



financial reports

2017/2018



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Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2018.

Directors

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

Ms Sally Gamble	Mr Patrick Duffy
Ms Elizabeth Chapman OAM	Ms Melinda Lawley
Mr Adrian Aldous	Mrs Louise Pearce
Ms Georgina Burston	Mr Nicholas Taylor
Mr John William Dobson	Mr Florent Thivillier

The directors have been in office since the start of the financial year to the date of this report except for: Mr John William Dobson – resigned July 2018, Mrs Louise Pearce – leave of absence granted June 2018, and Ms Georgina Burston, Ms Melinda Lawley and Mr Florent Thivillier – all appointed September 2018.

Objectives

The objective of the company is to enable the people of Benalla and district, in North East Victoria, to create a stronger, more resilient and prosperous rural community. The company provides a sustainable mechanism for resourcing a range of community development initiatives in this geographic area.

Strategy for achieving objectives

The focus of attention in the reporting period was to:

- raise funds and resources locally to build a substantial Community Fund to benefit Benalla and district.
- raise funds to support the purchase of Cecily Court, 66-68 Nunn Street, Benalla. The objective of this purchase is to provide a secure base for our community activities and a long term investment income stream from leased offices.

Principal activities

The principal activities of the company during the course of the year were to apply its income and property for public charitable benefit in Benalla and district.

Funds were raised through a local appeal, sponsorship by local business and approaches to external philanthropic organisations. The company provided grants for charitable purposes to further its objectives.

How the activities assisted in achieving stated objectives

The Benalla community responded strongly to opportunities created by these activities, to give both time and money to help others in their community. There was an increase in discussions regarding particular challenges facing the district, combined with interest in and support for community development initiatives.

Measurement of performance

The performance of the company is measured against objectives set out in its Strategic Plan, which is reviewed annually.

Operating results

The surplus of the company for the year amounted to \$292,538 (2017: \$215,699 surplus).

Significant changes in the state of affairs

On 28 September 2017 the company purchased Cecily Court, 66-68 Nunn Street, Benalla, where it had been leasing offices since 2010. Owning Cecily Court commercial property provides a secure base for operations and an investment income stream from leased offices. It is a significant step towards the goal of securing financial independence for Benalla's community foundation. Philanthropic and local financial support enabled the purchase. The William Buckland Foundation provided a \$600,000 fixed rate ten-year loan towards the purchase which is secured by a registered first mortgage.

After balance date events

On 30 September 2018 the company made the first principle repayment of \$200,000 to the William Buckland Foundation as per the loan agreement.

Future developments

The company will continue to function as Benalla's community foundation, raising funds and resources locally to benefit the Benalla and district community and providing a sustainable mechanism to resource community development initiatives.

Environmental issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or State government.

Directors' benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Information on directors

Ms Sally Gamble

Director, appointed October 2000
Chair, appointed June 2009
Member, Audit and Finance & Investment Committees
Director, Tomorrow Today Education Foundation
Director, Australian Community Philanthropy
Graduate Diploma Health Education, MAICD

Ms Elizabeth Chapman OAM

Director, appointed October 2000
Deputy Chair, appointed March 2011
Director, Tomorrow Today Education Foundation
Masters of Applied Science (Agriculture and Rural Development)
Graduate Diploma Community Development

Mr Adrian Aldous

Director, appointed November 2005
Treasurer, appointed October 2007
Company Secretary, appointed August 2014
Chair, Finance & Investment Committee
Member, Audit Committee
Director, Tomorrow Today Education Foundation
Bachelor of Commerce, Chartered Accountant
Registered Tax Agent

Directors' Report

Ms Georgina Burston

Director, appointed September 2018
 Director, Tomorrow Today Education Foundation
 Graduate Diploma Yoga Therapy
 Graduate Diploma Meditation Teacher Training

Mr John William Dobson

Director, appointed March 2008, resigned July 2018
 Bachelor of Law

Mr Patrick Duffy

Director, appointed June 2017
 Director, Tomorrow Today Education Foundation
 Director and CEO, EAgr Pty Ltd and group of companies
 Director, Jiangsu E Agriculture Science and Technology
 Company Limited
 Board Advisory Member, Beanstalk AgTech
 Bachelor of Commerce, Chartered Accountant

Ms Melinda Lawley

Director, appointed September 2018
 Director, Tomorrow Today Education Foundation
 Master of Public Health
 Bachelor of Education (Health & Science)

Mrs Louise Pearce

Director, appointed July 2016
 Member, Finance & Investment Committee
 Director, Tomorrow Today Education Foundation
 Master of Education (Educational Leadership and Management)
 Graduate Diploma Vocational Education and Training

Mr Nicholas Taylor

Director, appointed August 2014
 Chair, Audit Committee
 Director, Tomorrow Today Education Foundation
 Director, Landmark Construction Group Pty Ltd
 Bachelor of Building, Bachelor of Quantity Surveying, MAICD

Mr Florent Thivillier

Director, appointed September 2018
 Director, Tomorrow Today Education Foundation
 Master of Industrial Engineering

Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director were as follows:

	Number eligible to attend	Number attended
Ms Sally Gamble	10	10
Ms Elizabeth Chapman OAM	10	10
Mr Adrian Aldous	10	9
Ms Georgina Burston	0	0
Mr John William Dobson	10	9
Mr Patrick Duffy	10	8
Ms Melinda Lawley	0	0
Mrs Louise Pearce	9	6
Mr Nicholas Taylor	10	9
Mr Florent Thivillier	0	0

Committee Membership

Directors acting on the committees of the board and the meetings attended were as follows:

AUDIT COMMITTEE		
	Number eligible to attend	Number attended
Mr Nicholas Taylor	2	2
Mr Adrian Aldous	2	2
Ms Sally Gamble	2	2

FINANCE & INVESTMENT COMMITTEE		
	Number eligible to attend	Number attended
Mr Adrian Aldous	2	2
Ms Sally Gamble	2	2
Mrs Louise Pearce	2	2

Indemnifying officer or auditor

During or since the end of the financial year the company has not, in respect of any person who is or has been an officer or auditor of the company; given an indemnity or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct whilst acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Ms Sally Gamble	Mr Patrick Duffy
Ms Elizabeth Chapman	Ms Melinda Lawley
Mr Adrian Aldous	Mrs Louise Pearce
Ms Georgina Burston	Mr Nicholas Taylor
Mr John William Dobson	Mr Florent Thivillier

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the Australian Charities and Not for Profits Commission Act 2012 is included in this financial report and forms part of the Directors' Report.

Members' guarantee

The company is incorporated under the Corporations Act 2001 and is limited by guarantee. The members are the directors. If the company is wound up, the constitution states that every member is required to contribute a maximum of \$100 each towards meeting outstanding obligations of the company. At the 30th June 2018 the company has 7 members.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*:



Ms Sally Gamble
 Director



Mr Adrian Aldous
 Director

Dated: **8 October, 2018**

Place: **Benalla**

Financial Report

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2018

	Note	2018	2017
		\$	\$
Revenue and other income	2	376,323	311,279
Community grants distributed		(18,860)	(21,100)
Interest paid – Investment property		(13,500)	-
Investment property expenses		(13,757)	-
Administration expenses		(9,944)	(16,911)
Donations non cash		(182)	(30,345)
FRRR fees		(1,754)	(1,459)
Fundraising expenses		(1,159)	(1,722)
Management fees		(11,300)	(12,200)
Professional fees		(9,307)	(8,430)
Depreciation and amortisation expenses	3	(832)	(635)
Investment fees		(3,190)	(2,778)
Current year surplus		292,538	215,699
Other comprehensive income:			
Items to be reclassified subsequent to profit or loss when specific conditions are met:			
Net changes in fair value of available-for-sale financial assets	6	(9,175)	8,452
Other comprehensive (loss) income for the year		(9,175)	8,452
Total Comprehensive Income for the Year		283,363	224,151

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2018

	Note	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	340,186	532,630
Accounts receivable and other debtors	5	40,390	20,606
Total Current Assets		380,576	553,236
NON-CURRENT ASSETS			
Available-for-sale financial investments	6	348,721	330,140
Property, plant and equipment	7	20,500	5,272
Investment property	8	1,028,051	-
Total Non-Current Assets		1,397,272	335,412
Total Assets		1,777,848	888,648
CURRENT LIABILITIES			
Accounts payable and other payables	9	8,237	2,400
Borrowings	10	200,000	-
Total Current Liabilities		208,237	2,400
NON-CURRENT LIABILITIES			
Borrowings	10	400,000	-
Total Non-Current Liabilities		400,000	-
Total Liabilities		608,237	2,400
Net Assets		1,169,611	886,248
FUNDS			
Reserves		1,079,928	831,274
Retained surplus		89,683	54,974
Total Funds	11	1,169,611	886,248

The accompanying notes form part of these financial statements.

Statement of Changes in Funds

For the year ended 30 June 2018

	Note	Open Fund Capital Reserve	Open Fund Income Reserve	Educ. Benalla Program Reserve	Special Purpose Reserve	Retained Surplus	Total Funds
		\$	\$	\$	\$	\$	\$
Balance at 30 June 2016	11	530,991	15,648	525,660	30,542	94,166	1,197,007
Transfer to TTEF		-	-	(525,660)	(9,250)	-	(534,910)
Transfers to reserves		11,107	33,297	-	243,012	(287,416)	-
Transfers from reserves		-	(9,614)	-	(14,459)	24,073	-
Net deficit		-	-	-	-	224,151	224,151
Balance at 30 June 2017	11	542,098	39,331	-	249,845	54,974	886,248
Transfers to reserves		12,066	42,726	-	240,387	(295,179)	-
Transfers from reserves		-	(37,039)	-	(9,486)	46,525	-
Net surplus		-	-	-	-	283,363	283,363
Balance at 30 June 2018	11	554,164	45,018	-	480,746	89,683	1,169,611

The accompanying notes form part of these financial statements.

(*TTEF – Tomorrow Today Education Foundation)

Financial Report

Statement of Cash Flows

For the year ended 30 June 2018

Note	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	65,203	32,403
Grants received	180,175	237,350
Rent received	71,702	-
Interest received	4,881	12,362
Dividends received	6,802	3,987
Investment distributions	15,846	10,338
Payments to suppliers	(64,915)	(68,662)
Interest paid	(13,500)	-
Net cash generated from operating activities	266,194	227,778
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to TTEF re divestment 12	-	(589,077)
Proceeds from sale of investments	110,000	83,694
Purchase of investments	(130,075)	(85,578)
Purchase of plant and equipment	(10,512)	-
Purchase of investment property	(1,028,051)	-
Net cash (used in) investing activities	(1,058,638)	(590,961)
FINANCING ACTIVITIES		
Proceeds from borrowings	600,000	-
Net cash from financing activities	600,000	-
Net (decrease) in cash	(192,444)	(363,183)
Cash and cash equivalents at 1 July	532,630	895,813
Cash and cash equivalents at 30 June 4	340,186	532,630

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the year ended 30 June 2018

Corporate Information

The financial report of Tomorrow Today A Foundation for Rural Community Development (the company) for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the directors on 8 October 2018.

Tomorrow Today A Foundation for Rural Community Development is a company limited by guarantee, incorporated and domiciled in Australia. The registered office for the company and the principal place of business is: Shop 10, 66 Nunn Street, Benalla, Victoria, 3672.

The nature of the operations and principal activities of the company are described in the directors' report.

Note 1: Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, 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 non-for-profit specific requirements contained in the Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, except for available-for-sale financial assets which are measured at fair value.

Financial Report

Notes to the Financial Statements (cont.)

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

(b) Revenue recognition

All revenue is recognised net of the amount of goods and services tax (GST) payable to the Australian Taxation Office.

Grant revenue is recognised when the company obtains control of the funds. If conditions are attached to the grant which must be satisfied before it 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 company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised initially as a liability until the service has been delivered to the contributor.

In-kind donations from the government and other parties are recognised at fair value where this can be quantified.

Donations and bequests are recognised as revenue when received.

Interest income is recognised as it accrues using the effective interest method. Dividends from listed entities are recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service.

(c) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position 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.

(d) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due for goods sold in the ordinary course of business. Receivables expected to be collected within twelve months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value. An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

(e) Fair value of assets and liabilities

The company measures available for sale financial assets at fair value on a recurring basis.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability.

(f) Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by the directors. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

After initial recognition available-for-sale financial investments are subsequently measured at fair value with any gains or losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified to the statement of profit or loss and other comprehensive income.

Available-for-sale financial assets are classified as current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current assets.

(g) Property, plant and equipment

Bases of measurement of carrying amount

Land and buildings purchased this financial year are shown at cost.

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down to its estimated recoverable amount and impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Plant and equipment donated or acquired at no cost, or for nominal cost, is recognised at the fair value at the date the company acquires the asset.

Depreciation

Items of property, plant and equipment (other than land) are depreciated over their useful lives to the company commencing from the time the asset is held ready for use.

Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

Class of fixed asset	Depreciation rates
Office Furniture & Equipment	2.5 – 10%

Gains and losses on disposals once determined by comparing proceeds with the carrying amount are recognised in profit or loss in the period in which they occur.

(h) Investment property

Investment property is held to earn rental income and to provide office accommodation for Tomorrow Today. The property is measured initially at cost, including transaction costs. Subsequent to initial recognition the investment property will be measured at fair value. This will occur every three years from when the investment property was initially acquired. Gains and losses arising from changes in the fair value of the investment property will be included in profit or loss in the period in which they arise.

Financial Report

Notes to the Financial Statements (cont.)

(i) Accounts payable and other payables

Accounts payable and other payables represent the liabilities for goods and services received by the company during the reporting period that are unpaid. These amounts are usually settled within 30 days.

(j) Borrowings

Borrowings are secured by registered first mortgage over the land and buildings.

(k) Taxation

Income tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax.

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. 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 GST inclusive basis in the statement of cash flows. 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.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 2: Revenue and Other Income		
	2018	2017
	\$	\$
REVENUE		
GENERAL REVENUE		
Grants – Philanthropic	110,000	179,000
Grants – via FRRR	70,175	58,350
Rental income	71,702	–
Donations	8,778	2,162
Fundraising activities	2,980	–
Sponsorships	48,455	12,500
Administration fees	12,084	10,632
Interest	1,574	4,231
(Loss) on disposal of assets	(842)	–
	324,906	266,875

Note 2: Revenue and Other Income (cont.)		
	2018	2017
	\$	\$
OPEN FUND REVENUE		
Donations	5,871	5,657
Fundraising activities	–	4,215
Sponsorships	9,545	5,000
Investment income	25,137	24,165
Interest	3,183	–
Profit on disposal of investments	7,681	5,367
	51,417	44,404
	376,323	311,279

Note 3: Expenses		
	2018	2017
	\$	\$
Depreciation of non-current assets	832	635
Auditor's remuneration: Audit of the financial statements	2,500	2,200

Note 4: Cash and Cash Equivalents		
	2018	2017
	\$	\$
Cash at bank and at hand	300,186	452,630
Short-term deposits	40,000	80,000
	340,186	532,630
Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the company's cash requirements. These deposits earn interest at market rates.		
RECONCILIATION OF CASH		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	340,186	532,630
	340,186	532,630

Note 5: Accounts Receivable and Other Debtors		
	2018	2017
	\$	\$
Accounts receivable	23,700	7,763
Other debtors	3,707	6,049
Accrued income	12,983	6,794
	40,390	20,606

Financial Report

Notes to the Financial Statements (cont.)

Note 6: Available-for-Sale Financial Investments		
	2018	2017
	\$	\$
LISTED INVESTMENTS AT FAIR VALUE:		
– Shares quoted on the Aust. Stock Exchange	67,760	63,910
– Managed funds and investment portfolios	280,961	266,230
	348,721	330,140
MOVEMENTS IN AVAILABLE-FOR-SALE FINANCIAL INVESTMENTS		
Balance at 1 July	330,140	314,436
Additions	130,075	85,578
Disposals	(110,000)	(78,326)
Revaluation (decrement) increment	(9,175)	8,452
Gain on sale	7,681	–
Balance at 30 June	348,721	330,140
The listed investments are held long-term to generate returns, based on income from dividends and increases in market values of those investments		

Note 7: Property, Plant and Equipment		
	2018	2017
	\$	\$
OFFICE FURNITURE AND EQUIPMENT		
– At cost	24,815	7,912
– Less accumulated depreciation	(4,315)	(3,483)
	20,500	4,429
LEASEHOLD IMPROVEMENTS		
– At cost	–	915
– Less accumulated depreciation	–	(72)
	–	843
	20,500	5,272

Note 8: Investment Property		
	2018	2017
	\$	\$
Investment property is a real estate property in Benalla, Australia, which is owned to earn rental income. Changes to the carrying amounts are as follows:		
Carrying amount 1 July 2017	–	–
Additions Cecily Court, 66-68 Nunn St, Benalla	1,028,051	–
Carrying amount 30 June 2018	1,028,051	–

Note 9: Accounts Payable and Other Payables		
	2018	2017
	\$	\$
Accounts payable	1,958	1,043
Goods and services tax	6,279	1,357
	8,237	2,400

Note 10: Borrowings		
	2018	2017
	\$	\$
CURRENT		
Borrowings	200,000	–
	200,000	–
NON-CURRENT		
Borrowings	400,000	–
	400,000	–

Note 11: Funds		
	2018	2017
	\$	\$
Open Fund Capital Reserve	554,164	542,098
Open Fund Income Reserve	45,018	39,332
Open Fund Reserve	599,182	581,430
Special Purpose Reserve	480,746	249,845
Total Reserves	1,079,928	831,275
Retained Surplus	89,683	54,973
Total Funds	1,169,611	886,248
Movements in funds: Details of the movement in each reserve and fund are provided in the Statement of Changes in Funds.		
Details of reserves and funds included in the Statement of Changes in Funds:		
Open Fund Capital Reserve: This reserve comprises the capital amount which is retained to generate income on a continuing basis.		
Open Fund Income Reserve: This reserve is established for future distribution to local charitable purposes.		
Education Benalla Program Reserve: On 1 July 2016 the balance of this reserve was transferred to Tomorrow Today Education Foundation (TTEF) to continue delivery of the Education Benalla Program.		
Special Purpose Reserve: This reserve consists of funds held for special purposes.		
Retained Surplus: This represents the accumulated surplus available for future operations.		

Financial Report

Notes to the Financial Statements (cont.)

Note 12: Divestment to Tomorrow Today Education Foundation			
	Note	2018	2017
		\$	\$
The following assets were transferred to Tomorrow Today Education Foundation (TTEF) as of 1 July 2016 to continue delivery of the Education Benalla Program			
Education Benalla Program Reserve		–	525,660
Special Purpose Reserve		–	9,250
Employee Entitlements		–	54,167
Payments to TTEF re divestment		–	589,077
Donations non cash (plant & equipment)		–	30,345
Total Divestment		–	619,422

Note 13: Financial Risk Management			
	Note	2018	2017
		\$	\$
The company's financial instruments comprise of deposits with banks, short-term investments, ASX listed securities, accounts receivable and payable. The carrying amounts for each category of financial instrument are as follows:			
FINANCIAL ASSETS			
Cash and cash equivalents	4	340,186	532,630
Accounts receivable and other debtors	5	40,390	20,606
Available-for-sale financial investments	6	348,721	330,140
Total Financial Assets		729,297	883,376
FINANCIAL LIABILITIES			
Accounts payable and other payables	9	8,237	2,400
Total Financial Liabilities		8,237	2,400

Note 14: Fair Value Measurements			
The company has the following assets, as set out in the following table, that are measured at fair value on a recurring basis after initial recognition.			
	Note	2018	2017
		\$	\$
Recurring Fair Value Measurements:			
FINANCIAL ASSETS			
Available-for-sale financial assets	6, 13		
– shares in listed companies		67,760	63,910
– managed funds & investment portfolios		280,961	266,230
Total Financial Assets Recognised at Fair Value		348,721	330,140
For investments in listed shares, managed funds and investment portfolios the fair values have been determined based on closing quoted bid prices at the end of the reporting period.			

Note 15: Contingent Assets and Liabilities

There are no contingent assets or liabilities.

Note 16: Related Parties & Related Party Transactions

Commercial rates are charged for goods and services provided to a related corporation. The directors act in an honorary capacity and receive no compensation for their services.

Note 17: Members' Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30th June 2018 the number of members was seven (2017:seven).

Directors' Declaration

The directors of the company declare that in the directors' opinion:

- there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Ms Sally Gamble
Director



Mr Adrian Aldous
Director

Dated: **8 October, 2018**

Place: **Benalla**

INDEPENDENT AUDITOR'S REPORT

To the Members of Tomorrow Today A Foundation For Rural Community Development

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Tomorrow Today A Foundation For Rural Community Development, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in funds, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In my opinion the financial report of Tomorrow Today A Foundation For Rural Community Development has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for 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 registered entity 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 [my] audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2018, but does not include the financial report and my auditor's report thereon.

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

Directors:

Adam Purtil, CPA
Karen Collins, CPA

160 Welsford Street, Shepparton VIC 3630
P.O. Box 5, Shepparton, VIC 3632

T (03) 5821 4622
F (03) 5821 1598

56 Denison Street, Finley NSW 2713
P.O. Box 229, Finley, NSW 2713

T (03) 5883 1477
F (03) 5883 2240

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities are responsible for overseeing the registered entity'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 reports as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 the 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 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 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 our 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 the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Adam Purtill RCA 419507

Date: 10th October 2018

160 Welsford Street Shepparton, VIC 3630

Tomorrow Today A Foundation for Rural Community Development Public Fund

(ABN 98 553 570 389)

Public Fund Financial Report

Income Statement

For the year ended 30 June 2018

	2018	2017
	\$	\$
INCOME		
Donations	102,520	109,321
Investment income	27,635	19,380
Profit on disposal of investments	5,856	393
Total income	136,011	129,094
EXPENDITURE		
Community grants distributed	2,500	5,512
Grants to Tomorrow Today Education Foundation	8,390	11,500
Grants to FRRR for Benalla & District (Note2)	62,175	58,350
Administration fees	6,270	5,683
Bank fees	149	398
Profit on disposal of investments	390	-
Investment fees	2,041	2,487
Total expenses	81,915	83,930
Surplus	54,096	45,164
OTHER COMPREHENSIVE INCOME		
Items that won't be reclassified to profit or loss:		
Net changes in fair value of available-for-sale financial assets	(8,176)	4,574
Other Comprehensive Income for the year	(8,176)	4,574
Total Comprehensive Income for the year	45,920	49,738

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2018

	2018	2017
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	266,744	117,592
Accounts receivable and other debtors	530	3,164
Accrued distributions	12,483	5,147
Accrued interest	913	2,641
Total Current Assets	280,670	128,544
NON-CURRENT ASSETS		
Term deposits	-	160,000
Available-for-sale financial investments	304,986	252,354
Total Non-Current Assets	304,986	412,354
Total Assets	585,656	540,898

	2018	2017
	\$	\$
CURRENT LIABILITIES		
Accounts payable and other creditors	-	1,163
Total Current Liabilities	-	1,163
Total Liabilities	-	1,163
Net Assets	585,656	539,735
FUNDS		
Settled Sum	100	100
Corpus (Note 3)	540,595	514,100
Accumulated funds	44,961	25,535
Total Funds	585,656	539,735

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2018

Note 1: Summary of Significant Accounting Policies

The directors of the trustee company for Tomorrow Today A Foundation for Rural Community Development Public Fund have prepared these financial statements on the basis that Tomorrow Today A Foundation for Rural Community Development Public Fund is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the entity and the information needs of the stakeholders.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the trustee for Tomorrow Today A Foundation for Rural Community Development Public Fund has determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Cash and Cash Equivalents

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

(b) Revenue and Other Income

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

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Public Fund Financial Report

Notes to the Financial Statements (cont.)

Dividends from listed entities are recognised when the right to receive a dividend has been established.

(c) Accounts Receivable and Other Debtors

Accounts receivable and other debtors 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.

(d) Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by the directors. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. After initial recognition available-for-sale financial investments are subsequently measured at fair value with any gains or losses recognised in the income statement.

(e) Accounts payable and other payables

Accounts payable and other payables represent the liabilities for goods and services received by the entity during the reporting period that are unpaid. These amounts are usually settled within 30 days.

Note 2: Grants to FRRR for Benalla and District

A 2006/07 Federal Government Budget measure broadened the objectives of the Foundation for Rural and Regional Renewal (FRRR) to allow it to receive tax deductible donations from regional community foundations and other donors, and to use these funds exclusively for projects in those regions. FRRR is responsible for ensuring all tax deductible donations comply with Australian Government and Australian Taxation Office requirements.

FRRR has established the 'Tomorrow Today Foundation - Benalla & District regional donation account' to assist Tomorrow Today Foundation in raising funds for this region. Grants to FRRR from our Public Fund, along with contributions from other organisations, are accepted into the FRRR Public Fund for Tomorrow Today Foundation for charitable purposes in Benalla & District.

Note 3: Corpus

The corpus consists of capital amounts, including the capital of various Named Funds, which are retained to generate income on a continuing basis. The income generated (accumulated funds) is available for distribution to Item 1 DGR organisations for local charitable purposes.

Statement by the Directors of the Trustee Company

The directors of the trustee company state that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the trustee company state that:

1. The financial statements and notes present fairly the trust's financial position as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the directors' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.
3. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*:



Ms Sally Gamble
Director



Mr Adrian Aldous
Director

Dated: **8 October, 2018**
Place: **Benalla**

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Tomorrow Today A Foundation For Rural Community Development Public Fund

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Tomorrow Today A Foundation For Rural Community Development Public Fund, which comprises the statement of financial position as at 30 June 2018, the income statement, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In my opinion the financial report of Tomorrow Today A Foundation For Rural Community Development Public Fund has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for 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 registered entity 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 [my] audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2018, but does not include the financial report and my auditor's report thereon.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities are responsible for overseeing the registered entity'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 reports as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 the 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 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 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 our 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 the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Adam Purtill RCA 419507

Date: 10th October 2018

160 Welsford Street Shepparton, VIC 3630

Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2018.

Directors

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

Ms Sally Gamble	Mr Patrick Duffy
Ms Elizabeth Chapman OAM	Ms Melinda Lawley
Mr Adrian Aldous	Mrs Louise Pearce
Ms Georgina Burston	Mr Nicholas Taylor
Mr John William Dobson	Mr Florent Thivillier

The directors have been in office since the start of the financial year to the date of this report except for: Mr John William Dobson – resigned July 2018, Mrs Louise Pearce – leave of absence granted June 2018, and Ms Georgina Burston, Ms Melinda Lawley and Mr Florent Thivillier – all appointed September 2018.

Objectives

The objective of the company is to reduce the level of disadvantage in Benalla and district in North East Victoria by supporting the education and welfare of children and young people in the community. The company provides a sustainable mechanism for resourcing a 'whole of community' approach to improving the educational outcomes for Benalla children and young people, through the learning environments of families, schools and community.

Strategy for Achieving Objectives

The focus of attention in the reporting period to achieve the objective was to work with families, schools and the wider community, responding to the multiple effects of high levels of social disadvantage to improve student outcomes.

Principal Activities

The principal activities of the company during the course of the year were to carry out the many elements of the Education Benalla Program, to further its objectives.

How the Activities Assisted in Achieving Stated Objectives

The Benalla community responded strongly to opportunities created by these activities, to give both time and money to help others in their community. There was an increase in discussions regarding particular challenges facing the district, combined with interest in and support for community development initiatives.

Measurement of Performance

The performance of the company is measured against objectives set out in its Strategic Plan, which is reviewed annually.

Operating Results

The deficit of the company for the year amounted to \$71,970 (2017 \$314,036 deficit).

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Future Developments

The company has had two consecutive operating deficits as a result of the need to draw down on existing cash reserves prior to making further applications to some funders. In future years the company is seeking to maintain a balanced operating result.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or State governments.

Directors' Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Information on Directors

Ms Sally Gamble

Director, appointed January 2016
Chair, appointed April 2016
Member, Audit Committee
Member, Education Benalla Program Management Committee
Director, Tomorrow Today A Foundation for Rural Community Development
Director, Australian Community Philanthropy
Graduate Diploma Health Education, MAICD

Ms Elizabeth Chapman OAM

Director, appointed January 2016
Deputy Chair, appointed April 2016
Chair, Education Benalla Program Management Committee
Director, Tomorrow Today A Foundation for Rural Community Development
Masters of Applied Science (Agriculture and Rural Development)
Graduate Diploma Community Development

Mr Adrian Aldous

Director, appointed January 2016
Treasurer, appointed April 2016
Company Secretary, appointed January 2016
Member, Audit Committee
Director, Tomorrow Today A Foundation for Rural Community Development
Bachelor of Commerce
Chartered Accountant, Registered Tax Agent

Ms Georgina Burston

Director, appointed September 2018
Director, Tomorrow Today A Foundation for Rural Community Development
Graduate Diploma Yoga Therapy
Graduate Diploma Meditation Teacher Training

Directors' Report

Mr John William Dobson

Director, appointed January 2016, resigned July 2018
Member, Education Benalla Program Management Committee
Bachelor of Law

Mr Patrick Duffy

Director, appointed June 2017
Director, Tomorrow Today A Foundation for Rural Community Development
Director and CEO, EAgrri Pte Ltd and group of companies
Director, Jiangsu E Agriculture Science and Technology Company Limited
Board Advisory Member, Beanstalk AgTech
Bachelor of Commerce, Chartered Accountant

Ms Melinda Lawley

Director, appointed September 2018
Director, Tomorrow Today A Foundation for Rural Community Development
Master of Public Health, Bachelor of Education (Health & Science)

Mrs Louise Pearce

Director, appointed July 2016
Member, Finance & Investment Committee
Director, Tomorrow Today A Foundation for Rural Community Development
Master of Education (Educational Leadership & Management)
Graduate Diploma Vocational Education and Training

Mr Nicholas Taylor

Director, appointed January 2016
Chair, Audit Committee
Director, Tomorrow Today A Foundation for Rural Community Development
Director, Landmark Construction Group Pty Ltd
Bachelor of Building, Bachelor of Quantity Surveying, MAICD

Mr Florent Thivillier

Director, appointed September 2018
Director, Tomorrow Today A Foundation for Rural Community Development
Master of Industrial Engineering

Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director were as follows:

	Number eligible to attend	Number attended
Ms Sally Gamble	10	10
Ms Elizabeth Chapman OAM	10	10
Mr Adrian Aldous	10	9
Ms Georgina Burston	0	0
Mr John William Dobson	10	9
Mr Patrick Duffy	10	8
Ms Melinda Lawley	0	0
Mrs Louise Pearce	9	6
Mr Nicholas Taylor	10	9
Mr Florent Thivillier	0	0

Committee Membership

Directors acting on the committees of the board and the meetings attended were as follows:

AUDIT COMMITTEE		
	Number eligible to attend	Number attended
Mr Nicholas Taylor	2	2
Mr Adrian Aldous	2	2
Ms Sally Gamble	2	2

EDUCATION BENALLA PROGRAM MANAGEMENT COMMITTEE		
	Number eligible to attend	Number attended
Ms Elizabeth Chapman	2	2
Mr John William Dobson	2	2
Ms Sally Gamble	2	2

Indemnifying officer or auditor

During or since the end of the financial year the company has not, in respect of any person who is or has been an officer or auditor of the company; given an indemnity or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct whilst acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Ms Sally Gamble	Mr Patrick Duffy
Ms Elizabeth Chapman	Ms Melinda Lawley
Mr Adrian Aldous	Mrs Louise Pearce
Ms Georgina Burston	Mr Nicholas Taylor
Mr John William Dobson	Mr Florent Thivillier

Auditor's Independence

A copy of the Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not for Profits Commission Act 2012* is included in this financial report and forms part of the Directors' Report.

Members' guarantee

The company is incorporated under the Corporations Act 2001 and is limited by guarantee. The members are the directors. If the company is wound up, the constitution states that every member is required to contribute a maximum of \$100 each towards meeting outstanding obligations of the company. At the 30th June 2018 the company has 7 members.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Ms Sally Gamble
Director



Mr Adrian Aldous
Director

Dated: **8 October, 2018**

Place: **Benalla**

Financial Report

Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2018

	Note	2018	2017
		\$	\$
Revenue and other income	2	699,013	508,133
Employee benefits expense		(509,685)	(495,318)
Program expenses		(157,821)	(228,034)
Community grants distributed		(57,533)	(62,329)
Office accommodation costs		(10,644)	(12,551)
Administration expenses		(6,884)	(9,158)
Professional fees	3	(8,363)	(10,445)
Fundraising expenses		–	(63)
Depreciation and amortisation expenses	3	(20,053)	(4,271)
Current year (deficit)		(71,970)	(314,036)
Other comprehensive income:			
Items to be reclassified subsequent to profit or loss when specific conditions are met:		–	–
Other comprehensive income		–	–
Total Comprehensive (Deficit) for the Year		(71,970)	(314,036)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2018

	Note	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	388,438	403,574
Accounts receivable and other debtors	5	3,839	9,403
Total Current Assets		392,277	412,977
NON-CURRENT ASSETS			
Property, plant and equipment	6	18,218	38,271
Total Non-Current Assets		18,218	38,271
Total Assets		410,495	451,248
CURRENT LIABILITIES			
Accounts payable and other payables	7	32,870	5,310
Employee provisions	8	33,993	40,092
Total Current Liabilities		66,863	45,402
NON-CURRENT LIABILITIES			
Employee provisions	8	41,310	31,554
Total Non-Current Liabilities		41,310	31,554
Total Liabilities		108,173	76,956
Net Assets		302,322	374,292
FUNDS			
Reserves		279,502	366,028
Retained surplus		22,820	8,264
Total Funds	9	302,322	374,292

The accompanying notes form part of these financial statements.

Statement of Changes in Funds

For the period ended 30 June 2018

	Note	Education Benalla Program Reserve	Special Purpose Reserve	Retained Surpluses	Total Funds
		\$	\$	\$	\$
Balance at 30 June 2016	9	142,118	11,060	240	153,418
Transfers from TTF*		525,660	9,250	–	534,910
Transfer to reserves		479,581	20,528	(500,109)	–
Transfers from reserves		(795,963)	(26,206)	822,169	–
Net (deficit)		–	–	(314,036)	(314,036)
Balance at 30 June 2017	9	351,396	14,632	8,264	374,292
Transfer to reserves		637,100	45,792	(682,892)	–
Transfers from reserves		(742,598)	(26,820)	769,418	–
Net (deficit)		–	–	(71,970)	(71,970)
Balance at 30 June 2018	9	245,898	33,604	22,820	302,322

The accompanying notes form part of these financial statements.

*TTF – Tomorrow Today A Foundation for Rural Community Development

Financial Report

Statement of Cash Flows

For the year ended 30 June 2018

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Grants received	645,490	444,886
Donations received	37,402	9,027
Interest received	4,821	7,078
Management fees received	11,300	12,200
Payments to suppliers and employees	(714,149)	(800,093)
Net cash (used in) operating activities	(15,136)	(326,902)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from TTF divestment	-	589,077
Payments for property, plant and equipment	-	(12,197)
Net cash generated from investing activities	-	576,880
Net (decrease) increase in cash	(15,136)	249,978
Cash and cash equivalents at the beginning of the financial year	403,574	153,596
Cash and cash equivalents at the end of the financial year (Note 4)	388,438	403,574
<i>The accompanying notes form part of these financial statements.</i>		

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Notes to the Financial Statements

For the period ended 30 June 2018

Corporate Information

The financial report of Tomorrow Today Education Foundation (the company) for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the directors on 8 October 2018.

Tomorrow Today Education Foundation is a company limited by guarantee, incorporated and domiciled in Australia. The registered office for the company and the principal place of business is: Shop 10, 66 Nunn Street, Benalla, Victoria, 3672.

The nature of the operations and principal activities of the company are described in the directors' report.

Note 1: Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, 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 non-for-profit specific requirements contained in the Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, except for available-for-sale financial assets which are measured at fair value.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

(b) Revenue recognition

All revenue is recognised net of the amount of goods and services tax (GST) payable to the Australian Taxation Office.

Grant revenue is recognised when the company obtains control of the funds. If conditions are attached to the grant which must be satisfied before it 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 company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised initially as a liability until the service has been delivered to the contributor.

Financial Report

Notes to the Financial Statements (cont.)

In-kind donations from the government and other parties are recognised at fair value where this can be quantified.

Donations and bequests are recognised as revenue when received.

Interest income is recognised as it accrues using the effective interest method.

Revenue from the rendering of a service is recognised upon the delivery of the service.

(c) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position 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.

(d) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due for goods sold in the ordinary course of business. Receivables expected to be collected within twelve months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value. An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

(e) Property, plant and equipment

Bases of measurement of carrying amount

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down to its estimated recoverable amount and impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Plant and equipment donated or acquired at no cost, or for nominal cost, is recognised at the fair value at the date the company acquires the asset.

Depreciation

Items of property, plant and equipment (other than land) are depreciated over their useful lives to the company commencing from the time the asset is held ready for use.

Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

Class of Fixed Asset	Depreciation Rates
Computer & Digital Equipment	25%
Office Furniture & Equipment	5–10%
Leasehold Improvements: Furnishings	10%
Leasehold Improvements: Alterations	2.5%

Gains and losses on disposals once determined by comparing proceeds with the carrying amount are recognised in profit or loss in the period in which they occur.

(f) Accounts payable and other payables

Accounts payable and other payables represent the liabilities for goods and services received by the company during the reporting period that are unpaid. These amounts are usually settled within 30 days.

(g) Employee provisions

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave.

Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(h) Taxation

Income tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax.

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. 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.

Financial Report

Notes to the Financial Statements (cont.)

Cash flows are presented on a GST inclusive basis in the statement of cash flows. 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.

(i) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 2: Revenue and Other Income		
	2018	2017
	\$	\$
REVENUE		
GENERAL REVENUE		
Grants – Philanthropic	620,000	411,000
Grants – TTF Public Fund	3,500	11,500
Grants – Back to School vouchers	17,100	15,500
Grants – Local	4,890	–
Grants – Government	–	6,886
Donations	37,402	10,378
Donations - non cash	–	32,645
Management fees	11,300	12,200
Interest	4,821	8,024
	699,013	508,133

Note 3: Expenses		
	2018	2017
	\$	\$
Depreciation of non-current assets	3,254	4,271
Auditor's remuneration: Audit of the financial statements	2,000	2,200

Note 4: Cash and Cash Equivalents		
	2018	2017
	\$	\$
Cash at bank and at hand	388,438	403,574
	388,438	403,574

Note 5: Accounts Receivable and Other Debtors		
	2018	2017
	\$	\$
Accounts receivable	–	5,000
Other debtors	3,116	3,457
Accrued interest	723	946
	3,839	9,403

Note 6: Property, Plant and Equipment		
	2018	2017
	\$	\$
OFFICE FURNITURE AND EQUIPMENT		
– At cost	24,472	24,472
– Less accumulated depreciation	(6,254)	(3,000)
	18,218	21,472
LEASEHOLD IMPROVEMENTS		
– At cost	–	18,070
– Less accumulated depreciation	–	(1,271)
	–	16,799
	18,218	38,271

Note 7: Accounts Payable and Other Payables		
	2018	2017
	\$	\$
Accounts payable	3,767	1,586
Other payables	27,971	3,350
Goods and services tax payable	1,132	374
	32,870	5,310

Note 8: Employee Provisions		
	2018	2017
	\$	\$
CURRENT		
Annual leave	33,993	40,092
	33,993	40,092
NON-CURRENT		
Long service leave	41,310	31,554
	41,310	31,554

Note 9: Funds		
	2018	2017
	\$	\$
Education Benalla Program Reserve	245,898	351,396
Special Purpose Reserve	33,604	14,632
Total Reserves	279,502	366,028
Retained Surplus	22,820	8,264
Total Funds	302,322	374,292

Movements in funds: Details of the movement in each reserve and fund are provided in the Statement of Changes in Funds.

Details of reserves and funds included in the Statement of Changes in Funds:

Education Benalla Program Reserve: This reserve consists of funds specifically for the Education Benalla Program.

Special Purpose Reserve: This reserve consists of funds held for special purposes.

Retained Surplus: This represents the accumulated surplus available for future operations.

Financial Report

Notes to the Financial Statements (cont.)

Note 10: Financial Risk Management			
	Note	2018	2017
		\$	\$
FINANCIAL ASSETS			
Cash and cash equivalents	4	388,438	403,574
Accounts receivable and other debtors	5	3,839	9,403
Total Financial Assets		392,277	412,977
FINANCIAL LIABILITIES			
Accounts payable and other payables	7	32,870	5,310
Total Financial Liabilities		32,870	5,310

Note 11: Contingent Assets and Liabilities

There are no contingent assets or liabilities.

Note 12: Related Parties & Related Party Transactions

Commercial rates are charged for goods and services provided to a related corporation. The directors act in an honorary capacity and receive no compensation for their services.

Note 13: Members' Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30th June 2018 the number of members was seven (2017:seven).

Directors' Declaration

The directors of the company declare that in the directors' opinion:

- a. there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and
- b. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Ms Sally Gamble
Director



Mr Adrian Aldous
Director

Dated: **8 October, 2018**

Place: **Benalla**

INDEPENDENT AUDITOR'S REPORT

To the Members of Tomorrow Today Education Foundation

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Tomorrow Today Education Foundation, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in funds, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In my opinion the financial report of Tomorrow Today Education Foundation has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for 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 registered entity 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 [my] audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2018, but does not include the financial report and my auditor's report thereon.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities are responsible for overseeing the registered entity'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 reports as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 the 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 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 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 our 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 the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Adam Purtill RCA 419507

Date: 10th October 2018

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