

Harding Miller Education Foundation Ltd

**FINANCIAL REPORT FOR THE PERIOD 1 JANUARY 2018 TO 31
DECEMBER 2018**

Harding Miller Education Foundation Ltd

ABN 51 607 194 641

Financial Report for the Period 1 January 2018 to 31 December 2018

DIRECTORS' REPORT

Your directors present this report on the company for the financial period 1 January 2018 to 31 December 2018.

Directors

The names of each person who has been a director during the year and to the date of this report are:

| | |
|------------------|--|
| Kim Harding | (Appointed: 21 July 2015) |
| Irene Miller | (Appointed: 21 July 2015) |
| Cara Varian | (Appointed: 21 July 2015) |
| Steve Di Leo | (Appointed: 21 July 2015) |
| Angella Bregovac | (Appointed: 21 July 2015) |
| Andrea Slark | (Appointed: 7 February 2018) |
| Adam Harris | (Appointed: 21 July 2015, Resigned: 7 February 2018) |

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

Principal Activities

The principal activities of the company during the financial year are to foster and carry out support programs and activities which will improve the education and well-being of young girls in academic school years 8 to 12 in government schools or communities or in any educational institution after leaving school in Australia.

Short-term and Long-term Objectives

The company's short-term objective are to:

- Foster, encourage, carry out, assist and support programs and activities which will improve the education and wellbeing of young girls.
- Develop and deliver programs which provide financial support, mentoring, education and opportunities to young girls with the aim of providing opportunities in life to improve their future for the better, break the poverty cycle and create sustainable futures without dependence on welfare.
- Help alleviate the disadvantages and difficulties faced by young girls.

The company's long-term objectives are to:

- Provide practical support to lift educational outcomes and career aspirations of high potential girls experiencing disadvantage.

Strategies

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

- Assist educational needs.
- Provide tutoring and educational support.
- Provide equipment including computers and software and assistance.
- Provide counselling, health and other services.
- Provide practical support to lift the educational and career aspirations of young girls.
- Address social and emotional wellbeing issues for young girls to help them achieve academic success.

Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendances by each director were as follows:

| Directors' Meetings | | |
|---------------------------------|---------------------------|-----------------|
| | Number eligible to attend | Number attended |
| Meeting held on 7 Feb 2018 | 6 | 6 |
| Meeting held on 1 May 2018 | 6 | 6 |
| Meeting held on 8 August 2018 | 6 | 6 |
| Meeting held on 3 December 2018 | 6 | 6 |

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 of \$1 towards meeting any outstanding obligations of the entity. At 31 December 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$2.

Auditor's Independence Declaration

The lead auditor's independence declaration for the period 1 January 2018 to 31 December 2018 has been received and can be found on page 3 of the financial report.

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



Steve Di Leo (Director)

Dated this 8th day of AUGUST 2019

8 August 2019

The Board of Directors
The Harding Miller Education Foundation Ltd
Unit 5, 5 Rosebery Place,
BALMAIN NSW 2041

Dear Board Members

THE HARDING MILLER EDUCATION FOUNDATION LTD

In accordance with the requirements of section 60-40 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 The Harding Miller Education Foundation Ltd.

As lead audit partner for the audit of the financial report of The Harding Miller Education Foundation Ltd for the financial year ended 31 December 2018, I declare that to the best of my knowledge and belief, that 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



Crowe Sydney



ASH PATHER

Partner

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1
JANUARY 2018 TO 31 DECEMBER 2018

| | Note | 31 Dec 2018 | 31 Dec 2017 |
|---|------|---------------|------------------|
| | | \$ | \$ |
| Donations received | | 796,094 | 447,038 |
| Interest income | | 66 | 943 |
| Other income | | - | 3,535 |
| Service provision expenses | | (770,307) | (692,200) |
| Current year surplus before income tax | | 25,853 | (240,684) |
| Income tax expense | | - | - |
| Net current year surplus/(deficit) | | 25,853 | (240,684) |
| Other comprehensive income | | - | - |
| Total other comprehensive income for the year | | - | - |
| Total comprehensive income/(loss) for the year | | 25,853 | (240,684) |
| Total comprehensive income/(loss) attributable to members of the entity | | 25,853 | (240,684) |

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

| | Note | 2018 \$ | 2017 \$ |
|-------------------------------------|------|------------|------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash on hand | 2 | 6,051 | 23,365 |
| Other current assets | 3 | 224,478 | 7,513 |
| TOTAL CURRENT ASSETS | | 230,529 | 30,878 |
| TOTAL ASSETS | | 230,529 | 30,878 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and other payables | 4 | 197,907 | 24,109 |
| TOTAL CURRENT LIABILITIES | | 197,907 | 24,109 |
| TOTAL LIABILITIES | | 197,907 | 24,109 |
| NET ASSETS | | 32,622 | 6,769 |
| EQUITY | | | |
| Retained surplus | | 32,622 | 6,769 |
| TOTAL EQUITY | | 32,622 | 6,769 |

The accompanying notes form part of these financial statements.

Harding Miller Education Foundation Ltd ABN 51 607 194 641

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018

| | Retained Surplus |
|--|---------------------|
| | \$ |
| Balance at 1 July 2016 | 247,453 |
| Comprehensive income/(loss) | (240,684) |
| Surplus for the year attributable to members of the entity | - |
| Other comprehensive income for the year | - |
| Total comprehensive income attributable to members of the entity | (240,684) |
| Balance at 31 December 2017 | 6,769 |
| Balance at 1 January 2018 | 6,769 |
| Comprehensive income/(loss) | 25,853 |
| Surplus for the year attributable to members of the entity | - |
| Other comprehensive income for the year | - |
| Total comprehensive income attributable to members of the entity | 25,853 |
| Balance at 31 December 2018 | 32,622 |

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018

| | Note | 31 Dec 2018 | 31 Dec 2017 |
|--|------|-------------|-------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | - | - |
| Receipts from donations, bequests and raffles | | 796,094 | 447,038 |
| Payments to suppliers and employees | | (813,475) | (658,083) |
| Other income received | | - | 3,535 |
| Interest received | | 66 | 943 |
| Net cash (used in)/generated from operating activities | 5 | (17,314) | (206,567) |
| Cash on hand at the beginning of the financial year | | 23,365 | 229,932 |
| Cash on hand at the end of the financial year | 2 | 6,051 | 23,365 |

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018**

The financial statements cover Harding Miller Education Foundation Ltd as an individual entity, incorporated and domiciled in Australia. Harding Miller Education Foundation Ltd is a company limited by guarantee.

The financial statements were authorised for issue by the directors of the company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are special purpose financial statements that have been prepared in accordance with Australian Accounting Standards of the Australian Accounting Standards Board, the *Australian Charities and Not-For-Profit Commission Regulation 2013* and the *Charitable Fundraising Act 1991* (NSW). Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

There are no standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. As such there have been no other changes to accounting policies in preparation of the financial statements at reporting date.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax.

b. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

c. Cash on Hand

Cash on hand equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. **Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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 Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

f. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

g. **Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

h. **Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018

NOTE 2: CASH ON HAND

| | 31 Dec 2018 | 31 Dec 2017 |
|--------------|--------------|---------------|
| | \$ | \$ |
| Cash at bank | 6,051 | 23,365 |
| | <u>6,051</u> | <u>23,365</u> |

NOTE 3: OTHER CURRENT ASSETS

| | 31 Dec 2018 | 31 Dec 2017 |
|----------------|----------------|--------------|
| | \$ | \$ |
| GST receivable | 26,474 | 7,513 |
| Trade Debtors | 31 | - |
| Prepayments | 197,973 | - |
| | <u>224,478</u> | <u>7,513</u> |

NOTE 4: ACCOUNTS PAYABLE AND OTHER PAYABLES

| | 31 Dec 2018 | 31 Dec 2017 |
|------------------|----------------|---------------|
| | \$ | \$ |
| CURRENT | | |
| Accounts payable | 197,907 | 24,109 |
| | <u>197,907</u> | <u>24,109</u> |

NOTE 5: CASH FLOW INFORMATION

| | 31 Dec 2018 | 31 Dec 2017 |
|---|-----------------|------------------|
| | \$ | \$ |
| Reconciliation of cash flows from operating activities with net current year surplus | | |
| Net current year surplus | 25,853 | (240,684) |
| Non-cash flows in current year surplus: | | |
| — depreciation and amortisation | - | - |
| Changes in assets and liabilities: | | |
| — (increase)/decrease in accounts receivable and other debtors | (31) | - |
| — (increase)/decrease in prepayments | (197,973) | 10,000 |
| — GST payable/(receivable) | (18,961) | 6,462 |
| — increase in inventories on hand | - | - |
| — increase in accounts payable and other payables | 173,798 | 17,655 |
| | <u>(17,314)</u> | <u>(206,567)</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2018 TO 31 DECEMBER 2018

NOTE 6: ENTITY DETAILS

The registered office of the company is:

Harding Miller Education Foundation Ltd
Unit 5, 5 Rosebery Place, Balmain NSW 2041

The principal place of business is:

Harding Miller Education Foundation Ltd
Unit 5, 5 Rosebery Place, Balmain NSW 2041

NOTE 7: 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 of \$1 towards meeting any outstanding obligations of the entity. At 31 December 2018, the number of members was 2.

HARDING MILLER EDUCATION FOUNDATION LTD

51 607 194 641

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Harding Miller Education Foundation Ltd, the directors according to the *Charitable Fundraising Act 1991* (NSW) declare that:

1. The financial statements give a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
2. The statement of financial position gives a true and fair view of the state of affairs with respect to Financial for the period 1 January 2018 to 31 December 2018;
3. The provisions of the *Charitable Fundraising Act 1991* (NSW) and the regulations under that Act have been complied with;
4. The internal controls exercised by the Company are appropriate and effective in accounting for all income received; and
5. The financial statements are properly drawn up in accordance with Australian Accounting Standards and Urgent Issues Group Consensus Views as outlined in Note 1 to the accounts

The directors also in accordance with Section 60-15 of the *Australian Charities and Not-For-Profits Commission Regulation 2013* declare that:

1. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-For-Profits Commission Act 2012*

Signed in accordance with the *Charitable Fundraising Act 1991* (NSW) and Subsection 60-15(2) of the *Australian Charities and Not-For-Profit Commission Regulation 2013*.



Steve Di Leo (Director)

Dated this 8th day of AUGUST 2019

HARDING MILLER EDUCATION FOUNDATION LTD

51 607 194 641

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
HARDING MILLER EDUCATION FOUNDATION LTD

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Harding Miller Education Foundation Ltd (the company), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 financial report based on our audit. We have 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 financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of 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 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 entity'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.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Harding Miller Education Foundation Ltd, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In our opinion the financial report of Harding Miller Education Foundation Ltd is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

The Harding Miller Education Foundation Ltd

Independent Auditor's Report to the Members of The Harding Miller Education Foundation Ltd

Report on the Financial Report

We have audited the special purpose financial report of The Harding Miller Education Foundation Ltd, which comprises the statement of financial position for the period ended 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration of the company.

Directors' Responsibility for the Financial Report

The Directors' of the registered entity 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on 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 about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of 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 preparation and fair presentation of the financial report 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.

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

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Independent Auditor's Report

Auditor's Opinion

In our opinion the financial report of The Harding Miller Education Foundation Limited 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 for the period ended 31 December 2018 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards and the *Australian Charities and Not-For-Profits Commission Regulation 2013*.

Additional Conclusion

We confirm that all expenses incurred are directly related to the objectives of the entity, being for the direct benefit of assisting in the education and well-being of young persons. We further confirm that no expenses of an administrative nature have been paid for by the Foundation as these are settled by a related entity.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-For-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.



Crowe Sydney



Ash Pather

Partner

8 August 2019

Sydney