

Literacy for Life Foundation  
General Purpose Financial Report  
for the year ended  
30 June 2016

# Literacy For Life Foundation



ABN 83 163 634 777

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# Directory

## Literacy For Life Foundation

For the year ended 30 June 2016

### **Directors of Literacy for Life Foundation**

Ms Patricia Anderson

Mr Don A Aroney

Mr Jack A Beetson

Mr John P Flecker

Ms Donna Ah Chee

### **Registered Office**

Level 22

135 King Street

SYDNEY NSW 2000

Telephone: +61 (0) 2 9322 2000

Facsimile: +61 (0) 2 9322 2001

### **Auditor**

Deloitte Touche Tohmatsu

225 George Street, Grosvenor Place

SYDNEY NSW 2000

Telephone: + 61 (0) 2 9322 7000

Facsimile: + 61 (0) 2 9322 7001

# Directors' Report

## Literacy For Life Foundation

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For the year ended 30 June 2016

### Introduction

The Directors of Literacy For Life Foundation ("the Company") present their report together with the financial statements of the Company for the year ended 30 June 2016 and the Independent Audit Report thereon.

### Directors

The Directors and officers at any time during or since the end of the financial year are:

Name	Title
Ms Patricia Anderson	Director
Mr Don A Aroney	Director
Mr Jack A Beetson	Director
Mr John P Flecker	Director
Ms Donna Ah Chee	Director

The company secretary at any time during or since the end of the financial year is Don A Aroney.

### Principal activities

The principal activities of Literacy For Life Foundation (the Company) are to significantly reduce the rate of illiteracy within the Aboriginal adult population. Activities include engaging local personnel and producing resources and materials to support all phases of literacy campaigns and securing and disbursing funds to affect the objectives of the Company.

### Review of operations and results

The Company recorded a surplus after tax of \$378,505 for the year ended 30 June 2016 (\$141,665 deficit for the year to 30 June 2015).

### Events subsequent to the reporting date

Other than as disclosed in this report and to the knowledge of the Directors, there has been no matter or circumstance that has arisen since the end of the year that has significantly affected, or may affect, the Company's operations in future financial periods, the results of those operations or the Company's state of affairs in future financial periods.

### Likely developments and expected results of operations

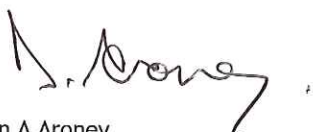
It is envisaged that the Company will continue to operate in its current form.

### Auditor's independence declaration

The auditor's independence declaration is set out on page 5 and forms part of the Directors' Report for the year ended 30 June 2016.

The Directors' Report is signed in accordance with the resolution of directors.

On behalf of the Directors



Don A Aroney  
Director

17 October 2016

The Board of Directors  
Literacy For Life Foundation  
Level 22, 135 King Street  
Sydney NSW 2000

17 October 2016

Dear Board Members

### **Literacy For Life Foundation**

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Literacy For Life Foundation.

As lead audit partner for the audit of the financial statements of Literacy For Life Foundation for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU.

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew Coleman  
Partner  
Chartered Accountant

# Statement of Profit or Loss and other Comprehensive Income

## Literacy For Life Foundation

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For the year ended 30 June 2016

	Note	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
Revenue	5	1,190,330	487,281
Interest income		1,146	2,106
Administrative expenses	6	(86,009)	(82,267)
Other expenses	7	(726,962)	(548,785)
<b>Surplus / (Deficit) before income tax</b>		<b>378,505</b>	<b>(141,665)</b>
Income tax expense		-	-
<b>Surplus / (Deficit) for the year</b>		<b>378,505</b>	<b>(141,665)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income / (loss) for the year</b>		<b>378,505</b>	<b>(141,665)</b>

The Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

# Statement of Financial Position

## Literacy For Life Foundation

As at 30 June 2016

	Note	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	342,501	32,378
Trade & Other Receivables	9	141,870	6,932
Other Assets	10	2,475	-
<b>Total current assets</b>		<b>486,846</b>	<b>39,310</b>
<b>Non-current assets</b>			
Property, plant & equipment	11	63,520	-
<b>Total non-current assets</b>		<b>63,520</b>	<b>-</b>
<b>Total assets</b>		<b>550,366</b>	<b>39,310</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	(174,108)	(41,557)
<b>Total current liabilities</b>		<b>(174,108)</b>	<b>(41,557)</b>
<b>Non-current liabilities</b>			
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>(174,108)</b>	<b>(41,557)</b>
<b>Net assets / (liabilities)</b>		<b>376,258</b>	<b>(2,247)</b>
<b>Equity</b>			
Retained earnings / (Accumulated Deficit)		376,258	(2,247)
<b>Total equity</b>		<b>376,258</b>	<b>(2,247)</b>

The Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

# Statement of Changes in Equity

## Literacy For Life Foundation

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For the year ended 30 June 2016

	Reserves	Accumulated Surplus	Total
	\$	\$	\$
<b>As at 1 July 2015</b>	-	(2,247)	(2,247)
Surplus for the year	-	378,505	378,505
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>376,258</b>	<b>376,258</b>
<b>As at 30 June 2016</b>	-	<b>376,258</b>	<b>376,258</b>

	Reserves	Retained Earnings	Total
	\$	\$	\$
<b>As at 1 July 2014</b>	-	139,418	139,418
Deficit for the period	-	(141,665)	(141,665)
Other comprehensive income	-	-	-
<b>Total comprehensive (loss) for the year</b>	-	<b>(141,665)</b>	<b>(141,665)</b>
<b>As at 30 June 2015</b>	-	<b>(2,247)</b>	<b>(2,247)</b>

The Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.



# Statement of Cash Flows

## Literacy For Life Foundation

For the year ended 30 June 2016

	Note	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>Cash flows from operating activities</b>			
Government grants		290,214	-
Donations		562,720	71,712
Corporate Sponsorships		201,213	390,500
Interest received		1,105	2,106
Payments to suppliers		(681,361)	(747,134)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>13</b>	<b>373,891</b>	<b>(282,816)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment		(63,768)	-
<b>Net cash (outflow) from investing activities</b>		<b>(63,768)</b>	<b>-</b>
Net increase in cash equivalents held		310,123	(282,816)
Cash and cash equivalents at the beginning of the financial year		32,378	315,194
<b>Cash and cash equivalents at the end of the financial year</b>	<b>8</b>	<b>342,501</b>	<b>32,378</b>

The Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

# Notes to the Financial Statements

## Literacy For Life Foundation

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For the year ended 30 June 2016

### 1. Nature of Operations

The principal activity of the Literacy For Life Foundation (the Company) is to significantly reduce the rate of illiteracy within the Aboriginal adult population. This will be enacted by engaging with communities and planning, leading, managing, advising on, and resourcing the delivery of literacy campaigns within remote & metropolitan communities. Activities include engaging local personnel and producing resources and materials to support all phases of the literacy campaigns and securing and disbursing funds to affect the objectives of the Company.

The company was incorporated on 7 May 2014, the comparative information is for the year to 30 June 2015.

### 2. Statement of compliance

The general purpose financial statements of the company have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, the *Charitable Fundraising Act 1991 (NSW)*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the company applying not-for-profit specific requirements contained in the Australian Accounting Standards.

Literacy For Life Foundation is a private company limited by guarantee incorporated and domiciled in Australia. The address of its registered office and its principal place of business is Level 22, 135 King Street, Sydney, NSW, Australia.

The financial statements for the year ended 30 June 2016 were approved and authorised for issue by the board of directors on 17 October 2016.

### 3. Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical cost. Costs are based on the fair values of the consideration given in exchange for assets. All amounts are in Australian Dollars, unless otherwise noted.

In the current year, the Company had adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The revised standards and interpretations adopted did not have an impact on the financial statements.

The financial report has been prepared on a going concern basis.

### 4. Summary of accounting policies

#### a. Revenue

Revenue comprises revenue from donations and corporate and government sponsorships.

Revenue is measured by reference to the fair value of consideration received or receivable by the Company for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Company's different activities have been met. Details of the activity-specific recognition criteria are described below.

#### Government grants

A number of the Company's programs are supported by grants received from the federal, state and local governments.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Company obtains control of the funds, economic benefits are probable and the amount can be measured reliably.

Where the Company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

# Notes to the Financial Statements

## Literacy For Life Foundation

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For the year ended 30 June 2016

#### 4. Summary of accounting policies (Continued)

##### Donations, Bequests and Corporate Sponsorships

Donations collected, including cash, are recognised as revenue when the Company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Company becomes legally entitled to the shares or property.

Corporate sponsorships are recognised when the economic benefits are probable and the amount can be measured reliably.

##### Interest and dividend income

Interest income is recognised on an accrual basis using the effective interest method. Dividend income are recognised at the time the right to receive payment is established.

##### b. Operating Expenses

Expenses are recognised upon utilisation of the service or at the date of their origin.

##### c. Income taxes

No provision for income tax has been raised as the Company is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

##### d. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

##### e. 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

##### f. Economic Dependence

The Company is dependent upon the ongoing receipt of community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

##### g. Standards and interpretations issued not yet effective

At the date of authorisation of the financial report, the Standards and Interpretations listed below were in issue but not yet effective. Initial application of the following Standard will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the company's financial report:

##### h. Depreciation of property, plant and equipment

Depreciation is charged to the Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment, taking into account estimated residual values.

Assets are depreciated or amortised from the date of acquisition.

The residual values and useful lives of the assets are reviewed, and the depreciation and amortisation rates and methods adjusted if appropriate, on an annual basis. When these changes are made the adjustments are reflected prospectively in current and future periods only.

The depreciation rates used for each class of asset are as follows:

Asset class	Rate	Method
Motor vehicle	20 %	Straight-line

# Notes to the Financial Statements

## Literacy For Life Foundation

For the year ended 30 June 2016

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### 4. Summary of accounting policies (Continued)

(i) Standard/Interpretation	(ii) Effective for annual reporting periods beginning on or after	(iii) Expected to be initially applied in the financial year ending
• AASB 15 – ‘Revenue from Contracts with Customers’	(iv) 1 January 2018	(v) 30 June 2018
• AASB 2015-7 ‘Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities’	(vi) 1 July 2016	(vii) 30 June 2017
• AASB 2015-6 ‘Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Sector Entities’	(viii) 1 July 2016	(ix) 30 June 2017

# Notes to the Financial Statements

## Literacy For Life Foundation

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For the year ended 30 June 2016

	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>5 Revenue</b>		
Corporate Sponsorships	310,463	295,000
Government Grants	263,831	60,000
Donations	542,941	71,712
In-kind Brookfield Multiplex Donations (i)	73,095	60,569
<b>Total revenue</b>	<b>1,190,330</b>	<b>487,281</b>

(i) In-kind donations are pro-bono services provided by Brookfield Multiplex. The estimated cost of these services provided are listed in Note 6.

	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>6 Administrative Expenses</b>		
Audit fees	7,000	7,250
Bank fees	1,046	316
Printing costs	-	7,911
Brookfield Multiplex in-kind consulting fees – marketing and communication	13,508	19,616
Brookfield Multiplex in-kind consulting fees – business services	46,387	27,366
Brookfield Multiplex in-kind consulting fees – accounting	13,200	13,587
Other	4,868	6,221
<b>Total administrative expenses</b>	<b>86,009</b>	<b>82,267</b>

	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>7 Other expenses</b>		
Foundation advertisement sponsorship	-	150,000
Campaign costs (ii)	726,962	398,785
<b>Total other expenses</b>	<b>726,962</b>	<b>548,785</b>

(ii) Campaign Costs consist of costs incurred in the process of undertaking literacy programs in New South Wales within the communities of Bourke, Brewarrina, Weilmoringle and Walgett.

	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>8 Cash and cash equivalents at the end of the financial year</b>		
Cash at bank	327,001	23,378
Petty cash	15,500	9,000
<b>Total cash &amp; cash equivalents at the end of the financial year</b>	<b>342,501</b>	<b>32,378</b>

Cash at bank is held on call deposit's with Australia and New Zealand Banking Group Limited and HSBC Bank Australia Limited.

# Notes to the Financial Statements

## Literacy For Life Foundation

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For the year ended 30 June 2016

	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>9 Trade and other receivables</b>		
Trade receivables	99,500	-
Receivables due from related parties	41,250	-
Net GST Receivable	-	5,812
Tender / Other deposits	1,120	1,120
<b>Total trade and other receivables</b>	<b>141,870</b>	<b>6,932</b>
	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>10 Other assets</b>		
Prepayments	2,475	-
<b>Total other assets</b>	<b>2,475</b>	<b>-</b>
	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>11 Property, plant &amp; equipment</b>		
Motor vehicle	63,768	-
Motor vehicle accumulated depreciation	(248)	-
<b>Total property, plant &amp; equipment</b>	<b>63,520</b>	<b>-</b>
	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 \$
<b>12 Trade and other payables</b>		
Trade creditors	44,111	-
GST payable	28,412	-
Audit fee accrual	7,000	7,000
Campaign accrual	94,573	34,557
Other accruals	12	-
<b>Total trade &amp; other payables</b>	<b>174,108</b>	<b>41,557</b>

# Notes to the Financial Statements

## Literacy For Life Foundation

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For the year ended 30 June 2016

	Year ended 30 Jun 2016 \$	Year ended June 2015 \$
<b>13 Reconciliation of cash flows from operating activities</b>		
<b>Cash flows from operating activities</b>		
Net surplus / (deficit) for the year	378,505	(141,665)
<b>Non-cash items from operating activities</b>		
Donation from related party	73,095	60,569
In-kind Brookfield Multiplex expense	(73,095)	(60,569)
<b>Non-operating or cash items</b>		
Depreciation	248	-
<b>Net changes in working capital:</b>		
Increase / (Decrease) in payables	132,551	(134,219)
(Increase) in receivables	(134,938)	(6,932)
(Increase) in other assets	(2,475)	-
<b>Net cash from operating activities</b>	<b>373,891</b>	<b>(282,816)</b>

### 14. Events subsequent to the reporting date

There have been no significant events or transactions that have arisen since the end of the financial year which, in the opinion of the Directors, would affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company.

### 15. Auditor's remuneration

The auditor of the Company is Deloitte Touche Tohmatsu. Auditor's remuneration will be paid by the Company for the year ended 30 June 2016.

### 16. Related party transactions

Related parties of the Company include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are settled in cash.

### Transactions with key management personnel

Key management of the Company are the executive members of Literacy For Life Foundation's Board of Directors and members of the executive council. Key Management Personnel remuneration includes the following expenses:

- The Company have contracted Mr Jack Beeton as Executive Director of the Company. During the year Mr Beeton was paid \$115,000 (year ended 30 June 2015, \$96,027). There was no outstanding balance at reporting date under review.
- Mr John Flecker and Mr Don Aroney as Directors of the Company are also employees of Brookfield Multiplex, principal patron of the Company. They provide their services to the Company in a personal capacity and have not received remuneration during the year ended 30 June 2016.

### 17. Contingent liabilities

There are no contingent liabilities that have been incurred by the Company in relation to the year ended 30 June 2016.

# Notes to the Financial Statements

## Literacy For Life Foundation

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For the year ended 30 June 2016

### 18. Capital management policies and procedures

Management controls the capital of the Company to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Board and management ensure that the overall risk management strategy is in line with this objective.

The Company's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the Company's capital by assessing the Company's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

### 19. Members guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum \$1 each towards meeting any outstanding obligations of the Company. At 30 June 2016, the total amount that members of the Company are liable to contribute if the Company wound up is \$3.

### 20. Segment information

The company's operations for the year ended 30 June 2016 are to significantly reduce the rate of illiteracy within the Aboriginal adult population. The Directors consider this to be one business segment and all activity takes place within Australia.

### 21. Additional information required to be furnished under the Charitable Fundraising Act 1991

(a) Statement showing how funds were applied to charitable purposes

- During the year, the company received gross income of \$1,190,330 from grants, donations and sponsorships.
- The company spent \$812,971 during the year.

(b) Monetary figures and percentages:

	Year ended 30 Jun 2016 %	Year ended 30 Jun 2016 \$	Year ended 30 Jun 2015 %	Year ended 30 Jun 2015 \$
Total comprehensive income / (loss)	32	378,505	-	(141,665)
Gross income from grants, donations and sponsorships		1,190,330		487,281
Total campaign cost / Total expenditure	89	726,962 812,971	63	398,785 631,052
Total expenditure/ Total income received	68	812,971 1,191,476	129	631,052 489,387



# Responsible Persons

## Literacy For Life Foundation

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For the year ended 30 June 2016

### Responsible Persons

The responsible persons declare that:

- (a) in the responsible persons 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; and
- (b) in the responsible persons opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the Charitable Fundraising Act 1991(NSW) including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Signed in accordance with a resolution of the board members made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the responsible persons.



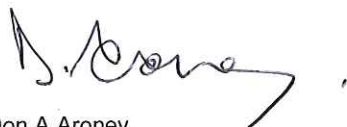
Don A Aroney  
17 October 2016  
Sydney, NSW

### Declaration by the Board of Directors in respect of fundraising appeals

In the opinion of the Board of Directors:

- (a) the financial statements for the year ended 30 June 2016 give a true and fair view of all income and expenditure of Literacy for Life Foundation Limited with respect to fundraising appeals; and the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- (b) the provisions of the Charitable Fundraising Act 1991(NSW) and the regulations under that Act and the conditions attached to the authority have been complied with.
- (c) The internal controls exercised by Literacy for Life Foundation are appropriate and effective in accounting for all income received from any fundraising appeals and the application thereof.

On behalf of the Directors



Don A Aroney  
17 October 2016  
Sydney, NSW

Deloitte Touche Tohmatsu  
ABN 74 490 121 060

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## **Independent Auditor's Report to the members of Literacy for Life Foundation**

We have audited the accompanying financial report of Literacy for Life Foundation, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 6 to 17. In addition, we have audited Literacy for Life Foundation compliance with specific requirements of the *Charitable Fundraising Act 1991* for the period ended 30 June 2016.

### *Directors' Responsibility for the Financial Report and for Compliance with the Charitable Fundraising Act 1991*

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 and the *Australian Charities and Not-for-profits Commission Act 2012* and for compliance with the *Charitable Fundraising Act 1991*. The directors are also responsible for such internal control as the directors determine is necessary to enable compliance with requirements of the *Charitable Fundraising Act 1991* and 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the entity has complied with specific requirements of the *Charitable Fundraising Act 1991* and the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with specific requirements of the *Charitable Fundraising Act 1991* and material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's compliance with the *Charitable Fundraising Act 1991* and preparation of the financial report that gives a true and fair view, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

## *Inherent Limitations*

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the *Charitable Fundraising Act 1991* may occur and not be detected. An audit is not designed to detect all weaknesses in Literacy for Life Foundation compliance with the *Charitable Fundraising Act 1991* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

Any projection of the evaluation of compliance with the *Charitable Fundraising Act 1991* to future periods is subject to the risk that the procedures, may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

## *Auditor's Independence Declaration*

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of Literacy for Life Foundation, would be in the same terms if given to the directors as at the time of this auditor's report.

## *Opinion*

In our opinion:

- (a) the financial report of Literacy for Life Foundation 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 2016 and of its performance for the period ended on that date; and
  - b. complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Regulation 2013*;
- (b) the financial report agrees to the underlying financial records of Literacy for Life Foundation, that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations for the period ended 30 June 2016; and
- (c) monies received by Literacy for Life Foundation, as a result of fundraising appeals conducted during the period ended 30 June 2016, have been accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations.

DELOITTE TOUCHE TOHMATSU.

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew Coleman  
Partner  
Chartered Accountant  
Sydney, 17 October 2016

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