

Literacy for Life Foundation
General Purpose Financial Report
for the year ended
30 June 2017

Literacy For Life Foundation



ABN 83 163 634 777

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Literacy For Life Foundation

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Directory

Literacy For Life Foundation

For the year ended 30 June 2017

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

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Auditor

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Directors' Report

Literacy For Life Foundation

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For the year ended 30 June 2017

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 2017 and the Independent Audit Report thereon.

Principal activities

The principal activities of 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 of \$161,794 for the year ended 30 June 2017 (30 June 2016: \$378,505).

Objectives of the Foundation

The **long term objectives** of the Foundation are:

- to significantly reduce the rate of illiteracy within the Aboriginal adult population and the gap in the English literacy rates of Indigenous and non-Indigenous Australians, which has stemmed from the poverty and socio-economic disadvantage of Aboriginal peoples;
- to strengthen a culture of literacy whereby the Aboriginal adult community values learning and the various pathways it affords to individuals and the community as a whole, as a means of alleviating poverty, helplessness, crime and substance abuse; and
- to develop the capacity of local Aboriginal community members to lead, own and coordinate a reduction in the rate of illiteracy within the Aboriginal adult population and to further opportunities for participating community members as a way of conquering poverty.

To achieve these outcomes, the Foundation's **short term objectives** are the thorough implementation of effective adult literacy campaign model and the successful delivery of literacy campaigns.

Foundation's Strategy for Achieving Objectives

In order to realise its objectives, the Foundation will undertake activities that will include:

- building local leadership and commitment to the delivery of campaigns to local communities by the Foundation, through working in partnership with local organisations;
- engaging and training personnel such as staff and consultants to identify and engage potential participants and to provide literacy classes to illiterate adult Aboriginals, including through the provision of 65 basic reading and writing lessons using a simple audio-visual method known as YES I CAN, developed by an established educational organisation in Cuba, or using another similar proven method for combating adult illiteracy; and
- encouraging and supporting sustainable post literacy pathways for participants at local, regional and national levels.

More specifically, the Foundation is committed to:

- planning, leading, managing, advising on, and resourcing the delivery of literacy campaigns for Aboriginal adults, including engaging local personnel and producing resources and materials to support all phases of a literacy campaign and securing and disbursing funds to effect the objects of the Foundation;
- undertaking the development and training of staff and local leaders in the delivery of literacy campaigns to Aboriginal adults;
- engaging national and international universities and/or other research institutions, to evaluate the quality of any literacy campaign or adult literacy campaign model, and to undertake innovative research to enhance the effectiveness of any literacy campaign; and
- assisting local literacy campaign leaders with mapping pathways for extending the employment and social enterprise opportunities of literacy campaign participants and local literacy campaign leaders.

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For the year ended 30 June 2017

Foundation's Principal Activities During the Year

The Foundation's principal activities during the Year have included:

- completion of campaigns 2 and 3 in Brewarrina, NSW, and commencement of campaign 4;
- commencement of campaign 1 in Boggabilla, NSW;
- commencement of campaign 1 in Toomelah, NSW;
- commencement of campaign 1 and 2 in Walgett, NSW;
- supporting the workforce development of staff and contractors;
- completing funding applications/submissions in both the public and private sectors to support the expansion of the national Adult Literacy Campaign;
- attracting additional corporate sponsorship in support of the roll out of the Foundation and the national Adult Literacy Campaign;
- increasing the profile of the Foundation including meetings with several Ministers and Departments and higher profile interviews in media;
- participation in the release and public showings of Erica Glynn's documentary *In My Own Words* based on the campaign in Brewarrina – including at Sydney Film Festival and on SBS television;
- campaign support by Cuban advisors Felix Hernandez and Lucy Nunez; and
- continued scoping, advocacy and planning work for future campaigns in the NT, WA and NSW.

In addition to and on the basis of the above noted successes in these communities, the Foundation has managed to secure financial support from Multiplex, UNE, Mark and Evette Moran, NSW Department of Family and Community Services, the Department of the Prime Minister and Cabinet, Microsoft and a range of trusts, foundations and other generous individual donors.

The Foundation has also attracted continued interest and support from government departments including the NSW Aboriginal Housing Office, the Department of Education and Training, Department of Aboriginal Affairs and the Department of Employment. The Foundation continues to work closely with the Cuban Embassy in Australia and IPLAC (Pedagogical Institute of Latin American and the Caribbean) in Cuba.

Operating Results

Campaigns

- Brewarrina Update:
 - Campaign intake 2 began in May 2016 with 8 students graduating in December 2016.
 - Campaign intake 3 began in February 2017 with 11 students completing in June.
 - Campaign intake 4 is now underway with a joint graduation planned for December 2017.
 - From the period July 2015 to October 2017 for Brewarrina, there have been 33 graduates.
- Walgett & Weilmoringle
 - 6 students graduated at Weilmoringle in December 2016.
 - Campaign intake 1 in Walgett was completed in June 2017 with 9 graduates.
 - 16 students commenced in Campaign intake 2 in Walgett, with graduation planned for December 2017.
- Boggabilla & Toomelah
 - Classes started in June 2017 in both locations with a total of 32 students.
 - Graduation is planned for December 2017.
 - Campaign intake 2 is planned for February 2018 with a combined Boggabilla/Toomelah class.

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For the year ended 30 June 2017

Administration & Support

- Work continues with the selection and ongoing training and capacity development of Campaign workforce namely the Australian on-site Advisers, the Local Literacy Coordinators and Facilitators and the Local Literacy Campaign Working Groups.
- The on-boarding of an Operations Manager and Campaign Manager/Finance Officer has enhanced our ability to support the on site teams delivering the campaigns.
- LFLF's profile has been lifted in the donor and policy communities through the release of the documentary In My Own Words in June 2017.
- Our enhanced profile and consistent lobbying have resulted in government interest toward funding additional campaigns in NT, WA and NSW.

Table 1: Summary Statistics 2012-2017

	Population	Surveyed	EOIs	Starters	Graduates	Retention
Wilcannia 1	279	106	41	13	10	76.9%
Wilcannia 2				11	6	54.5%
Wilcannia 3				16	7	43.8%
Bourke 1	505	125	40	16	11	68.8%
Bourke 2			34	22	15	68.2%
Bourke 3			24	19	17	89.5%
Bourke 4				13	8	61.5%
Enngonia	52	48	24	21	15	71.4%
Brewarrina 1	415	158	77	19	14	73.7%
Brewarrina 2		37	43	18	8	44.4%
Brewarrina 3			32	17	11	64.7%
Brewarrina 4			33	15	6	40.0%
Weilmoringle	38	20	12	7	6	85.7%
Walgett 1	553	88	52	21	9	42.9%
Walgett 2		51	30	16	8	50.0%
Boggabilla 1	360	40	36	23	18	78.3%
Toomelah 1		62	21	10	7	70.0%
Totals	2202	735	499	277	176	63.5%

- Note: Values in table are inclusive from 2012 and forecast to end of Dec 2017.
- Retention rates in VET/TAFE courses in western NSW for similar cohort (i.e. Certificate 1 & 2 level) in 2014 were only 14%. In other words, Yes I Can is currently achieving over 4 times the retention rate of formal accredited courses.

Financials

Financial performance is measured by the Foundation's annual financial reporting process and is reflected in the audited annual financial report. Highlights for Financial Year 2016/2017 include:

- Annual expenditure for FY16/17 of \$1,150,365 delivering campaigns as above in Brewarrina, Weilmoringle, Walgett & Boggabilla & Toomelah, including campaign management costs.
- Funding received for the year \$1,417,854 (net of GST).
- The foundation has a net asset position of \$538,052 as at the balance date, comprising cash, motor vehicles, trade debtors less creditors

Directors' Report

Literacy For Life Foundation

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For the year ended 30 June 2017

- d. Foundation increased its cash reserves to support future campaign delivery by ending with a closing cash balance of \$627,957

Regular financial management meetings are held to review both revenue and expenditure, and to ensure operations align within financial parameters.

Directors

The name of the Foundation's Directors and officers at any time during or since the end of the financial year of directorships are as follows:

- Ms Donna Ah Chee, Director since incorporation (May 2013)
- Ms Patricia Anderson, Director since incorporation (May 2013)
- Mr John P Flecker, Director since incorporation (May 2013)
- Mr Jack A Beetson, Director since incorporation (May 2013)
- Don A Aroney, Director since incorporation (May 2013)

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

Directors' Qualifications, Experience and Special Responsibilities

- **Director & Chairperson: Ms Donna Ah Chee**

Donna is a Bundjalung woman from the far north coast of NSW and has lived in Alice Springs for over 30 years. She has a 20 year record of organizational management and national leadership in both Aboriginal adult education and primary health care. Donna is the current CEO of the Central Australia Aboriginal Congress; Australia's largest community controlled Aboriginal primary health care service with a current operating budget of \$45mil.

Donna served as the Director of the Institute for Aboriginal Development, and later the Deputy Director of Congress before taking up the position in 2011 as CEO of the sector's national peak body, NACCHO (the National Aboriginal Community Controlled Health Organisation) on whose Board of Directors she now sits. Donna returned to Congress in 2012 and now holds the position of CEO. Donna represents Congress on the NT peak body, the Aboriginal Medical Services Alliance Northern Territory (AMSANT) and is a member of the Australian National Advisory Council on Alcohol and Drugs. She was a founding member and Chairperson of the National Aboriginal Steering Committee that led the pilot stage of the Aboriginal Adult Literacy Campaign from 2009 onwards.

- **Director: Patricia Anderson (AO)**

Pat is an Alyawarre woman known nationally and internationally as a powerful advocate for human rights with a particular focus on the health of Australia's First Peoples. She was awarded the Human Rights Community Individual Award in 2012. Pat has extensive experience in all aspects of Aboriginal health and education, including community development, advocacy, policy formation and research ethics. Pat currently serves as the Chairperson of The Lowitja Institute, Australia's National Institute for Aboriginal and Torres Strait Islander Research, a position she has held since 2009. She has also been the CEO of Danila Dilba Health Service in Darwin, Chair of the National Aboriginal Community Controlled Health Organisation, Executive Officer of the Aboriginal Medical Services Alliance Northern Territory (AMSANT), and was the Chair of the CRC for Aboriginal Health from 2003 to 2009. She has been actively involved with the Literacy Campaign since 2009 as a member of the National Aboriginal Steering Committee overseeing the pilot stage.

- **Director: John Flecker**

John currently holds the position as the CEO of Multiplex Pty Ltd, a founding partner of the Foundation. As CEO for Multiplex, John has ultimate responsibility for the operational performance of all Construction & Development and Engineering & Infrastructure projects in Australasia delivering over \$2.5BN dollars of projects annually. John brings global knowledge and expertise of managing large complex projects within a strict and transparent operation. John is also a Board member of the Green Building Council of Australia (GBCA) and is Board member and president of the Australian Contractors Association (ACA).

- **Director and Company Secretary: Don Aroney**

Drawing on his experience and relationships as Executive Director of Operations (EDO) at Multiplex, Don is well-placed to manage and steer the Foundation's legal and financial governance and to draw on Multiplex's own best practice operational platforms and initiatives to ensure the spine of the Foundation remains both strong and

Directors' Report

Literacy For Life Foundation

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For the year ended 30 June 2017

professional. Through Don, the Foundation is also able to access advice and direction on the management of large-scale projects and events, risk profiling, media and marketing opportunities, business accreditations and over-arching strategic direction.

▪ **Executive Director and National Campaign Coordinator: Jack Beetson**

Jack Beetson has extensive expertise in corporate governance processes having been employed as CEO of several Aboriginal Organisations, including Land Councils in NSW; engaged by the NSW Office of the Registrar of the Aboriginal Land Rights Act, to assist appointed Administrators to bring some LALCs within compliance standards; and led two consultancies for the NSW government on the development & evaluation of a statewide framework for good governance for Aboriginal communities. Jack has completed the Australian Institute for Company Directors course and has been a member of several Boards including Northern Rivers Catchments Management Authority, 2004-2008, and Foundation President, Federation of Independent Aboriginal Educational Providers, 1994-2000.

Board Meetings and Directors' Attendance

The following is a record of Board Meetings and associated Director attendance for the reporting period:

Meeting Date /Directors	Jack Beetson	Donna Ah Chee	Patricia Anderson	John Flecker	Don Aroney
4 th Aug 2016	Attended	Apologies	Apologies	Attended	Attended
17 th Oct 2016	Attended	Apologies	Apologies	Attended	Attended
21 st Oct 2016	Attended	Attended	Attended	Attended	Attended
19 th May 2017	Attended	Apologies	Apologies	Attended	Attended

Auditor

Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the *Corporations Act 2001* (Cth).

Winding up Contributions

The winding up liability of the Members under the Foundation's Constitution is as follows:

- individually AUS\$1 per member; and
- in aggregate AUS\$3.

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 9 and forms part of the Directors' Report for the year ended 30 June 2017.

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

On behalf of the Directors



Don A Aroney
Director

13 November 2017

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

13 November 2017

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 2017, 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 J Coleman
Partner
Chartered Accountants

Statement of Profit or Loss and other Comprehensive Income

Literacy For Life Foundation

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For the year ended 30 June 2017

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Revenue	5	1,417,854	1,190,330
Interest income		693	1,146
Administrative expenses	6	(106,388)	(86,009)
Program expenditure	7	(1,150,365)	(726,962)
Surplus before income tax		161,794	378,505
Income tax expense		-	-
Surplus for the year		161,794	378,505
Other comprehensive income		-	-
Total comprehensive income for the year		161,794	378,505

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

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As at 30 June 2017

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Assets			
Current assets			
Cash and cash equivalents	8	627,957	342,501
Trade & Other Receivables	9	12,567	141,870
Other Assets	10	5,838	2,475
Total current assets		646,362	486,846
Non-current assets			
Property, plant & equipment	11	92,374	63,520
Total non-current assets		92,374	63,520
Total assets		738,736	550,366
Liabilities			
Current liabilities			
Trade and other payables	12	200,684	174,108
Total current liabilities		200,684	174,108
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		200,684	174,108
Net assets		538,052	376,258
Equity			
Accumulated surplus		538,052	376,258
Total equity		538,052	376,258

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 2017

	Reserves	Accumulated surplus	Total
	\$	\$	\$
As at 1 July 2016	-	376,258	376,258
Surplus for the year	-	161,794	161,794
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	538,052	538,052
As at 30 June 2017	-	538,052	538,052

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

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

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For the year ended 30 June 2017

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Cash flows from operating activities			
Government grants		856,536	290,214
Donations		515,590	562,720
Corporate Sponsorships		206,250	201,213
Interest received		693	1,105
Payments to suppliers		(1,241,667)	(681,361)
Net cash inflow from operating activities	13	337,402	373,891
Cash flows from investing activities			
Purchase of property, plant & equipment		(51,946)	(63,768)
Net cash outflow from investing activities		(51,946)	(63,768)
Net increase in cash equivalents held		285,456	310,123
Cash and cash equivalents at the beginning of the year		342,501	32,378
Cash and cash equivalents at the end of the year	8	627,957	342,501

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 2017

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 2016.

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 2017 were approved and authorised for issue by the board of directors on 13 November 2017.

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 2017

4. Summary of accounting policies (Continued)

a. Revenue (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. 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

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For the year ended 30 June 2017

4. Summary of accounting policies (Continued)

h. 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:

(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	1 January 2018	30 June 2018
AASB 2016-8 – Amendments to Australian Accounting Standards - Australian Implementation Guidance for Non-For-Profit Entities	1 January 2019	30 June 2019
AASB 1058 – Income of Not-for-Profit Entities	1 January 2019	30 June 2019

Notes to the Financial Statements

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For the year ended 30 June 2017

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
5. Revenue		
Corporate sponsorships	150,000	310,463
Government grants	778,669	263,831
Donations	416,090	542,941
In-kind Multiplex Donations (i)	73,095	73,095
Total revenue	1,417,854	1,190,330

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

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
6. Administrative Expenses		
Audit fees	7,000	7,000
Bank fees	1,072	1,046
Printing costs	1,230	-
Multiplex in-kind consulting fees – marketing and communication	13,508	13,508
Multiplex in-kind consulting fees – business services	46,387	46,387
Multiplex in-kind consulting fees – accounting	13,200	13,200
Other	23,991	4,868
Total administrative expenses	106,388	86,009

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
7. Program Expenditure		
Campaign costs (ii)	1,150,365	726,962
Total other expenses	1,150,365	726,962

(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 June 2017	Year ended 30 June 2016
	\$	\$
8. Cash and cash equivalents		
Cash at bank (iii)	609,457	327,001
Petty cash	18,500	15,500
Total cash & cash equivalents	627,957	342,501

(iii) Cash at bank is held on call deposit's with HSBC Bank Australia Limited. The deposit account held on call with Australia New Zealand Banking Group Limited was closed during the year.

Notes to the Financial Statements

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For the year ended 30 June 2017

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
9. Trade and other receivables		
Trade receivables	-	99,500
Receivables due from related parties	-	41,250
Net GST Receivable	11,447	-
Other deposits	1,120	1,120
Total trade and other receivables	12,567	141,870

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
10. Other assets		
Prepayments	5,838	2,475
Total other assets	5,838	2,475

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
11 Property, plant & equipment		
Carrying amount at 1 July	63,520	-
Additions	51,946	63,768
Motor vehicles depreciation expense	(23,092)	(248)
Total property, plant & equipment	92,374	63,520

	Year ended 30 June 2017	Year ended 30 June 2016
	\$	\$
12. Trade and other payables		
Trade creditors	4,732	44,111
GST payable	-	28,412
Audit fee accrual	7,000	7,000
Campaign accrual	188,952	94,573
Other accruals	-	12
Total trade & other payables	200,684	174,108

Notes to the Financial Statements

Literacy For Life Foundation

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For the year ended 30 June 2017

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
13. Reconciliation of cash flows from operating activities			
Cash flows from operating activities			
Net surplus for the year		161,794	378,505
Non-cash items from operating activities			
Donation from related party	5	(73,095)	73,095
In-kind Multiplex expense	6	73,095	(73,095)
Non-operating or non-cash items			
Depreciation	11	23,092	248
Net changes in working capital:			
Increase in payables	12	26,576	132,551
Decrease / (increase) in receivables	9	129,303	(134,938)
(Increase) in prepayments	10	(3,363)	(2,475)
Net cash from operating activities		337,402	373,891

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 2017.

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 Beets on as Executive Director of the Company. During the year Mr Beets on was paid \$147,260 (year ended 30 June 2016, \$115,000). 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 2017.

Notes to the Financial Statements

Literacy For Life Foundation

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For the year ended 30 June 2017

17. Contingent liabilities

There are no contingent liabilities that have been incurred by the Company in relation to the year ended 30 June 2017.

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 2017, 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 2017 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 \$1,417,854 from grants, donations and sponsorships.
- The company spent \$1,256,753 during the year.

(b) Monetary figures and percentages:

	Year ended 30 June 2017	Year ended 30 June 2017	Year ended 30 June 2016	Year ended 30 June 2016
	%	\$	%	\$
Total comprehensive income /	11%	161,794	32%	378,505
Gross income from grants, donations and sponsorships		1,417,854		1,190,330
Total campaign cost /	92%	1,150,365	89%	726,962
Total expenditure		1,256,753		812,971
Total expenditure /	89%	1,256,753	68%	812,971
Total income received		1,418,547		1,191,476

Responsible Persons Literacy For Life Foundation

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For the year ended 30 June 2017

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
13 November 2017
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 2017 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
13 November 2017
Sydney, NSW

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

We have audited the financial report of Literacy for Life Foundation, which comprises the statement of financial position as at 30 June 2017, 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 10 to 21.

In our opinion, the accompanying financial report of the company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) 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 then ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the company's Directors' Report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Report

Management of the Entity is responsible for the preparation of the financial report in accordance with Australian Accounting Standards and ACNC Act and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

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 judgement 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 management.
- Conclude on the appropriateness of management's 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's 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.

DELOITTE TOUCHE TOHMATSU.

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew J Coleman
Partner
Chartered Accountants
Sydney, 13 November 2017