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## Country Education Foundation of Australia Ltd

ACN 103 889 452

### Financial Statements

For the Year Ended 30 June 2016

# Country Education Foundation of Australia Ltd

ACN 103 889 452

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For the Year Ended 30 June 2016

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# Country Education Foundation of Australia Ltd

ACN 103 889 452

Chairman's Report

30 June 2016

## Chairman's report

Traditionally this report seeks to capture the key events of the year just passed and comments regarding the performance of the staff and the Chief Executive Officer are reserved for the last paragraph. On this occasion I would like to reverse that order and recognise the incredibly important and significant role Sarah Taylor; the just retired CEO of the Country Education Foundation (CEF), has played in leading our organisation over the past four years. She has displayed foresight, perseverance, energy and discipline. This has enabled her to build an outstanding team who are now located in new and professional offices in the Central West of NSW at Orange. She has achieved this whilst maintaining both a sense of optimism and good humour. A hard act to follow.

The person joining us to follow is Wendy Cohen. I have no doubt that Wendy is precisely the right person at the right time and in the right place to do the job. She brings to our organisation a wealth of experience in the not-for-profit area, which has been enhanced by an earlier career in media production. She captures all of these experiences in an energetic and enthusiastic commitment that will be exciting for those working with her.

Turning to the organisation's performance for the year it is heartening to reflect that 454 grants to students, totalling \$630,000, were distributed. This takes our total grants to date to nearly \$7,500,000. This has been achieved through the efforts of hundreds of volunteers in over forty foundations across four states and territories.

With nearly 400 volunteers committed across regional Australia it is not surprising that we are achieving some extraordinary gains and outcomes. We are truly a grass-roots organisation driven by the enthusiasm and energies of local communities and people willing to give their time by way of contribution to helping young people start out on their career and journey into further education.

One of the key achievements in being able to undertake what has become a significant challenge in managing the physical operations of the organisation, the development of the CEF website has allowed committee members to enjoy website tools that eases the burden of administration and indeed the use of the website over the past year has doubled as a result of the improvements.

The CEF has continued to grow with two new foundations underway at Grenfell and Walgett. This growth and the ability to manage the day-to-day operations has required a major investment in the whole area of reporting and grant applications. These necessary developments have been underwritten by the technology upgrades that have been achievable with the assistance of the Thyne Reid and Origin Foundations. Our heartfelt thanks and appreciation go to both these foundations for their financial and moral support.

Notwithstanding the challenges imposed by Federal Government funding changes to the university sector, we have preserved nearly all our education partners with the result that co-funding provided to students this year totalled nearly \$225,000. Two new partners have joined the fold in the form of Swinburne University and St Andrews College, Sydney University. Like our other education partners we are working with these two new partners to give value to their commitment to the partnership in addition to the clear material and career benefits to our student beneficiaries.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

Chairman's Report

30 June 2016

The challenges faced by smaller not-for-profit organisations such as ours which eschew Federal and State Government funding means that our fortunes and capacities rely on the goodwill of our volunteers and a group of donors who have feeling and empathy for young regionally based Australians seeking to start out on a new life after school. The individual stories of success and achievement by our student group is truly inspiring and sustains the inevitable challenges in seeking and maintaining financial support for our work.

To those kind donors and our time generous volunteers, my heartfelt thanks.

Nicholas Burton Taylor AM  
Boorowa  
September 2016

# Country Education Foundation of Australia Ltd

## ACN 103 889 452

### Chairman's Report

30 June 2016

Your directors present their report on the company for the financial year ended 30 June 2016.

#### 1. Directors

The names of the directors in office at any time during, or since the end of, the year are:

##### **Names**

Mr Nicholas Burton Taylor AM FCA (Chairman)

Mrs Julia Burton Taylor (Secretary)

Mrs Catherine Walker

Mr David Smithers AM FCA

Mr Stuart Black AM FCA

Mr Guy Milson (Treasurer)

Mr Michael Boyce FCA

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

#### 2. Principal activities

The principal activities of Country Education Foundation of Australia Ltd during the financial year were:

1. To improve the education and career prospects of younger members of regional Australia by providing financial assistance, encouragement and support.
2. To facilitate the formation and operation of community based education foundations with the purpose of advancing the aims of the foundation.

No significant change in the nature of these activities occurred during the year.

#### 3. Business review

##### **(a) Operating Results**

The surplus for the year amounted to \$ 42,702 (2015 loss: \$ 245,172).

##### **(b) Review of operations**

A review of the operations of company during the financial year and the results of those operations show continuing strong support by universities and donors.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Directors' Report

30 June 2016

### 4. Other items

#### (a) Significant changes in state of affairs

No significant changes in Country Education Foundation of Australia Ltd's state of affairs occurred during the financial year.

#### (b) 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 Country Education Foundation of Australia Ltd, the results of those operations or the state of affairs of Country Education Foundation of Australia Ltd in future financial years.

#### (c) Auditor's independence declaration

A copy of the auditor's independence declaration as required under the *Australian Charities and Not-for-profits Commission Act 2012* is set out at page 28.

### 5. Director information

#### (a) Information on directors

Mr Nicholas Burton Taylor	Chairman
Qualifications	AM, FCA
Experience	Founding Chairman of Country Education Foundation of Australia; Boorowa Education Foundation; Principal of Hillgrove Pastoral, Founder and former Managing Director of Hays Personnel (Australia); Chancellor Southern Cross University September 2014; Chairman Delta Agribusiness; Past Chairman of Australian Agricultural Company, Airservices Australia, Australian Topmaking Services; Past Director of CSR Limited, Hazelton Airlines, Rural Press, Sydney Airport Corporation, Meat Research Corporation; Past President of the Institute of Chartered Accountants.
Mrs Julia Burton Taylor	Secretary
Experience	Founding member of the Country Education Foundation of Australia and a committee member of the Boorowa Education Foundation; Director of Hillgrove Pastoral Company; Partner Kennys Creek Angus.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Directors' Report

30 June 2016

### 5. Director information continued

#### (a) Information on directors continued

Mrs Catherine Walker

Experience

Member of Yass District Education Foundation; Executive Officer, Country Education Foundation of Australia; Partner of Ledgworth Partnership grazing property in the Yass district; Deputy Chair of Yass Aged Care Foundation; Past President of the Ski Club of Australia and Ascham Parents Association.

Mr David Smithers

Qualifications

AM, FCA

Experience

Director of James N. Kirby Foundation Pty Ltd and Genea Ltd. He is a Fellow of the Institute of Chartered Accountants and the Australian Institute of Company Directors. David is also a past President of the Institute of Chartered Accountants in Australia and former Executive General Manager of Leighton Holdings, as well as previous director of Sydney Olympics 2000 Bid Limited and Chairman of its Finance Commission.

Mr Stuart Black

Qualifications

AM, FCA

Experience

Chartered Accountant and experienced company director. A former managing partner of a chartered accounting firm and a past president of the Institute of Chartered Accountants in Australia, he has extensive experience in agribusiness and rural and regional issues. Stuart is currently a non-executive director and chair of the audit and risk committees of Australian Agricultural Company Limited, NetComm Wireless Ltd and TPI Enterprises Limited. He was previously a non-executive Director of Coffey International Limited. He chairs the Chartered Accountants Benevolent Foundation Ltd. Mr Black is a former chair and director of the Accounting Professional and Ethical Standards Board.

Mr Guy Milson

Qualifications

Treasurer

Experience

B. Economics, University of Sydney

Chair of Goulburn and District Education Fund; Principal of Cardross Goulburn and other agricultural properties; Management of private family investment companies.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Directors' Report

30 June 2016

### 5. Director information continued

#### (a) Information on directors continued

Mr Michael Boyce

Qualifications

FCA, FAICD; B. Com

Experience

Founder of Boyce Chartered Accountants; Fellow of the Institute of Chartered Accountants, Fellow of the Institute of Company Directors; Director of Namoi Cotton Co-Operative Ltd; Director of Monbeef Pty Limited; Director of Hazeldean Pty Limited; Management Committee of Monaro Early Intervention Service Inc; Chair of Fugen Hardware Group Pty Limited; Past Chair of the Board of Governors Winifred West Schools Ltd.

#### (b) Meetings of directors

During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Nicholas Burton Taylor AM (Chairman)	4	4
Mrs Julia Burton Taylor (Secretary)	4	4
Mrs Catherine Walker	4	4
Mr David Smithers AM	4	3
Mr Stuart Black AM FCA	4	3
Mr Guy Milson	4	3
Mr Michael Boyce FCA	4	2

Signed in accordance with a resolution of the board of directors:

Director: .....  
Mr Nicholas Burton Taylor AM

Director: .....  
Mr Guy Milson

Dated 14 November 2016



# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Independent Auditor's Report to the members of Country Education Foundation of Australia Ltd

### Report on the Financial Report

We have audited the accompanying financial report of Country Education Foundation of Australia Ltd, which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

36 Bombala Street  
PO Box 56  
Cooma NSW 2630

P 02 6452 3344  
F 02 6452 4060  
E [info@cooma@boyceca.com](mailto:info@cooma@boyceca.com)

[www.boyceca.com](http://www.boyceca.com)

Cooma Dubbo Goulburn Moree Wagga Wagga



Knowledge. Insight. Experience.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Independent Auditor's Report to the members of Country Education Foundation of Australia Ltd

### Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, has been provided to the directors of Country Education Foundation of Australia Ltd on the date of this auditor's report.

### Opinion

In our opinion:

- (a) the financial report of Country Education Foundation of Australia Ltd is in accordance with Division 60 the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance and cash flows for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Regulation 2013*.



Katherine M Kelly

Director  
Boyce Assurance Services Pty Limited

Cooma

14 November 2016

36 Bombala Street  
PO Box 56  
Cooma NSW 2630

P 02 6452 3344  
F 02 6452 4060  
E [info@cooma@boyceca.com](mailto:info@cooma@boyceca.com)

[www.boyceca.com](http://www.boyceca.com)

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# Country Education Foundation of Australia Ltd

ACN 103 889 452

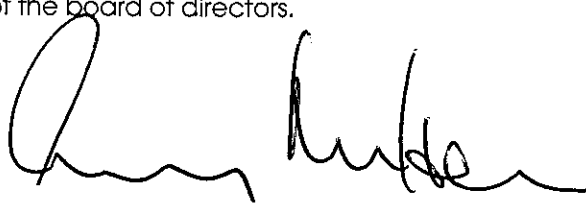
## Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 27, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - (a) comply with Accounting Standards - Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position of the company as at 30 June 2016 and of the performance for the year ended.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

  
Director .....  
Mr Nicholas Burton Taylor AM

  
Director .....  
Mr Guy Milson

Dated 14 November 2016

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
<b>Revenue</b>			
Donations - Education partners		174,850	180,100
Donations - General		1,137,228	465,803
Donations - Administration		26,790	35,005
Donations - Projects		203,998	169,241
Gain on disposal of assets		305	-
Investment income		31,144	34,895
Services revenue		47,881	60,515
<b>Total revenue</b>		<b>1,622,196</b>	<b>945,559</b>
<b>Expenditure</b>			
Funding - Regional foundations		(807,198)	(634,666)
Funding - Projects		(32,841)	(63,700)
Community education		(85,273)	(52,028)
Program support		(291,179)	(126,023)
Fundraising		(151,295)	(69,788)
Accountability and administration		(179,874)	(230,541)
Depreciation, amortisation and impairments	4	(31,834)	(13,985)
<b>Total expenditure</b>		<b>(1,579,494)</b>	<b>(1,190,731)</b>
<b>Surplus / (deficit) for the year</b>		<b>42,702</b>	<b>(245,172)</b>
<b>Other comprehensive income</b>			
Net fair value movements for available-for-sale financial assets		(17,993)	(13,725)
<b>Total comprehensive income for the year</b>		<b>25,094</b>	<b>(258,897)</b>

The accompanying notes form part of these financial statements.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Statement of Financial Position

30 June 2016

### ASSETS

#### Current assets

Cash and cash equivalents	6	537,709	513,953
Trade and other receivables	7	23,489	60,963
Inventories	8	6,287	2,200
Other current assets	9	5,313	9,525
<b>Total current assets</b>		<b>572,798</b>	<b>586,641</b>

#### Non-current assets

Financial assets	10	283,736	309,815
Plant and equipment	11	6,408	9,614
Intangible assets	12	87,741	24,968
<b>Total non-current assets</b>		<b>377,885</b>	<b>344,397</b>
<b>TOTAL ASSETS</b>		<b>950,683</b>	<b>931,038</b>

### LIABILITIES

#### Current liabilities

Trade and other payables	13	84,052	31,727
Provisions	14	24,146	11,756
Other current liabilities	15	160,825	187,437
<b>Total current liabilities</b>		<b>269,023</b>	<b>230,920</b>

Other non-current liabilities	15	34,500	77,667
<b>Total non-current liabilities</b>		<b>34,500</b>	<b>77,667</b>
<b>TOTAL LIABILITIES</b>		<b>303,523</b>	<b>308,587</b>
<b>NET ASSETS</b>		<b>647,160</b>	<b>622,451</b>

### EQUITY

Reserves		76,502	94,495
Retained earnings		570,658	527,956
<b>TOTAL EQUITY</b>		<b>647,160</b>	<b>622,451</b>

The accompanying notes form part of these financial statements.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Retained earnings	Financial assets reserve	Total
	\$	\$	\$
<b>Balance at 01 July 2015</b>	<b>527,956</b>	<b>94,495</b>	<b>622,451</b>
Surplus / (deficit) attributable to members	42,702	-	42,702
Revaluation increment (decrement)	-	(17,993)	(17,993)
<b>Balance at 30 June 2016</b>	<b>570,658</b>	<b>76,502</b>	<b>647,160</b>

2015

	Retained earnings	Financial assets reserve	Total
	\$	\$	\$
<b>Balance at 01 July 2014</b>	<b>773,128</b>	<b>108,220</b>	<b>881,348</b>
Surplus / (deficit) attributable to members	(245,172)	-	(245,172)
Revaluation increment (decrement)	-	(13,725)	(13,725)
<b>Balance at 30 June 2015</b>	<b>527,956</b>	<b>94,495</b>	<b>622,451</b>

The accompanying notes form part of these financial statements.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Statement of Cash Flows

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
<b>Cash from operating activities:</b>			
Receipts from donations and customers		1,602,841	1,123,478
Payments to suppliers and employees		(1,527,266)	(1,164,937)
Dividends received		23,380	22,922
Interest received		7,764	11,973
<b>Net cash provided by / (used in) operating activities</b>	17	<b>106,719</b>	<b>(6,564)</b>
<b>Cash flows from investing activities:</b>			
Proceeds from sale of plant and equipment		500	-
Purchase of property, plant and equipment	11(a)	(2,365)	(6,439)
Purchase of intangible assets	12(a)	(72,760)	-
Payment for financial assets		(8,338)	-
<b>Net cash provided by / (used in) investing activities</b>		<b>(82,963)</b>	<b>(6,439)</b>
<b>Net cash increase (decreases) in cash and cash equivalents</b>		<b>23,756</b>	<b>(13,003)</b>
Cash and cash equivalents at beginning of year		513,953	526,956
<b>Cash and cash equivalents at end of year</b>	6(a)	<b>537,709</b>	<b>513,953</b>

The accompanying notes form part of these financial statements.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Introduction

The financial report covers Country Education Foundation of Australia Ltd as an individual entity. Country Education Foundation of Australia Ltd is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia and a registered charity with the Australian Charities and Not-for-profits Commission.

### 2 Statement of significant accounting policies

#### (a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Reduced Disclosure Requirements. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of financial assets.

#### (b) Comparative figures

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

#### (c) Cash and cash equivalents

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

#### (d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

#### Plant and equipment

Plant and equipment is measured at cost less depreciation.



# Country Education Foundation of Australia Ltd

ACN 103 889 452

Notes to the Financial Statements

For the Year Ended 30 June 2016

## 2 Statement of significant accounting policies continued

### (d) Property, plant and equipment continued

#### Depreciation

The depreciable amount of all plant and equipment, is calculated on a diminishing value basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Furniture and fittings	10%
Office equipment	10% - 66.67%
Plant and equipment	20% - 40%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

### (e) Financial Instruments

#### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### Fair value

Fair value is determined based on current bid prices for all quoted investments.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

Notes to the Financial Statements

For the Year Ended 30 June 2016

## 2 Statement of significant accounting policies continued

### (e) Financial instruments continued

#### *Financial assets*

Financial assets are divided into the following categories which are described in detail below:

- receivables; and
- available-for-sale financial assets.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

#### *Receivables*

The company's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

#### *Available-for-sale financial assets*

The company's available-for-sale financial assets comprise listed securities.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the asset is impaired.

In the case of a sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

Notes to the Financial Statements

For the Year Ended 30 June 2016

## 2 Statement of significant accounting policies continued

### (f) Intangibles

#### Website development costs

Website development costs are capitalised only where the project will deliver future economic benefits and these benefits can be measured reliably.

The website is expected to have a three year lifespan before major refresh is necessary, and is amortised on a systematic basis matched to the future economic benefits over the useful life.

### (g) Impairment of assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

### (h) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

### (i) Income tax

The Country Education Foundation of Australia Ltd has been granted income tax exempt status under s 50-5 of the Income Tax Assessment Act 1997. As a result of its income tax exempt status no income tax is payable by the company.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

Notes to the Financial Statements

For the Year Ended 30 June 2016

## 2 Statement of significant accounting policies continued

### (j) Revenue

Donations are recognised as income upon receipt.

Contributions from educational institutions and co-funders are recognised as income when it is controlled. Where there are conditions attached to the contributions requiring them to be used for specific purposes, the unexpended amounts are recognised in the statement of financial position as a liability until such conditions are met or services provided.

Dividend income is recognised based on the expected payment date. Franking credits relating to dividends are considered to be additional revenue as the company is entitled to apply for a refund of these franking credits. The income from the franking credits is regarded as income in line with the related dividend's expected payment date.

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

### (k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised exclusive of the amount of GST as the company is registered for GST. Receivables and payables in the statement of financial position are shown net of GST.

### (l) Adoption of new and revised accounting standards

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the company.

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 3 Critical accounting estimates and judgements

#### Accounting for grant income

The application of AASB 1004 Contributions has been considered in regard to grant monies received (primarily for scholarships). The accounting standard generally requires income to be brought to account when control is obtained unless there is a requirement to undertake a reciprocal arrangement and potentially refund the amounts if the arrangements are not carried out.

The conditions attached to grants received have been reviewed against the criteria of the accounting standard and it has been determined that there have been sufficient requirements met to present unexpended portions of these grants as unearned income and therefore liabilities of the company.

The details of unexpended grants by supporter are:

	2016 \$	2015 \$
<b>Scholarship Partners</b>		
Eureka Benevolent Foundation	27,739	20,000
Loder Foundation	80,500	80,500
Origin Foundation	15,750	90,750
James N Kirby Foundation	-	25,000
McLean Foundation	7,761	1,364
	<b>131,750</b>	<b>217,614</b>
<b>Education Partners</b>		
Universities	63,575	47,490
<b>Total</b>	<b>195,325</b>	<b>265,104</b>

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 4 Depreciation, amortisation and impairments

	2016	2015
	\$	\$
Impairment/(reversal of impairment) of financial assets to recoverable amount	16,425	385
Depreciation	5,421	2,559
Amortisation of intangible assets	9,988	11,041
<b>Total depreciation, amortisation and impairments</b>	<b>31,834</b>	<b>13,985</b>

### 5 Auditors' remuneration

Remuneration of Boyce Chartered Accountants for:

- Auditing or reviewing the financial report	9,320	9,490
- Other services	17,470	25,515
<b>Total</b>	<b>26,790</b>	<b>35,005</b>

The total remuneration of auditor, included other services, has been offset in full by a donation received from Boyce Chartered Accountants.

### 6 Cash and cash equivalents

Cash at bank and on hand	211,118	156,843
Short-term bank deposits	326,591	357,110
	<b>537,709</b>	<b>513,953</b>

#### (a) Reconciliation of cash and cash equivalents

Cash and cash equivalents reported in the statement of cash flows is reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	537,709	513,953
	<b>537,709</b>	<b>513,953</b>

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 7 Trade and other receivables

	2016	2015
	\$	\$
CURRENT		
Sundry receivables	14,564	51,879
Deposits	1,946	1,946
GST refund due	6,979	7,138
	<u>23,489</u>	<u>60,963</u>

### 8 Inventories

CURRENT		
At cost:		
Merchandise	6,287	2,200
	<u>6,287</u>	<u>2,200</u>

### 9 Other assets

CURRENT		
Prepayments	5,313	9,525
	<u>5,313</u>	<u>9,525</u>

### 10 Financial assets

Available for sale financial assets	283,736	309,815
	<u>283,736</u>	<u>309,815</u>

Investments are recorded at their net market value at year end. Shares in listed companies are valued based on cum dividend market returns. Available for sale financial assets are comprised fully of listed Australian company shares.

# Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

## 11 Plant and equipment

	2016 \$	2015 \$
Plant and equipment		
At cost	1,853	1,853
Accumulated depreciation	(831)	(461)
Total plant and equipment	1,022	1,392
Furniture, fixture and fittings		
At cost	2,417	2,417
Accumulated depreciation	(970)	(809)
Total furniture, fixture and fittings	1,447	1,608
Office equipment		
At cost	13,332	12,556
Accumulated depreciation	(9,393)	(5,942)
Total office equipment	3,939	6,614
<b>Total plant and equipment</b>	<b>6,408</b>	<b>9,614</b>



# Country Education Foundation of Australia Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2016

## 11 Plant and equipment continued

### (a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and equipment \$	Furniture, fixtures and fittings \$	Office equipment \$	Total \$
<b>Current year</b>				
Balance at the beginning of year	1,392	1,608	6,614	9,614
Additions	-	-	2,365	2,365
Disposals	-	-	(150)	(150)
Depreciation expense	(370)	(161)	(4,890)	(5,421)
<b>Carrying amount at 30 June 2016</b>	<b>1,022</b>	<b>1,447</b>	<b>3,939</b>	<b>6,408</b>
<b>Prior year</b>				
Balance at the beginning of year	602	1,787	3,345	5,734
Additions	1,061	-	5,378	6,439
Depreciation expense	(271)	(179)	(2,109)	(2,559)
<b>Carrying amount at 30 June 2015</b>	<b>1,392</b>	<b>1,608</b>	<b>6,614</b>	<b>9,614</b>

# Country Education Foundation of Australia Ltd

ACN 103 889 452

Notes to the Financial Statements

For the Year Ended 30 June 2016

## 12 Intangible assets

	2016 \$	2015 \$
<b>Website</b>		
Cost	112,710	39,950
Less: Accumulated amortisation	(24,969)	(14,982)
	<u>87,741</u>	<u>24,968</u>

### (a) Movements in carrying amounts

	Website \$	DVD \$	Total \$
<b>Year ended 30 June 2016</b>			
Opening balance	24,968	-	24,968
Additions	72,760	-	72,760
Amortisation	(9,987)	-	(9,987)
<b>Closing value at 30 June 2016</b>	<u>87,741</u>	<u>-</u>	<u>87,741</u>
<b>Year ended 30 June 2015</b>			
Opening balance	34,956	1,053	36,009
Amortisation	(9,988)	(1,053)	(11,041)
<b>Closing value at 30 June 2015</b>	<u>24,968</u>	<u>-</u>	<u>24,968</u>

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 13 Trade and other payables

	2016	2015
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	68,672	12,966
Sundry payables and accrued expenses	6,912	11,878
PAYG withholding payable	8,467	6,883
	<u>84,052</u>	<u>31,727</u>

### 14 Provisions

CURRENT		
Provision for annual leave	24,146	11,756
	<u>24,146</u>	<u>11,756</u>

### 15 Other liabilities

CURRENT		
Unexpended monies from funding partners	160,825	187,437
	<u>160,825</u>	<u>187,437</u>
NON-CURRENT		
Unexpended monies from funding partners	34,500	77,667
	<u>34,500</u>	<u>77,667</u>

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 16 Leasing commitments

#### (a) Operating leases

	2016	2015
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	21,407	42,814

The company's operating lease commitments relate to the rental of commercial office space in Orange, New South Wales. The lease period is two years ending on 31 May 2017.

### 17 Cash flow information

#### Reconciliation of cash flow from operations with surplus / (deficit) for the year

Surplus / (deficit) for the year	42,702	(245,172)
Amortisation	9,988	11,041
Depreciation	5,421	2,559
Impairment of financial assets	16,425	385
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	37,474	(46,151)
(Increase)/decrease in prepayments	4,212	(3,600)
(Increase)/decrease in inventories	(4,087)	(2,200)
Increase/(decrease) in trade payables and accruals	51,973	21,145
Increase/(decrease) in other liabilities	(69,779)	255,429
Increase/(decrease) in provisions	12,390	-
Cashflows from/(used in) operations	106,719	(6,564)

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 18 Related parties

(a) The company's main related parties are as follows:

#### Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

Total key management personnel remuneration for the year ended 30 June 2016 was \$153,576 (2015: \$144,929).

(b) Transactions with related parties

During the financial year there were no transactions with related parties other than the receipt of donations.

### 19 Members' guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ 1 each towards meeting any outstandings and obligations of the company.

### 20 Company details

#### Registered office

The registered office of the company is:

Unit 4, 23 Sale Street  
ORANGE NSW 2800

# Country Education Foundation of Australia Ltd

ACN 103 889 452

## Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Katherine M Kelly  
Director  
Boyce Assurance Services Pty Limited

Cooma

14 November 2016

36 Bombala Street  
PO Box 56  
Cooma NSW 2630

P 02 6452 3344  
F 02 6452 4060  
E [info@cooma@boyceca.com](mailto:info@cooma@boyceca.com)

[www.boyceca.com](http://www.boyceca.com)

Cooma Dubbo Goulburn Moree Wagga Wagga



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