial report of Sydney Gay and Lesbian Mardi Gras Limited for the financial year ended 30 June 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Daniel Cunningham
Partner
4 August 2017

Independent Auditor's Report to the Members of Sydney Gay and Lesbian Mardi Gras Limited

Report on the Financial Report

Opinion

We have audited the financial report of Sydney Gay and Lesbian Mardi Gras Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2017 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

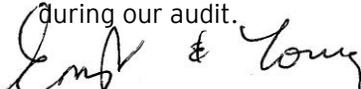
Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

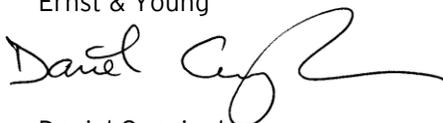
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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



Ernst & Young



Daniel Cunningham
Partner
Sydney
4 August 2017

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Ticket sales	1,896,563	1,903,644
Sponsorship	1,986,310	1,880,025
Membership income	31,346	34,992
Stallholder fees	138,709	124,537
Sale of goods	89,270	106,756
Festival revenue	344,175	337,093
Contra revenue	821,176	481,000
Parade entry fees	38,822	32,236
Donations	37,676	72,826
Other income	<u>35,290</u>	<u>75,310</u>
	<u>5,419,337</u>	<u>5,048,419</u>
Cost of sales	<u>3,863,010</u>	<u>3,477,215</u>
Gross profit	<u>1,556,327</u>	<u>1,571,204</u>
Occupancy costs	16,003	12,358
Employee benefits expense	915,858	728,939
Insurance	54,117	61,957
Amortisation of intangible software	914	15,568
Depreciation of property, plant and equipment	23,781	18,310
Disposal of assets	-	20,539
Bad debt expense	-	27,652
Operating lease rental expenses	49,178	27,790
Marketing & communications	189,318	299,936
Professional fees	61,872	36,404
Other expenses	<u>71,862</u>	<u>137,963</u>
	<u>1,382,903</u>	<u>1,387,416</u>
Results from operations	<u>173,424</u>	<u>183,788</u>
Interest income	2,185	3,456
Finance costs	<u>(1,829)</u>	<u>(4,176)</u>
Net finance income	<u>356</u>	<u>(720)</u>
Net profit before income tax expense	<u>173,780</u>	<u>183,068</u>

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Profit before income tax expense / (income tax benefit)	173,780	183,068
Income tax benefit / (income tax expense)	<u>-</u>	<u>-</u>
Profit for the year attributable to members of the group	173,780	183,068
Other comprehensive income	-	-
Income tax benefit / (income tax expense)	<u>-</u>	<u>-</u>
Other comprehensive income, net of tax	<u>-</u>	<u>-</u>
Total comprehensive profit for the year, net of tax	<u>173,780</u>	<u>183,068</u>
Total comprehensive profit attributable to members of the group	<u>173,780</u>	<u>183,068</u>

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	2017	2016
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	603,033	577,856
Trade and other receivables	8	141,062	157,428
Inventories	9	800	800
Other current assets	10	<u>-</u>	<u>3,924</u>
TOTAL CURRENT ASSETS		<u>744,895</u>	<u>740,008</u>
NON-CURRENT ASSETS			
Property, plant and equipment	11	56,249	59,837
Intangible assets	12	<u>11,985</u>	<u>12,899</u>
TOTAL NON-CURRENT ASSETS		<u>68,234</u>	<u>72,736</u>
TOTAL ASSETS		<u>813,129</u>	<u>812,744</u>
CURRENT LIABILITIES			
Trade and other payables	13	63,037	250,447
Other liabilities	14	67	4,488
Employee benefits liabilities	15	<u>32,538</u>	<u>14,049</u>
TOTAL CURRENT LIABILITIES		<u>95,642</u>	<u>268,984</u>
NON-CURRENT LIABILITIES			
Other liabilities	16	<u>-</u>	<u>54</u>
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>54</u>
TOTAL LIABILITIES		<u>95,642</u>	<u>269,038</u>
NET ASSETS		<u>717,487</u>	<u>543,706</u>
EQUITY			
Issued capital		-	-
Retained earnings		<u>717,487</u>	<u>543,706</u>
TOTAL EQUITY		<u>717,487</u>	<u>543,706</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2016	-	543,706	543,706
Profit for year	-	<u>173,780</u>	<u>173,780</u>
Total comprehensive profit for the year	-	<u>173,780</u>	<u>173,780</u>
Balance at 30 June 2017	-	<u>717,486</u>	<u>717,486</u>

	Issued Capital \$	Retained Earnings \$	Total Equity \$
As at 1 July 2015	-	360,638	360,638
Profit for year	-	<u>183,068</u>	<u>183,068</u>
Total comprehensive profit for the year	-	<u>183,068</u>	<u>183,068</u>
Balance at 30 June 2016	-	<u>543,706</u>	<u>543,706</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
OPERATING ACTIVITIES			
Receipts from customers		5,100,500	4,952,365
Payments to suppliers and employees		(5,057,315)	(4,653,128)
Interest Paid		-	(4,176)
Interest received		<u>2,185</u>	<u>3,456</u>
Net cash flows from operating activities	23	<u>45,370</u>	<u>298,517</u>
INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	300
Purchase of property, plant and equipment		<u>(20,193)</u>	<u>(42,693)</u>
Net cash flows used in investing activities		<u>(20,193)</u>	<u>(42,393)</u>
Net increase in cash and cash equivalents		25,177	256,124
Cash and cash equivalents at beginning of financial year		<u>577,856</u>	<u>321,732</u>
Cash and cash equivalents at end of financial year	7	<u><u>603,033</u></u>	<u><u>577,856</u></u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Corporate information

The consolidated financial statements of Sydney Gay and Lesbian Mardi Gras Ltd and its subsidiary (collectively, the 'Group') for the year ended 30 June 2017 were authorised for issue in accordance with a resolution of the directors on 4th August 2017.

Sydney Gay and Lesbian Mardi Gras Ltd ('SGLMG', The Company or the parent) is a company limited by guarantee domiciled in Australia.

The Group's principal place of business and contact details are:

Address: Suite 6, 94 Oxford Street,
Darlinghurst NSW 2010
Telephone: 02 9383 0900
Email: reception@mardigrasarts.org.au
Web address: www.mardigras.org.au

The consolidated financial statements of the Group as at and for the year ended 30 June 2017 comprise the Company and its controlled entity (together referred to as the 'Group' and individually as 'Group entities'). The Group is a not-for-profit group and is primarily involved in event management and the production and co-ordination of the Sydney Gay and Lesbian Mardi Gras Festival.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The consolidated financial statements are for the entity consisting of SGLMG and its controlled entity Mardi Gras Arts Ltd.

Note 2: Basis of preparation

(i) Statement of Compliance

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. SGLMG is part of a not-for-profit entity for the purpose of preparing the consolidated financial statements.

The consolidated financial statements of SGLMG comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB) and requirements of the NSW Charitable Fundraising Act and Regulations.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 4th August 2017.

(ii) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 2: Basis of preparation (continued)

(iii) Functional and presentation currency

Items included in the consolidated financial statements of SGLMG are measured using the currency of the economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(iv) Use of estimates and judgements

The preparation of consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 6.

(v) Comparative figures

Comparatives figures have been adjusted to conform with changes in presentation of current financial year.

Note 3: Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements, and have been applied consistently by the Group.

(a) Consolidation

SGLMG has the same Board of Directors as Mardi Gras Arts Ltd. This consolidated financial report reports the consolidated results of both entities.

(b) Foreign currency

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 3: Significant accounting policies (continued)

(c) *Financial instruments*

The Group initially recognises loans and receivables on the date that they are originated. Non-derivative financial assets are split into the following categories:

- financial assets at fair value through profit or loss,
- held-to-maturity financial assets,
- loans and receivables and
- available-for-sale financial assets.

(i) Non-derivative financial assets

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Note 3: Significant accounting policies (continued)

(ii) Non-derivative financial liabilities

All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Other financial liabilities comprise loans and borrowings, bank overdrafts and trade and other payables.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(d) *Property, plant and equipment*

Items of property, plant and equipment are measured at historical cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative periods of significant items of property, plant and equipment are as:

- Leasehold improvements 5 years or until expiration of lease
- Plant and equipment 4 or 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 3: Significant accounting policies (continued)

(e) *Intangible assets*

(i) Trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from 10 to 30 years.

(ii) Software including www.mardigras.org.au website

Acquisition costs incurred in developing the Website and acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software. Amortisation is calculated on a straight-line basis over periods of 3.7 years.

(f) *Inventories*

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

(g) *Impairment*

The carrying amounts of the Group's non-financial assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

(h) *Employee benefits*

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the year in which the employees render the related service are measured at the amounts expected to be paid when the liabilities are settled. All short-term employee benefit obligations are presented as Trade and other payables.

(ii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting year are discounted to present value.

(iii) Retirement benefit obligations

Contributions payable by the Group to an employee superannuation fund are recognised in the statement of financial position as a liability, after deducting any contributions already paid and in the income statement as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 3: Significant accounting policies (continued)

(i) *Revenue recognition*

(i) Sale of goods – retail

The Group sells tickets to events directly and through third party ticket agencies. Revenue from the sale of tickets to events is recognised upon delivery of the service to the customer. Third party ticketing agencies usually remit ticket money within 14 days of the event being held. Revenue from the sale of other goods to customers is recorded on delivery of the goods to customers.

(ii) Membership subscriptions

Revenue from members' subscriptions revenue is recognised at the point in time when substantially all of the benefits are received by the members. Revenue is recognised when the Sydney Gay and Lesbian Mardi Gras Season occurs, at which time members are able to receive the benefit of discounted tickets to events.

Deferred membership revenue is carried forward for 3 year memberships extending to season 2018.

(iii) Donations

Revenue from donations is recognised when the Group receives donations or where the Group has an unconditional commitment from the donor.

(iv) Contra revenue and expense

Revenue from contra revenue and expenditure is recognised when the Group receives "in kind" goods and services. When the contribution does not represent an asset at balance date, the Group recognises an expense and associated revenue for these "in kind" goods and services in the consolidated financial report. Where the "in kind" goods and services represent an asset at balance date, both the asset and revenue are recognised in the consolidated financial report.

(v) Sponsorship income

Sponsorship income in respect of an event is recognised on the day that the event occurs. Sponsorship not directly related to events is recognised as income in the year in which sponsorship benefits are bestowed.

(vi) Licence fees

Licence fees are recognised when the right to receive the revenue has been established.

(viii) Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

(j) *Government grants*

Grants from the City of Sydney and Destination NSW are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will have complied with any conditions associated with the grant. Event specific grants are brought to account on the day that the event occurs.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 3: Significant accounting policies (continued)

(k) Leases

(i) Leased assets

Assets held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases (Note 21).

(ii) Lease payments

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(l) Income tax

No income tax expense or benefit for the year has been recorded (Note 5).

(m) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise bank fees and interest on loans and short-term funding.

(n) Going Concern

The Group will always be reliant on the support for its events from investors, sponsors, members and community. The directors believe that through tight budgetary controls and effective cash management, the Group will continue to operate and provide services to its members, non-members and the community as a whole.

(o) Changes in accounting policies, new and amended standards and interpretations

Management and the directors are evaluating the financial impact and effect of the introduction of IFRS 15 and 16 on the entity for the year ended 30 June 2018 and future years. For the year ended 30 June 2017, there is no financial impact and effect.

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where:

- the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).
- receivables and payables are stated inclusive of the amount of GST receivable from, or payable

The net amount of GST recoverable from or payable to the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 4: Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group does not use derivative financial instruments because the Group does not have direct interest rate risk, borrowings and direct currency exposures for overseas artists are minimal and limited in terms of timing and as such, they are not hedged and they are converted to foreign currency at the date of payment of the fees.

Note 5: Income Tax

The Group has sought and received independent advice confirming that the Group is income tax exempt for the periods ended 30 June 2003, 2004 and 2005, and continued to self-assess for the years ended 30 June 2006, 30 June 2007, for the nine months ended 31 March 2008, and the periods ended 31 March 2009, 31 March 2010, 31 March 2011. The Company was registered as a charity with the Australian Taxation Office with effect from 3 December 2012 and was tax exempt from the same date.

Note 6: Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

The Group does not believe that any significant judgments, estimates and assumptions have been made in applying accounting policies that will impact upon amounts recognised in the consolidated financial statements.

Note 7: Cash and cash equivalents

Cash at bank

	2017	2016
	\$	\$
	<u>603,033</u>	<u>577,856</u>
	<u>603,033</u>	<u>577,856</u>

(a) Reconciliation to cash at the end of the year

The above figures agree to cash at the end of the financial year as shown in the consolidated statement of cash flows.

(b) Risk exposure

The group's exposure to interest rate risk is discussed in Note 4. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of cash and cash equivalents mentioned above.

(c) Public Fund

As at the end of the year, an amount of \$94,578 is held as part of the MGA public fund and is not available for use as general working capital. Withdrawals from the public fund are subject to approval of the Public Fund Committee in accordance with the requirements set out by the Register of Cultural Organisations, "ROCO".

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 8: Trade and other receivables	2017	2016
	\$	\$
Trade receivables	141,060	180,734
Provision for doubtful debts	<u>-</u>	<u>(26,157)</u>
	141,060	154,577
Other receivables	<u>2</u>	<u>2,851</u>
Trade and other receivables	<u><u>141,062</u></u>	<u><u>157,428</u></u>

Trade receivables are non - interest bearing and are generally on terms of 30-90 days. During the year \$0 of debt was written off (2016: \$1,495)

(a) Impaired receivables

As at 30 June 2017, trade receivables of \$0 (2016: \$26,157) were impaired and fully provided for. The provision for impairment of receivables is as follows:

Up to 3 months	-	-
Over 3 months / under 6 months	-	-
Over 6 months	<u>-</u>	<u>26,157</u>
	<u><u>-</u></u>	<u><u>26,157</u></u>

(b) Past due but not impaired

As at 30 June 2017, trade receivables of \$36,176 (2016: \$34,172) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these past due trade receivables is as follows:

Up to 3 months	-	-
Over 3 months / under 6 months	-	34,172
Over 6 months	<u>36,176</u>	<u>-</u>
	<u><u>36,176</u></u>	<u><u>34,172</u></u>

(c) Not past due and not impaired

The current trade receivables of \$104,884 (2016: \$120,955) and current other receivables of \$0 (2016: \$2,851) are not past due. Based on the credit history, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

(d) Other receivables

These amounts generally arise from transactions which have not been invoiced as at year-end, but accrued to match revenues with expenses incurred.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 9: Inventory	2017	2016
	\$	\$
Inventory – At cost	<u>800</u>	<u>800</u>

Inventory comprises of auction items held for re-sale. As at 30 June 2017, inventory of \$0 (2016: \$12,015) was written off as obsolete.

Note 10: Other current assets

Bonds & deposits	<u>-</u>	<u>3,924</u>
	<u>-</u>	<u>3,924</u>

(a) Impaired other current assets

As at 30 June 2017, no other current assets were impaired.

(b) Past due but not impaired

As at 30 June 2017, no other current assets were past due.

(c) Other current assets

Bonds & Deposits are non-interest bearing and represent security deposits.

Note 11: Property, Plant and equipment

Plant and equipment

Cost or fair value	244,160	228,008
Accumulated depreciation	(187,911)	(164,130)
Provision for impairment	<u>-</u>	<u>(4,041)</u>
	<u>56,249</u>	<u>59,837</u>

Leasehold improvements

Cost or fair value	77,827	77,827
Accumulated depreciation	<u>(77,827)</u>	<u>(77,827)</u>
	<u>-</u>	<u>-</u>
Net property, plant and equipment	<u>56,249</u>	<u>59,837</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Movements 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.

	Plant & equipment	Leasehold improvements	Total
	\$	\$	\$
2017			
Opening net book amount	59,837	-	59,837
Additions	20,193	-	20,193
Depreciation charge	<u>(23,781)</u>	<u>-</u>	<u>(23,781)</u>
Closing net book amount	<u>56,249</u>	<u>-</u>	<u>56,249</u>

2017	2016
\$	\$

Note 12: Intangible assets

Software

Cost or fair value	53,230	62,613
Accumulated amortisation	(53,230)	(53,239)
Disposal	<u>-</u>	<u>(9,374)</u>
	<u>-</u>	<u>-</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 12: Intangible assets (continued)		
Trademarks and Domain Names		
Cost or fair value	18,877	22,092
Accumulated amortisation	(6,892)	(5,969)
Disposal	-	(3,224)
	<u>11,985</u>	<u>12,899</u>
Net intangible assets	<u>11,985</u>	<u>12,899</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial year.

	Software	Trademarks & Domain Names	Total
	\$	\$	\$
2017			
Opening net book amount	-	12,908	12,908
Amortisation charge	-	(924)	(924)
Closing net book amount	<u>-</u>	<u>11,985</u>	<u>11,985</u>

	2017	2016
	\$	\$
Note 13: Trade and other payables		
Trade payables	49,388	219,636
Goods & services tax	-	3,661
Other payables	<u>13,649</u>	<u>27,150</u>
	<u>63,037</u>	<u>250,447</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 14: Other liabilities		
CURRENT		
Membership subscriptions paid in advance	<u>67</u>	<u>4,488</u>
	<u>67</u>	<u>4,488</u>
NON-CURRENT		
Membership subscriptions paid in advance	<u>-</u>	<u>54</u>
	<u>-</u>	<u>54</u>

Note 15: Employee benefits liabilities

Liability for superannuation	-	5,081
Liability for annual leave	<u>32,538</u>	<u>8,968</u>
	<u>32,538</u>	<u>14,049</u>

Note 16: Member guarantee

SGLMG is incorporated with the liability of members limited by guarantee. In accordance with the SGLMG constitution, the liability of each member is limited to \$1.00 in the event SGLMG is wound up. All memberships are of 1 year duration unless otherwise stated.

The number of members at the end of the financial year was:

	2017	2016
	No.	No.
Friends with benefits	31	341
Friends	1,912	392
Friends with benefits, 3 year	12	494
78ers	40	35
Friendly Organisation	-	1
Friends overseas	<u>130</u>	<u>152</u>
	<u>2,125</u>	<u>1,415</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 17: Key management personnel		
Key management personnel compensation		
Key management personnel compensation	_____ -	_____ -

All directors provide their services on a voluntary basis and do not, other than for reimbursement of approved expenses incurred, receive remuneration from the Group. The directors were considered to be the only Key Management Personnel of the Group because they are the only persons having authority and responsibility for planning, directing and controlling the activities of the Group. Key decisions in respect of planning, directing and controlling are only made by the Board of Directors.

All staff are retained by MGA and provided to SGLMG under an inter-company services agreement.

Note 18: Contingencies

As at 30 June 2017, there were no other contingent assets or liabilities

Note 19: Events after balance sheet date

There have been no items of significance subsequent to 30 June 2017, and as at the date of this report that would impact the results as outlined in this financial report.

Note 20: Related party transactions

A *related party transaction* is a transfer of resources, services or obligations between a reporting entity and a related party.

Directors and committee members receive limited attendance benefits to its own events in accordance with SGLMG's volunteer policy.

Directors receive reimbursement for expenses incurred during the normal carry out of duties in attending board meetings, or SGLMG events. Travel expenses are reimbursed under the Board Travel Policy.

These transactions are carried out on an 'arms-length' basis.

Total reimbursements and outlays to directors and related companies amounted to \$182 (2016: \$50,525)

The company has an established process for ensuring transparency for related party transactions.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 21: Commitments

Non-cancellable operating lease commitments
SGLMG leases an office under a non-cancellable operating lease expiring in 2018.

	2017	2016
	\$	\$
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
within one year	68,425	22,926
later than one year and not later than five years	<u>-</u>	<u>-</u>
	<u>68,425</u>	<u>22,926</u>

There is an intercompany revolving loan facility provided to MGA of up to \$350,000. The facility is currently drawn to \$186,589 and allows further draw-downs to fund the workshop each season.

Note 22: Group entities

Mardi Gras Arts Ltd

Mardi Gras Arts Ltd was incorporated on 4th June 2012. Mardi Gras Arts Ltd is deemed to be a controlled entity of Sydney Gay and Lesbian Mardi Gras Ltd by the fact that all the Directors of Mardi Gras Arts Ltd are the Directors of Sydney Gay and Lesbian Mardi Gras Ltd and any change to the constitution of MGA is subject to a resolution of the members of Sydney Gay and Lesbian Mardi Gras Ltd.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 23: Reconciliation of profit to net cash inflow from operating activities		
Profit for the year	171,595	178,892
Depreciation and amortisation	24,695	33,877
Bad debt expense	-	26,158
Fixed asset disposal	-	20,539
Inventory disposal	-	12,015
Change in operating assets and liabilities:		
(Increase) / decrease in trade and other receivables	16,366	(45,294)
Decrease in other prepayments	-	26,021
Decrease in other current assets	3,924	12,483
Decrease in other non-current assets	-	273
(Decrease) / increase in trade and other payables	(187,410)	63,500
(Decrease) / Increase in employment benefits	18,489	(9,973)
Decrease in other liabilities	<u>(2,289)</u>	<u>(19,974)</u>
Net cash inflow from operating activities	<u>45,370</u>	<u>298,517</u>

Note 24: Charitable fundraising activities

Below is additional information furnished under the Charitable Fundraising Act 1991 and the Office of Charities Fundraising Authorities Conditions.

Income Statement for each Fundraising Appeal for the year ended 30 June 2017

	Proceeds	Surplus	Margin
	\$	\$	%
Fundraising Appeals			
- Fair Day Bucket Collection	34,058	34,058	100%
- Medical Tent Bucket Collection	628	628	100%
Totals from all Fundraising Appeals	34,686	34,686	89.6%

Notes to Fundraising for Charitable Purposes

During the year ended 30 June 2017, Sydney Gay and Lesbian Mardi Gras Ltd ("SGLMG") achieved a net surplus of \$34,686 from fundraising activities defined under the Charitable Fundraising Act. SGLMG received income from two sources of activity:

- Fair Day Bucket Collections;
- Medical Tent Bucket Collections;

The gross proceeds from these activities are disclosed in Statement of Comprehensive Income (as part of "Donations" and "Other Income") and realised \$34,686.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 25: Information relating to Sydney Gay and Lesbian Mardi Gras Ltd (the Parent)

	2017	2016
	\$	\$
Total assets	694,934	659,150
Current liabilities	40,081	117,419
Total liabilities	40,081	117,473
Retained earnings	654,852	541,677
Profit of the Parent entity	113,178	181,038
Total revenue of the Parent entity	5,142,263	4,847,811

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SYDNEY GAY AND LESBIAN MARDI GRAS LTD
ABN 87 102 451 785

DIRECTORS' DECLARATION

The directors of the Group declare that:

1. The consolidated financial statements and notes, as set out on pages 12-33, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
 - (b) give a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the year ended on that date of the Group.
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. As an authorised fundraiser:
 - (a) the Consolidated Statement of Comprehensive Income (income statement) gives a true and fair view of all income and expenditure of the Group with respect to fundraising appeals, and
 - (b) the Consolidated Statement of Financial Position (balance sheet) gives a true and fair view of the state of affairs of the Group with respect to fundraising appeals conducted by the Group, and
 - (c) the provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with by the Group, and
 - (d) the internal controls exercised by the Group are appropriate and effective in accounting for all income received and applied by the Group from all of our fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Brandon Bear

Dated this 4th day of August 2017

Director



Damien Hodgkinson



MARDI GRAS ARTS LTD
ABN 41 158 800 018

Financial Report
For the year ended 30 June 2017



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MARDI GRAS ARTS LTD
ABN 41 158 800 018

DIRECTORS' REPORT

The directors present their report together with the financial report of Mardi Gras Arts Ltd ("MGA") for the year ended 30 June 2017 and auditor's report thereon.

List of Directors and Term of Office

The names and details of the directors in office at any time during or since the end of the year are set out below. The number of meetings of directors held during the year and the number of meetings attended by each director are further set out below.

Directors were in office since the start of the year to the date of this report unless otherwise stated.

Name	Date appointed	Date Retired	Board Meetings	
			A	B
Frances Bowron	19 August 2014	12 May 2017	7	9
Darren Bruce	4 September 2013	12 November 2016	5	6
Damien Hodgkinson	19 August 2014		9	9
Gregory Small	24 August 2014	12 November 2016	6	6
James Brechney	24 August 2014		7	9
Brandon Bear	24 August 2014		9	9
Silke Bader	23 March 2016		8	9
Aidan Read	23 March 2016	31 May 2017	8	9
Jesse Matheson	12 November 2016		3	3
Kat Dopper	12 November 2016		3	3

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

All directors were eligible to attend all meetings held.

Information on Directors

Damien Hodgkinson is a non-executive director of Ceramic Fuel Cells Limited (CFU) a listed litigation management and manufacturing business on the Australian Stock Exchange Limited.

None of the other current directors, who were directors during this financial year of MGA, are currently directors of any publicly listed companies, nor have they had any such roles in the last 3 years.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, no directors had any interests in the shares and options of MGA.

Company Secretary

David Imrie

David Imrie was appointed as Company Secretary of MGA on 28 July 2015 and resigned on 9 October 2016.

Tai Phan

Tai Phan was appointed as Company Secretary of MGA on 26 October 2016.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

DIRECTORS' REPORT

Key Performance Measures

MGA measures its performance through the use of both quantitative and qualitative benchmarks to assess the financial sustainability of the Company and whether the Company is achieving its short-term and long-term objectives.

Principal Activities

The principal activities of MGA during the year were the organisation of fund raising activities administration of the MGA Gift Fund, the operation of the creative workshop, and staffing and administration services to the parent company Sydney Gay and Lesbian Mardi Gras Ltd ("SGLMG").

No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

Significant Events after the Balance Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of MGA, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Environmental Regulation and Performance

MGA's operations are not registered by any significant environmental regulation under laws of the Commonwealth or of a State or Territory.

Indemnification and Insurance of Directors and Officers

During the year, the immediate parent company, Sydney Gay and Lesbian Mardi Gras Ltd paid a premium, to insure all officers of the MGA. The officers of MGA covered by the insurance policy include all MGA directors.

Subject to some exceptions, the liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under terms of the contract.

MGA has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Company against a liability incurred as such by an officer or auditor.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

DIRECTORS' REPORT

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Public Company Limited by Guarantee

The entity, MGA is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the entity. Based on the number of members as at 30 June 2017, the total amount that members of MGA are liable to contribute if MGA is wound up is \$1,382 (2016: \$8).

Going Concern

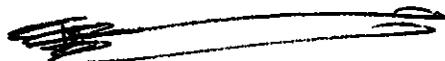
The accounts have been prepared on a going concern basis. MGA has received an undertaking from the immediate parent entity, Sydney Gay and Lesbian Mardi Gras Ltd that the immediate parent entity will support MGA to meet its debts as and when they fall due for a minimum period of twelve months from the date of signing of the 2017 financial reports for MGA.

Auditor's Independence Declaration

A copy of the auditor's declaration under section 307C of the *Corporations Act 2001* in relation to the review for the financial year is provided with this report.

Signed in accordance with a resolution of the Board of Directors:

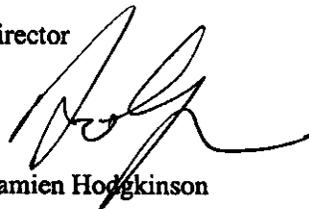
Director



Brandon Bear

Dated this 4th day of August 2017

Director



Damien Hodgkinson



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

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Auditor's Independence Declaration to the Directors of Mardi Gras Arts Limited

In relation to our audit of the financial report of Mardi Gras Arts Limited for the financial year ended 30 June 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Daniel Cunningham
Partner
4 August 2017

MARDI GRAS ARTS LTD
ABN 41 158 800 018

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Donations	2,990	2,630
Management and service fees	1,218,464	795,894
Other income	<u>275,690</u>	<u>220,363</u>
	<u>1,497,144</u>	<u>1,018,887</u>
Cost of sales	<u>339,291</u>	<u>188,500</u>
Gross profit	<u>1,157,853</u>	<u>830,387</u>
Occupancy costs	16,003	12,358
Employee benefits expense	885,207	456,581
Insurance	(1,455)	6,742
Depreciation of property, plant and equipment	6,425	2,375
Operating lease rental expenses	49,178	27,790
Marketing & communications	-	182
Professional fees	44,905	36,404
Amounts paid to contractors	25,629	128,095
Other expenses	<u>71,508</u>	<u>139,459</u>
	<u>1,097,400</u>	<u>809,986</u>
Results from operations	<u>60,453</u>	<u>20,401</u>
Net finance costs	<u>(11,978)</u>	<u>(18,371)</u>
Net finance income	<u>(11,978)</u>	<u>(18,371)</u>
Net profit before income tax expense	<u>48,475</u>	<u>2,030</u>

The above statement of profit and loss should be read in conjunction with the accompanying notes.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Profit before income tax expense (income tax benefit)	48,475	2,030
Income tax benefit (income tax expense)	<u>-</u>	<u>-</u>
Profit for the year attributable to members of the entity	48,475	2,030
Other comprehensive income	-	-
Income tax benefit (income tax expense)	<u>-</u>	<u>-</u>
Other comprehensive income, net of tax	<u>-</u>	<u>-</u>
Total comprehensive profit for the year, net of tax	<u>48,475</u>	<u>2,030</u>
Total comprehensive profit attributable to members of the entity	<u>48,475</u>	<u>2,030</u>

The above statement of other comprehensive income should be read in conjunction with the accompanying notes.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	2	267,807	132,481
Trade and other receivables	3	<u>4</u>	<u>2,502</u>
TOTAL CURRENT ASSETS		<u>267,811</u>	<u>134,983</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	<u>36,975</u>	<u>24,804</u>
TOTAL NON-CURRENT ASSETS		<u>36,975</u>	<u>24,804</u>
TOTAL ASSETS		<u>304,786</u>	<u>159,787</u>
CURRENT LIABILITIES			
Trade and other payables	5	55,562	151,565
TOTAL CURRENT LIABILITIES		<u>55,562</u>	<u>151,565</u>
NON-CURRENT LIABILITIES			
Loans	6	<u>198,717</u>	<u>6,190</u>
TOTAL NON-CURRENT LIABILITIES		<u>198,717</u>	<u>6,190</u>
TOTAL LIABILITIES		<u>254,279</u>	<u>157,755</u>
NET ASSETS		<u>50,507</u>	<u>2,032</u>
EQUITY			
Members funds		-	-
Retained earnings		<u>50,507</u>	<u>2,032</u>
TOTAL EQUITY		<u>50,507</u>	<u>2,032</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

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

	Members Funds \$	Retained Earnings \$	Total Equity \$
As at 1 July 2016	-	2,032	2,032
Other comprehensive income	-	-	-
Profit for year	-	<u>48,475</u>	<u>48,475</u>
Total comprehensive profit for the year	-	<u>50,507</u>	<u>50,507</u>
Balance at 30 June 2017	<u>-</u>	<u>50,507</u>	<u>50,507</u>
As at 1 July 2015	-	2	2
Other comprehensive income	-	-	-
Profit for year	-	<u>2,030</u>	<u>2,030</u>
Total comprehensive profit for the year	-	<u>2,030</u>	<u>2,030</u>
Balance at 30 June 2016	<u>-</u>	<u>2,032</u>	<u>2,032</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		\$	\$
OPERATING ACTIVITIES			
Receipts from customers		1,527,260	1,233,492
Payments to suppliers and employees		<u>(1,373,338)</u>	<u>(1,105,940)</u>
Net cash flows from operating activities	9	<u>153,922</u>	<u>127,552</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		<u>(18,596)</u>	<u>(18,393)</u>
Net cash flows used in investing activities		<u>(18,596)</u>	<u>(18,393)</u>
Net increase in cash and cash equivalents		135,326	109,159
Cash and cash equivalents at beginning of financial year		<u>132,481</u>	<u>23,322</u>
Cash and cash equivalents at end of financial year	2	<u><u>267,807</u></u>	<u><u>132,481</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

Corporate information

The financial statements of Mardi Gras Arts Ltd ('MGA') for the year ended 30 June 2017 were authorised for issue in accordance with a resolution of the directors on 4 August 2017.

MGA is a company limited by guarantee incorporated and domiciled in Australia. The Company's principal place of business and contact details are:

Address: Suite 6, 94 Oxford Street,
Darlinghurst NSW 2010
Telephone: 02 9383 0900
Email: reception@mardigrasarts.org.au
Web address: www.mardigras.org.au

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB) and requirements of the NSW Charitable Fundraising Act and Regulations.

The financial statements have been prepared under the historical cost basis. Items included in the financial statements of MGA are measured in Australian dollars.

The financial statements provide comparative information in respect of the previous year.

MGA is a not-for-profit private sector entity. Therefore, MGA has elected to present Tier 2 General Purpose Financial Statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The preparation of financial statements required the use of certain critical accounting estimates. This requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note (j).

b) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand that is readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash includes cash on hand and term deposits with banks or financial institutions, investments in money market instruments maturing with less than three months and net of bank overdrafts.

c) Revenue recognition

Revenue is recognised when delivery has been performed, the amount of revenue can be measured reliably and it is probable that it will be received by the economic entity. Interest revenue earned on bank accounts is recognised upon receipt.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies (continued)

c) Revenue recognition (continued)

- (i) Donations
Revenue from donations is recognised when the Company receives donations or where the Company has an unconditional commitment from the donor.
- (ii) Management fees
Management fees are recognised when it is probable that the economic benefits will flow to the Company.
- (iii) Other revenue
Other revenue is recognised when the right to receive the revenue has been established.

(d) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where:
- the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).
- receivables, payables are stated inclusive of amount of GST receivable from, or payable
The net amount of GST recoverable from or payable to the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

(e) Trade and other receivables

Trade receivables, which generally have 30-day term, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for any uncollectible amounts. Collectability of trade receivables is reviewed continually. Debts that are known to be uncollectible are written off when identified. An allowance for provision for impairment of trade receivables is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the impairment loss is recognised in the income statement within other expenses.

(f) Trade and other payables

Trade payables and other payables are carried at cost. They represent liabilities for goods and services provided to the Company prior to the end of the year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 to 60 days of recognition.

(g) Members funds

This is public company limited by guarantee pursuant to the constitution of the Company, members funds are \$nil.

(h) Income tax

No income tax expense or benefit for the year has been recorded as the Company is tax exempt.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies (continued)

(i) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise bank fees and interest on loans and short-term funding.

(j) Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Company does not believe that any significant judgments, estimates and assumptions have been made in applying accounting policies that will impact upon amounts recognised in the financial statements.

(k) Property, plant and equipment

Items of property, plant and equipment are measured at historical cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. 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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives.

The estimated useful lives for the current and comparative periods of significant items of property, plant and equipment are as:

- Plant and equipment 4 to 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year. An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount.

(l) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the year in which the employees render the related service are measured at the amounts expected to be paid when the liabilities are settled. All short-term employee benefit obligations are presented as trade and other payables.

Contributions payable by the Company to an employee superannuation fund are recognised in the statement of financial position as a liability, after deducting any contributions already paid and in the income statement as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies (continued)

(m) Going concern

The accounts have been prepared on a going concern basis. MGA has received an undertaking from the immediate parent entity, Sydney Gay and Lesbian Mardi Gras Ltd that the immediate parent entity will support MGA to meet its debts as and when they fall due for a minimum period of twelve months from the date of signing of the 2017 financial reports for MGA.

(n) Changes in accounting policies, new and amended standards and interpretations

Management and the directors are evaluating the financial impact and effect of the introduction of AASB15 and AASB16 on the entity for the year ended 30 June 2018 and future years. For the year ended 30 June 2017, there is no financial impact and effect.

	2017	2016
	\$	\$
Note 2: Cash and cash equivalents		
Cash at bank	<u>267,807</u>	<u>132,481</u>
	<u>267,807</u>	<u>132,481</u>

(a) Reconciliation to cash at the end of the year

The above figures agree to cash at the end of the financial year as shown in the statement of cash flows.

(b) Risk exposure

The Company's exposure to interest rate risk is discussed in note 1. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of cash and cash equivalents mentioned above.

(c) Public Fund

As at the end of the year, an amount of \$91,578 (\$2016: \$24,278) is held as part of the MGA public fund and is not available for use as general working capital. Withdrawals from the public fund are subject to approval of the Public Fund Committee in accordance with the requirements set out by the Register of Cultural Organisations, "ROCO".

Note 3: Trade and other receivables

Goods & services tax	2	-
Trade receivables	<u>2</u>	<u>2,502</u>
	<u>4</u>	<u>2,502</u>

MARDI GRAS ARTS LTD
ABN 41 158 800 018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

(a) Impaired receivables

As at 30 June 2017, no debts were considered impaired.

	2017	2016
	\$	\$
Note 4: Property, plant and equipment		
Plant and Equipment		
Cost or fair value	46,079	27,484
Accumulated depreciation	<u>(9,104)</u>	<u>(2,680)</u>
	<u>36,975</u>	<u>24,804</u>
Net property, plant and equipment	<u><u>36,975</u></u>	<u><u>24,804</u></u>

Movements 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.

	Plant & equipment	Total
	\$	\$
2017		
Opening net book amount	24,804	24,804
Additions	18,596	18,596
Depreciation charge	<u>(6,425)</u>	<u>(6,425)</u>
Closing net book amount	<u><u>36,975</u></u>	<u><u>36,975</u></u>
	2017	2016
	\$	\$

Note 5: Trade and other payables

Trade payables	18,024	69,064
Goods and services tax	-	65,452
Other payables	<u>37,538</u>	<u>17,049</u>
	<u><u>55,562</u></u>	<u><u>151,565</u></u>

Note 6: Non-Current Liability Loans

Parent entity revolving loan	<u>198,717</u>	<u>6,190</u>
	<u><u>198,717</u></u>	<u><u>6,190</u></u>

On 1 November 2014, MGA entered into a revolving loan facility of up to \$350,000. The facility is currently drawn to \$198,717 was due to terminate on 31 May 2017 and has now been extended to 30 June 2019. The loan is repayable within 8 weeks from the date the lender gives notice in writing to the borrower requiring the repayment of the outstanding amount but not before 30 June 2019. The rate of interest depending on certain conditions being met is between 6.5% per annum and 9.5% per annum (or such other rate as may be agreed between the Borrower and Lender from time to time).

MARDI GRAS ARTS LTD
ABN 41 158 800 018

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 7: Contingencies

As at 30 June 2017, there were no other contingent assets or liabilities.

	2017	2016
Note 8: Events after balance sheet date	\$	\$

There have been no items of significance subsequent to 30 June 2017, and as at the date of this report that would impact the results as outlined in this financial report.

Note 9: Reconciliation of profit / (loss) to net cash inflow from operating activities

Profit for the year	48,475	2,030
Depreciation and amortisation	6,425	2,375
Change in operating assets and liabilities:		
Decrease in trade and other receivables	2,498	494
Decrease in other current assets	-	14,000
Increase / (decrease) in trade and other payables	(96,003)	128,962
Increase / (decrease) in other liabilities	<u>192,527</u>	<u>(20,309)</u>
Net cash inflow from operating activities	<u>153,922</u>	<u>127,552</u>

Note 10: Member guarantee

MGA is incorporated with the liability of members limited by guarantee. In accordance with the MGA constitution, the liability of the members, is limited to \$1,293 (2016: \$8) in the event MGA is wound up.

Note 11: Key management personnel

Key management personnel compensation

Key management personnel compensation	<u>-</u>	<u>-</u>
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All directors provide their services on a voluntary basis and do not, other than for reimbursement of approved expenses incurred, receive remuneration from the Company. The directors were considered to be the only Key Management Personnel of the Company because they are the only persons having authority and responsibility for planning, directing and controlling the activities of the Company. Key decisions in respect of planning, directing and controlling are only made by the Board of Directors.

Note 12: Related party transactions

MGA provided the following services to its immediate parent, SGLMG:

(a) Workshop

MGA provides a workshop to SGLMG to build floats for the SGLMG parade. MGA charges the full costs of the workshop and a management fee back to SGLMG.

(b) Management Services

MGA employs the management staff and provides management services back to SGLMG on a shared cost basis. Costs are shared at the end of each financial year on a pro-rata basis to revenue.

MARDI GRAS ARTS LTD
ABN 41 158 800 018

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7-17, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the year ended on that date of the Company.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. As an authorised fundraiser:
 - (a) the Statement of Profit or Loss and Statement of Other Comprehensive Income gives a true and fair view of all income and expenditure of the Company with respect to fundraising appeals, and
 - (b) the Statement of Financial Position gives a true and fair view of the state of affairs of the Company with respect to fundraising appeals conducted by the Company, and
 - (c) the provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with by the Company, and
 - (d) the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from all of our fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.

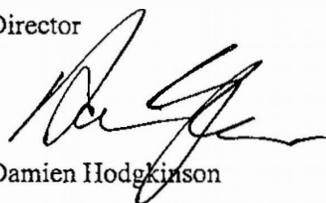
Director



Brandon Bear

Dated this 4th day of August 2017

Director



Damien Hodgkinson

Independent Auditor's Report to the Members of Mardi Gras Arts Limited

Report on the Financial Report

Opinion

We have audited the financial report of Mardi Gras Arts Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

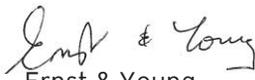
Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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


Ernst & Young


Daniel Cunningham
Partner
Sydney
4 August 2017



THANK YOU!

To all our members, amazing volunteers and working groups, to the many performers, individuals and venues who generously donated time, resources and expertise, our partners and suppliers, our staff and contractors, our ambassadors, the 78ers, our founding organisations and the many other community networks we partner with, our media partners, the medical team and teams in emergency services and other agencies who support our events and keep us safe, our friends in Government, and of course to all the people of our diverse communities who helped our goal of Creating Equality throughout 2017's Sydney Gay and Lesbian Mardi Gras Season.

mardigras.org.au



SEE YOU NEXT YEAR

Join us for the 40th anniversary
Sydney Gay and Lesbian Mardi Gras!

FESTIVAL
16 FEBRUARY – 4 MARCH 2018

FAIR DAY
SUNDAY 18 FEBRUARY 2018

PARADE AND PARTY
SATURDAY 3 MARCH 2018

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