

FINANCIAL COUNSELLING FOUNDATION

ABN 85 195 456 873

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
FOR THE YEAR ENDED 30 JUNE 2019

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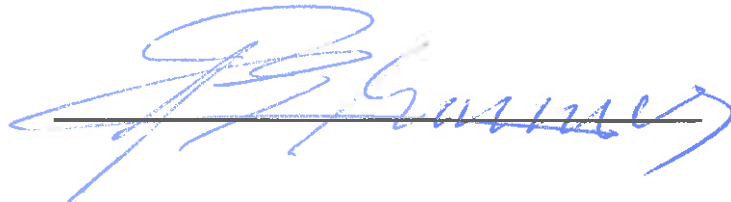
FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
TRUSTEES' DECLARATION

The Board of Directors of the trustee company, Financial Counselling Foundation Ltd, declares that:

1. the financial statements and notes present fairly the Foundation's financial position as at 30 June 2019 and performance for the year ended on that date in accordance with the Australian Accounting Standards; and
2. in the trustees opinion there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees:

Trustee



Dated this

30th

day of October 2019

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Income	3,442,008	2,985,203
Donations received	330,778	409,769
Donations received - ANZ Bank	599,346	-
Enforceable Undertaking Payment - ANZ Bank	-	1,375,000
Enforceable Undertaking Payment - BMW Finance	2,500,000	-
Enforceable Undertaking Payment - Commonwealth Bank	-	1,200,000
Interest received	11,884	434
Expenditure	1,352,721	1,650
Bank Fees	1	-
Audit Fees	300	330
Catering	223	-
Computer software	295	-
Consultants	3,118	-
Grant Payments	1,320,300	-
Merchant fees	40	-
Directors and Officers insurance	1,200	1,320
Legal Fees	12,509	-
Printing and Design	1,010	-
Travel and Accommodation	6,324	-
Other Expenses	195	-
Website Costs	866	-
Secretariat costs	6,341	-
Net surplus for the year	2,089,287	2,983,553
Other comprehensive income	-	-
Total comprehensive income attributable to the Foundation	2,089,287	2,983,553

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	2019	2018
	\$	\$
CURRENT ASSETS		
Cash at bank	3,350,585	2,983,699
Cash on term deposits	1,496,655	
Cash on hand	100	100
Accounts receivables	229,700	-
Interest receivable	4,397	
Withholding tax refundable	184	184
GST refundable	2,588	-
TOTAL CURRENT ASSETS	5,084,209	2,983,983
TOTAL ASSETS	5,084,209	2,983,983
CURRENT LIABILITIES		
Accounts payable	10,940	-
Sundry payables	330	330
TOTAL CURRENT LIABILITIES	11,270	330
TOTAL LIABILITIES	11,270	330
NET ASSETS	5,072,940	2,983,653
EQUITY		
Settled sum	100	100
Accumulated funds	5,072,840	2,983,553
TOTAL MEMBERS' FUNDS	5,072,940	2,983,653

FINANCIAL COUNSELLING FOUNDATION
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Settled sum \$	Accumulated funds \$	Total \$
Balance as at 1 July 2017		-	-
Surplus attributable to the Foundation	-	2,983,553	2,983,553
Settlement sum received	100	-	100
Balance as at 30 June 2018	<u>100</u>	<u>2,983,553</u>	<u>2,983,653</u>
Surplus attributable to the Foundation	-	2,089,287	2,089,287
Balance as at 30 June 2019	<u>100</u>	<u>5,072,840</u>	<u>5,072,940</u>

FINANCIAL COUNSELLING FOUNDATION
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and donors		3,193,438	2,984,585
Payments to suppliers and community partners		(1,341,781)	(1,320)
Interest received		11,884	434
Net cash generated from/(used in) operating activities	(i)	<u>1,863,541</u>	<u>2,983,699</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Settled sum received		-	100
Net cash (used in)/provided by investing activities		<u>-</u>	<u>100</u>
Net increase/(decrease) in cash held		1,863,541	2,983,799
Cash and cash equivalents at beginning of financial year		2,983,799	-
Cash and cash equivalents at end of financial year	(ii)	<u><u>4,847,340</u></u>	<u><u>2,983,799</u></u>
Note (i). Net cash generated from/(used in) operating activities			
Surplus attributable to the Foundation		2,089,287	2,983,553
Increase in accounts and other receivables		(236,686)	-
Increase in withholding tax refundable		-	(184)
Increase in accounts and other payables		10,940	330
		<u><u>1,863,541</u></u>	<u><u>2,983,699</u></u>
Note (ii) Cash and cash equivalents at end of financial year			
Cash on hand		100	2,983,699
Cash on term deposits		1,496,655	-
Cash in bank		3,350,585	100
		<u><u>4,847,340</u></u>	<u><u>2,983,799</u></u>

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 1. Statement of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following is a summary of the material accounting policies adopted by the company in the preparation of the general purpose financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

b. Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

c. Income Tax

The Foundation is a not for profit organisation and as such is exempt from paying income tax.

d. Trustees

The Foundation was established as a charitable foundation by Financial Counselling Australia Limited (the Founder). The trustees are as follows:

Mr George Brouwer	Chairperson
Ms Carolyn Bond AO	
Mr Greg Tanzer	
Ms Betty Weule AM	

Ms Rita Battaglin	Secretary
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FINANCIAL COUNSELLING FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 2. Financial Instruments

Financial Risk Management Policies:

The entity's financial instruments consist mainly of deposits with banks, local money market instruments and short-term investments.

The trustee's overall risk management strategy seeks to assist the company in meeting its financial target, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the trustees on a regular basis. These included the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finances for the trust's operations.

The trust does not have any derivative instruments at 30 June 2018.

Interest rate risk

The Trust does not have any material interest rate risk exposure, which is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates.

Credit risk

The Trust does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Trust.

Net fair values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are comparable to the amounts disclosed in the financial statements.

**FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES**

Opinion

I have audited the accompanying financial report of Financial Counselling Foundation (the Foundation), which comprises the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Trustees.

In my opinion, the accompanying financial report of Financial Counselling Foundation is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the Foundation's financial position as at 30 June 2019 and of its performance and cash flows for the year ended on 30 June 2019; and
- ii. complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Foundation in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Trustees of the Foundation would be on the same terms if given to the Trustees as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Trustees for the Financial Report

The Trustees are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as the Trustees 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, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Report

My 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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

Conclude on the appropriateness of the responsible entities 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

 CA

Name of Auditor: Frederik R.L. Eksteen

Address: Collins & Co
127 Paisley Street
Footscray VIC 3011

Date: 30 October 2019