

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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The Directors of School for Life Foundation Australia Limited (the "Entity") present this Report together with the financial statements of the Entity for the year ended 30 June 2020, and the Independent Audit Report thereon.

**Directors' Details**

The following persons were directors of the Entity at the date of this report:

| <b>Name</b>   | <b>Particulars</b>  |
|---|---|
| <b>Ms Helen Conway</b><br><b>Chairperson</b><br><b>Non-Executive Director</b><br><br>Chair of the Audit, Finance and Risk Committee | Helen is an experienced director, senior executive and lawyer who has worked in a range of organisations in commercial, public and not-for-profit sectors including in the insurance, transport, energy, retailing, education, health and construction industries. Helen is a governance expert and an experienced spokesperson. Helen is a former CEO of the Workplace Gender Equality Agency and is currently a director on several commercial and not-for-profit boards.         |
| <b>Ms Annabelle Chauncy</b><br><b>Director and Chief Executive Officer</b>  | Annabelle is the Chief Executive Officer and was a Co-Founder of School for Life. Annabelle has devoted her adult life to executing her vision of delivering quality education to underprivileged children in Africa. Annabelle's passions lie in developing and implementing strategy, governance, business development, fundraising and speaking to promote the work of School for Life.  |
| <b>Mr Artur Kaluza</b><br><b>Non-Executive Director</b>   | Artur is the Head of Operations of the Financial Management Group at Macquarie Group. He has over seventeen years' experience with broad cross industry and functional exposure including automobile, mining, IT, telecommunications, management consulting and financial services industries. Artur's expertise is in strategy, business transformation and project management.  |
| <b>Dr Linda O'Brien AM</b><br><b>Non-Executive Director</b>   | Linda was Principal of Granville Boys High School from 2008 - 2018. She is passionate about the value of an arts education for young people, using music and dance programs to build social cohesion in schools. Linda is a member of the Board of Trustees of Western Sydney University and a member of the University's Finance and Investment Committee. Linda is a Founder of the Molly McDonnell Foundation and Founder of the Bali International School.                      |
| <b>Mr Ben Colman</b><br><b>Non-Executive Director</b>   | Ben is currently the Chief Marketing Officer at Exetel. Ben has worked as both marketer and agency across a diverse range of sectors and has acquired instinctive strategic skills and a unique blend of commercial and creative abilities. He has strong FMCG and Finance experience and a passion for forging enduring client relationships and exceptional account service.  |
| <b>Ms Sandy Halpin</b><br><b>Non-Executive Director</b>   | Sandy is the Founder and CEO of Capital Idea Consulting Company, an advisory firm specialising in transformation, optimisation and leadership capability programs for high potential SMEs. Sandy has over two decades of strategy, finance and portfolio experience across a broad range of industries. Sandy has a passion for supporting businesses and their people to explore, understand and maximise the value of their venture and to create pathways to realise that value. |

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|---|--|
| <b>Mr Stephen Burcher</b><br><b>Non-Executive Director</b><br><br>Chair of the Fundraising<br>Committee | Stephen is the Managing Director of Burcher Property Group, a long-established boutique real estate investor. Stephen brings a wealth of business experience and acumen, with a specific interest in sustainability and fundraising. Stephen believes in School for Life's tangible and measured approach, as well as ability to get funds directly to the ground with little overheads. |
|---|--|

|  |  |
|--|--|
| <b>Mr Michael Muehlheim</b><br><b>Non-Executive Director</b> | Michael is a Private Banker with Macquarie Private Bank providing strategic advice and investment services to a concentrated group of entrepreneurs, business leaders and their families. Michael's core belief is that every person in the world has an equal right to education; it is this mission that ultimately led Michael to becoming a board member of School for Life. |
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#### **Resignation of Ms Vicki Potts from Board of School for Life**

During the year Ms Vicki Potts stood down from the board of the Entity. The Directors would like to express their sincere appreciation and gratitude for Vicki's significant contribution, commitment and service throughout the tenure of her directorship from 2016 – 2020.

#### **Company Secretary**

Mr Darren Thompson is the Entity's Chief Operating Officer and Company Secretary. Darren has a background in corporate strategy and development, investment banking and accounting, and has a degree and post-graduate qualifications in accounting and finance.

#### **Principal Activities**

During the year, the principal activities of the Entity were fundraising activities associated with the funding of School for Life's operations in Uganda, carried out by United Future Foundation Uganda Limited ("UFFU"). Through UFFU, the Entity provides education, healthcare, community outreach and vocational training services to the students and communities of Mpigi district in Uganda. UFFU operates two primary schools and one high school in Uganda, educating over 1,000 students and employing over 100 Ugandans in its operations.

While there have been no significant changes in the nature of these activities during the year, the onset of the COVID-19 pandemic and the closure of schools in Uganda led to temporary changes in the delivery of School for Life's education program. Given the closure of the schools and restrictions on face to face teaching, education delivery since April 2020 has pivoted towards the delivery of weekly home learning packages to student communities, supplemented by telephone discussions between teachers and students on particular educational issues. In addition, the closure of schools has impacted the ability of School for Life to deliver its nutrition program to students, and consequently an increase in community outreach activities has occurred since April 2020, focusing on food and hygiene packages, along with community hand washing and sanitation stations.

#### **Strategic Vision and Objectives**

School for Life's vision is to educate poverty out of existence. We aim to do this by empowering developing communities to become sustainable through quality education and related community activities. School for Life's strategy is based around five pillars:

1. **Sustainability and Scalability of the School for Life Model** – to establish a model to deliver education and related services in developing communities which is efficient, effective and self-sustaining and able to be replicated in communities beyond Uganda;

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2. **Quality Education** – we provide education to children in developing communities which optimises their capabilities and equips them to live as productive and independent adults in their communities;
3. **Organisational Financial Sustainability** – to establish a financial base for the organisation which secures its ongoing existence;
4. **Organisational Structure and Governance** – to establish structures, systems, policies and procedures to support efficient, effective and compliant operations at the board and management levels in both Australia and Uganda; and
5. **People** – to support and build the capacity of our people, and to develop outstanding leaders.

### **Strategy for Achieving our Objectives**

The Entity's strategy for achieving our objectives consists of several key factors, including:

- Maintaining high levels of engagement with our donors and supporters, without whose support we would be unable to deliver on our vision and strategic objectives. We strive for regular, informative and impactful communications with our donors and supporters to keep them updated on the impact that their support is having on the lives and futures of those in our supported communities.
- Developing and maintaining strong relationships and alignment with our communities and stakeholders in Uganda, which is critical to support our ongoing operations. We operate a model of local empowerment, with all key in-country management roles held by locals, which helps to ensure that the local communities are aligned and committed to the objectives of the organisation.
- The ability to attract and retain a passionate, engaged and high-performing workforce is critical to the success of our operations. We undertake regular training and professional development activities to ensure strong alignment of our staff's objectives and purpose with those of the Entity, and we seek to provide a challenging, stimulating and rewarding work environment.
- Developing and implementing high-quality governance and operational frameworks is a key priority to ensure we deliver our operational and program goals in the most efficient and effective manner possible.

### **Directors' Meetings**

The number of Directors' Meetings held, and those attended by each director, are set out in the following table:

| <b>Director</b>   | <b>Meetings Eligible to Attend</b> | <b>Meetings Attended</b> |
|-------------------|------------------------------------|--------------------------|
| Helen Conway      | 7                                  | 7                        |
| Annabelle Chauncy | 3*                                 | 3*                       |
| Artur Kaluza      | 7                                  | 7                        |
| Linda O'Brien AM  | 7                                  | 5                        |
| Ben Colman        | 7                                  | 6                        |
| Sandy Halpin      | 7                                  | 7                        |
| Stephen Burcher   | 7                                  | 6                        |
| Michael Muehlheim | 7                                  | 7                        |
| Vicki Potts       | 3                                  | 3                        |

\* Annabelle Chauncy attended all other meetings in her capacity as Chief Executive Officer.

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Contribution in Winding Up**

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 \$10 each towards meeting any outstanding obligations of the entity.

**ACFID Compliance**

The following financial statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID website [www.acfid.asn.au](http://www.acfid.asn.au).

Signed in accordance with a resolution of Directors:

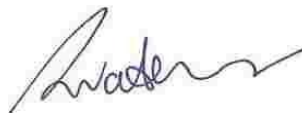
Helen Conway  
Chair  
15 October 2020



**AUDITOR'S INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 AND SECTION 60-40 OF THE AUSTRALIAN**  
**CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**  
**TO THE DIRECTORS OF SCHOOL FOR LIFE FOUNDATION LIMITED**  
**ACN 134 595 681**

I declare to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 or the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Watkins Coffey Martin  
65 Hill Street  
Roseville NSW 2069

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Richard Watkins – Partner

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Date 15 October 2020

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2020**

|   | Notes    | 30-Jun-20<br>\$    | 30-Jun-19<br>\$    |
|---|----------|--------------------|--------------------|
| <b>REVENUES</b>   |          |                    |                    |
| Donations and Gifts   |          |                    |                    |
| Monetary  |          | 2,357,323          | 1,418,916          |
| Non-Monetary (Donations-in-Kind)                                    |          | 6,259              | 218,952            |
| Grants  |          |                    |                    |
| Department of Foreign Affairs and Trade                             |          | -                  | 30,169             |
| Other Australian  |          | 83,985             | 50,000             |
| Other overseas  |          | 15,625             | -                  |
| Investment Income   |          | (7,630)            | 15,105             |
| Commercial Activities Income  |          |                    |                    |
| Ticket Sales / Events   |          | 95,219             | 873,402            |
| Raffle Ticket Sales   |          | -                  | 43,695             |
| Sale of Tailoring Products  |          | 7,687              | 13,231             |
| Other Income  |          | 74,246             | -                  |
| <b>TOTAL REVENUE</b>  | <b>3</b> | <b>2,632,714</b>   | <b>2,663,471</b>   |
| <b>EXPENDITURE</b>  |          |                    |                    |
| <b>International Aid and Development Programs Expenditure</b>       |          |                    |                    |
| International Programs  |          |                    |                    |
| Funds to International Programs                                     |          | (1,204,970)        | (1,066,313)        |
| Program Support Costs   |          | (269,302)          | (254,669)          |
| Fundraising Costs   |          |                    |                    |
| Public  |          | (415,627)          | (410,229)          |
| Accountability and Administration                                   |          | (180,978)          | (216,743)          |
| Non-Monetary Expenditure  | 4        | (9,871)            | (233,377)          |
| <b>Total International Aid and Development Programs Expenditure</b> |          | <b>(2,080,749)</b> | <b>(2,181,331)</b> |
| Commercial Activities Expenditure                                   |          | (21,490)           | (246,515)          |
| <b>TOTAL EXPENDITURE</b>  |          | <b>(2,102,239)</b> | <b>(2,427,845)</b> |
| <b>Excess / (Shortfall) of Revenue over Expenditure</b>             |          | <b>530,475</b>     | <b>235,627</b>     |

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

|                                      | Notes | 30-Jun-20<br>\$  | 30-Jun-19<br>\$ |
|--------------------------------------|-------|------------------|-----------------|
| <b>CURRENT ASSETS</b>                |       |                  |                 |
| Cash and Cash Equivalents            | 10    | 1,382,256        | 928,729         |
| Trade and Other Receivables          | 5     | 57,351           | 7,883           |
| <b>TOTAL CURRENT ASSETS</b>          |       | <b>1,439,606</b> | <b>936,612</b>  |
| <b>NON-CURRENT ASSETS</b>            |       |                  |                 |
| Other Financial Assets               | 6     | 124,263          | 29,704          |
| <b>TOTAL NON-CURRENT ASSETS</b>      |       | <b>124,263</b>   | <b>29,704</b>   |
| <b>TOTAL ASSETS</b>                  |       | <b>1,563,870</b> | <b>966,316</b>  |
| <b>CURRENT LIABILITIES</b>           |       |                  |                 |
| Trade and Other Payables             | 7     | 2,903            | 23,921          |
| Current Tax Liabilities              | 8     | 5,056            | 9,837           |
| Provisions                           | 9     | 62,090           | 58,478          |
| Other                                |       | 26,675           | -               |
| <b>TOTAL CURRENT LIABILITIES</b>     |       | <b>96,724</b>    | <b>92,236</b>   |
| <b>NON-CURRENT LIABILITIES</b>       |       |                  |                 |
| Lease Liability                      |       | 62,590           | -               |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |       | <b>62,590</b>    | -               |
| <b>TOTAL LIABILITIES</b>             |       | <b>159,314</b>   | <b>92,236</b>   |
| <b>NET ASSETS</b>                    |       | <b>1,404,555</b> | <b>874,080</b>  |
| <b>EQUITY</b>                        |       |                  |                 |
| Reserves                             |       | 530,475          | 235,627         |
| Retained Earnings                    |       | 874,080          | 638,453         |
| <b>TOTAL EQUITY</b>                  |       | <b>1,404,555</b> | <b>874,080</b>  |



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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

|  | Notes | Retained<br>Earnings<br>\$ | Total<br>Equity<br>\$ |
|--|-------|----------------------------|-----------------------|
| Balance as at 1 July 2018                        |       | 638,453                    | 638,453               |
| Items of other comprehensive income              |       | 15,105                     | 15,105                |
| Excess of revenue over expenses                  |       | 220,521                    | 220,521               |
| Total comprehensive income / (loss) for the year |       | 235,626                    | 235,626               |
| <b>Balance as at 30 June 2019</b>                |       | <b>874,080</b>             | <b>874,080</b>        |
| Balance as at 1 July 2019                        |       | 874,080                    | 874,080               |
| Items of other comprehensive income              |       | 66,616                     | 66,616                |
| Excess of revenue over expenses                  |       | 463,859                    | 463,859               |
| Total comprehensive income / (loss) for the year |       | 530,475                    | 530,475               |
| <b>Balance as at 30 June 2020</b>                |       | <b>1,404,555</b>           | <b>1,404,555</b>      |

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

|   | Notes | 30-Jun-20<br>\$  | 30-Jun-19<br>\$ |
|---|-------|------------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |       |                  |                 |
| Receipts from donations and other revenue streams             |       | 2,631,744        | 2,595,544       |
| Interest received   |       | 970              | 2,039           |
| Payments to suppliers and employees                           |       | (974,217)        | (1,197,660)     |
| Payments to overseas development programs                     |       | (1,204,970)      | (1,066,313)     |
| <b>Net cash provided by operating activities</b>              | 11    | <b>453,527</b>   | <b>333,610</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |       |                  |                 |
| <b>Net cash provided by / (used in) investing activities</b>  |       | -                | -               |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                   |       |                  |                 |
| <b>Net cash provided by / (used in) financing activities</b>  |       | -                | -               |
| <b>Net increase / (decrease) in cash and cash equivalents</b> |       | <b>453,527</b>   | <b>333,610</b>  |
| Cash and cash equivalents at the beginning of the year        |       | 928,729          | 595,119         |
| <b>Cash and cash equivalents at the beginning of the year</b> | 10    | <b>1,382,256</b> | <b>928,729</b>  |

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is for the not-for-profit company School for Life Foundation Australia Limited (“SFLF”), a company limited by guarantee incorporated and domiciled in Australia.

The Financial Report as at and for the year ended 30 June 2020 was authorised for issue by the Directors on 13 October 2020.

**(a) Basis of preparation**

These financial statements are Tier 2 general purpose financial statements that have been prepared in accordance with the requirements of the Australian Charities and *Not-for-profits Commission (“ACNC”) Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2013 (“ACNC Regulation”)* and the Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board.

These financial statements are presented in Australian dollars, which is the company’s functional and presentation currency, and have been prepared using the historical cost convention.

Significant accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

**(b) Significant accounting judgements, estimates and assumptions**

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**(c) Changes to accounting policies**

New and revised standards, interpretations and amending standards that are not included below, and were issued prior to the sign-off date and are applicable to the current reporting period did not have a material financial impact, and are not expected to have a material future financial impact on SFLF.

No accounting standard has been adopted earlier than the application date as stated in the standard.

**AASB 16 Leases**

The standard provides a single lessee accounting model, requiring lessees to recognise an asset (the right to use the leased item) and a financial liability to pay rentals. The only exemptions are where the lease term is 12 months or less, or the underlying asset has a low value. Lessor accounting is substantially unchanged under AASB 16.

SFLF has applied AASB 16 using the modified retrospective approach and therefore comparative information has not been restated.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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*AASB 15 Revenue from contracts with customers and AASB 1058 Income for Not-for-Profit Entities*

SFLF has adopted AASB 15 and AASB 1058 for the first time in the current financial year.

AASB 15 Revenue from contracts with customers, replaces AASB 111 and 118. AASB 15 describes the principles to be applied in measuring and recognising revenue and the related cash flows from contracts with customers. The core principle is that an entity will recognise revenue at an amount that reflects the consideration entitled in exchange for transferring goods or services to a customer.

AASB 1058 Income for Not-for-Profit Entities, this Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15, and replaces AASB 1004 Contributions. It establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable the entity to further its objectives.

**(d) Revenue recognition**

Upon the receipt of revenue, it is first determined whether the transaction is a contract with a customer under AASB 15, ie is there an enforceable contract and are there sufficiently specific performance obligations to be met. If the conditions of AASB 15 are met, then the revenue is capitalised until the contract is completed and then recognised as revenue in the Statement of Profit or Loss and Other Comprehensive Income. If either of these criteria are not satisfied, then revenue is recognised under AASB 1058.

Revenues under AASB 1058 are recognised as revenue received in the Statement of Profit or Loss and Other Comprehensive Income when SFLF gains control, economic benefits are probable and the amount received can be measured reliably. Revenue is recognised at the time of receipt, at the fair value for the consideration received or receivable.

Revenue is recognised for the major activities as follows:

*Sponsorships and Regular Giving*

Revenues through Child Sponsorship, Teacher Sponsorship and Regular Giving of a nominated amount, are unconditional transfers of cash recognised in the period received. These may be monthly, quarterly or annual payments. This revenue is recognised at the time of receipt.

*Donations and Major Gifts*

Donations and major gifts are recognised as revenue received in the Statement of Profit or Loss and Other Comprehensive Income when SFLF gains control, economic benefits are probable and the amount received can be measured reliably. This revenue is recognised at the time when funds have been transferred and receipt is considered virtually certain.

*Gala Ball*

SFLF's annual Gala Ball is a major fundraiser that incorporates a Live Auction, Silent Auction and Raffles to raise unconditional revenue. Partnerships and tickets are also sources of revenue for the event. All revenue is recognised at the time of receipt.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

*Grants*

Grants are assessed to determine if they are subject to treatment under Standard AASB 15 or AASB 1058. Under AASB 1058 the grant is further assessed to determine if a Termination for Convenience clause is included, if so then the grant is initially recorded as a liability in The Statement of Financial performance.

*Other Events*

SFLF generates revenue through community participation events that require the individual to fundraise. This revenue is recognised at the time of receipt.

*Donations-in-Kind*

Goods and services donated are included at their fair value to the company where this can be quantified and a third party is bearing the cost. These goods are subsequently auctioned at our Gala Ball fundraiser. This revenue is recognised at the time of receipt.

*Volunteers*

No amounts are included in the financial statements for services by volunteers, as this is unable to be reliably measured.

*Investment Income*

Investment income is recognised in the Statement of Profit or Loss and Other Comprehensive Income as it accrues using the effective interest method.

**(e) Operating expenses**

Operating expenses, except for leases, are recognised in the Statement of Profit or Loss and Other Comprehensive Income upon utilisation of the service or at the date of their origin. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

*Leases*

For any new contracts entered into on or after 1 July 2019, SFLF considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, SFLF uses the definition of a lease in AASB 16.

At lease commencement date, SFLF recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by SFLF, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date, net of any incentives received.

The right-of-use asset is depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. SFLF also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the incremental borrowing rate.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

SFLF has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in non-current assets (except those meeting the definition of investment property) and lease liabilities have been included in non-current liabilities.

**(f) Goods and Services Tax**

The Statement of Cash Flows shows cash flows on a gross basis.

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**(g) Income Tax**

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

**(h) Cash and cash equivalents**

Cash and cash equivalents consists of cash on hand and cash held in bank accounts. Refer to the schedule in note 10 for all bank accounts held and their balances at the end of the reporting period.

**(i) Trade and other receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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Collectability of trade receivables is reviewed on an ongoing basis and at balance date, with specific impairment losses recorded for any doubtful accounts.

**(j) Plant and equipment**

Each class of plant and equipment is initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended. They are subsequently measured using the cost model, cost less accumulated depreciation and impairment losses. Plant and equipment is depreciated on a straight-line basis over the expected useful lives of the assets.

**(k) Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to SFLF prior to the end of the financial year which remain unpaid. The amounts are recorded in the Statement of Financial Position as a current asset, and are paid within the agreed payment terms, usually within 30 days.

**(l) Employee benefits**

*Wages and Salaries and Annual Leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Long service leave*

Liability for long service leave is recognised in the provision for employee benefits and is measured as the present value of the future payments to be made in respect of services provided by employees up to the reporting date.

*Superannuation*

Contributions are made by the entity to employee superannuation plans and are charged as an expense as they are incurred.

**NOTE 2: ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimates, judgements and assumptions are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors such as the expectations of future events that are believed to be reasonable under the circumstances.

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED  
ACN 134 595 681**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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**NOTE 2: ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS**

There are no estimates, judgements or assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.



**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 3: REVENUE**

SFLF's revenue may be analysed as follows for each major product and service category:

|                                     | <b>2020</b>      | <b>2019</b>      |
|-------------------------------------|------------------|------------------|
|                                     | <b>\$</b>        | <b>\$</b>        |
| <b>Revenue from core operations</b> |                  |                  |
| Sponsorships                        | 565,303          | 453,860          |
| Gala Ball                           | -                | 609,961          |
| Donations                           | 1,792,020        | 951,086          |
| Tailoring                           | 7,687            | 13,231           |
| Grants                              | 99,610           | 80,169           |
| Other Events                        | 95,219           | 321,106          |
|                                     | <b>2,559,839</b> | <b>2,429,414</b> |
| <b>Non-monetary revenue</b>         |                  |                  |
| Donations-in-kind                   | 6,259            | 218,952          |
|                                     | <b>6,259</b>     | <b>218,952</b>   |
| <b>Other Income</b>                 |                  |                  |
| Interest Income                     | 970              | 2,039            |
| Gain/Loss on Foreign Exchange       | (8,840)          | 5,004            |
| Cash Flow Boosts                    | 32,246           | -                |
| JobKeeper Subsidy                   | 42,000           | -                |
| Other                               | 239              | 8,063            |
|                                     | <b>66,616</b>    | <b>15,105</b>    |
| <b>Total Revenue</b>                | <b>2,632,714</b> | <b>2,663,471</b> |

Donations-in-kind represents goods and services that have been donated to SFLF to be used to fundraise. Donations-in-kind have been measured at fair value. SFLF has not included volunteer hours as these are not able to be measured reliably.

**NOTE 4: NON-MONETARY EXPENDITURE**

Non-monetary expenditure consists of provisions raised for employee benefits, annual and long service leave, along with the fair value of donations-in-kind received.

|                                       | <b>2020</b>  | <b>2019</b>    |
|---------------------------------------|--------------|----------------|
|                                       | <b>\$</b>    | <b>\$</b>      |
| <b>Non-Monetary Expenditure</b>       |              |                |
| Provisions                            | 3,612        | 14,425         |
| Donations-in-kind                     | 6,259        | 218,952        |
| <b>Total Non-Monetary Expenditure</b> | <b>9,871</b> | <b>233,377</b> |

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 5: TRADE AND OTHER RECEIVABLES**

Trade receivables have been reviewed for indicators of impairment, with no impairment found, and therefore no allowance for doubtful debts has been recorded

|                                  | <b>2020</b>   | <b>2019</b>  |
|----------------------------------|---------------|--------------|
|                                  | <b>\$</b>     | <b>\$</b>    |
| <b>Current Receivables</b>       |               |              |
| Trade Debtors                    | 20,000        | 7,883        |
| Unearned Revenue                 | 37,351        | -            |
| <b>Total Current Receivables</b> | <b>57,351</b> | <b>7,883</b> |

**NOTE 6: OTHER FINANCIAL ASSETS**

Other Financial Assets consist of deposits paid in relation to future events, while prepayments represent prepaid insurance and other expenses that will be consumed more than 12 months into the future. The office lease is also included as a Right-of-Use asset.

|   | <b>2020</b>    | <b>2019</b>   |
|---|----------------|---------------|
|   | <b>\$</b>      | <b>\$</b>     |
| <b>Non-Current Other Financial Assets</b>       |                |               |
| Deposits Paid                                   | 55,603         | 22,407        |
| Prepayments                                     | 7,786          | 7,297         |
| Right-of-Use Asset – Office lease               | 60,874         | -             |
| <b>Total Non-Current Other Financial Assets</b> | <b>124,263</b> | <b>29,704</b> |

**NOTE 7: TRADE AND OTHER PAYABLES**

Trade payables relate to goods or services received prior to balance date. These goods and services remain unpaid at this time in accordance with agreed payment terms and are usually paid within 30 days of recognition.

|                                       | <b>2020</b>  | <b>2019</b>   |
|---------------------------------------|--------------|---------------|
|                                       | <b>\$</b>    | <b>\$</b>     |
| <b>Trade and Other Payables</b>       |              |               |
| Trade payables                        | 2,843        | 23,861        |
| Deposits held                         | 60           | 60            |
| <b>Total Trade and Other Payables</b> | <b>2,903</b> | <b>23,921</b> |

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 8: CURRENT TAX LIABILITIES**

Current tax liabilities represent the payroll liability held on the Statement of Financial Position at the end of the reporting period relating to the most current payroll and also the Net GST balance at the end of Q4. Both are settled in the following month.

|                                      | <b>2020</b>  | <b>2019</b>  |
|--------------------------------------|--------------|--------------|
|                                      | <b>\$</b>    | <b>\$</b>    |
| <b>Current Tax Liabilities</b>       |              |              |
| PAYG Withholding                     | 7,708        | 9,837        |
| GST Clearing                         | (2,652)      |              |
| <b>Total Current Tax Liabilities</b> | <b>5,056</b> | <b>9,837</b> |

**NOTE 9: PROVISIONS**

Provisions at the end of the reporting period represent provisions for employee benefits, annual leave and long service leave. Provisions are all recorded as current liabilities as SFLF does not have an unconditional right to defer settlement for at least twelve months after the reporting period, irrespective of when the actual settlement is expected to take place.

|                         | <b>2020</b>   | <b>2019</b>   |
|-------------------------|---------------|---------------|
|                         | <b>\$</b>     | <b>\$</b>     |
| <b>Provisions</b>       |               |               |
| Long service leave      | 20,811        | 18,730        |
| Annual leave            | 41,279        | 39,748        |
| <b>Total Provisions</b> | <b>62,090</b> | <b>58,478</b> |

**NOTE 10: CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consists of cash on hand and cash held in bank accounts, as follows:

|  | <b>2020</b>      | <b>2019</b>    |
|--|------------------|----------------|
|  | <b>\$</b>        | <b>\$</b>      |
| <b>Cash and Cash Equivalents</b>       |                  |                |
| WBC Transaction Account                | 2,855            | 10,068         |
| WBC Reserve Account                    | 1,359,246        | 871,734        |
| CBA AUD Account                        | 2,571            | 1,358          |
| CBA USD Account                        | 16,690           | 44,878         |
| Bank of America USD Account            | 469              | 201            |
| Cash on Hand                           | 425              | 490            |
| <b>Total Cash and Cash Equivalents</b> | <b>1,382,256</b> | <b>928,729</b> |

**SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**  
**ACN 134 595 681**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 11: RECONCILIATION OF CASH FLOWS**

The reconciliation of net cash provided by operating activities to operating profit is set out in the table below.

|  | <b>2020</b>    | <b>2019</b>    |
|--|----------------|----------------|
|  | <b>\$</b>      | <b>\$</b>      |
| Operating Profit   | 530,475        | 235,627        |
| <i>Add/(less) non-cash flows in operating profit:</i>            |                |                |
| Decrease / (Increase) in Deposits Paid                           | (33,196)       | 6,132          |
| Decrease / (Increase) in Trade and Other Receivables             | (49,467)       | 56,937         |
| Decrease / (Increase) in Prepayments                             | (489)          | 2,716          |
| Decrease / (Increase) in Right-of-Use Asset                      | (62,197)       | -              |
| Increase / (Decrease) in Trade Payables                          | (23,861)       | 23,861         |
| Increase / (Decrease) in Other Payables, Accruals and Provisions | 33,130         | 4,769          |
| Increase / (Decrease) in Lease Liabilities                       | 63,913         | -              |
| Increase / (Decrease) in Current Tax Liabilities                 | (4,781)        | 3,569          |
| <b>Net Cash Provided by Operating Activities</b>                 | <b>453,527</b> | <b>333,610</b> |

SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED  
ACN 134 595 681

DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2020

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In the opinion of the Directors of School for Life Foundation Limited:

- a) The consolidated financial statements and notes of School for Life Foundation Australia Limited are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
- (i) Giving a true and fair view of its financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
  - (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- b) There are reasonable grounds to believe that School for Life Foundation Australia Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors.



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Helen Conway – Chair

15/18/20

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Date

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**

**ACN 134 595 681**

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial report of SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity 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 directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, (or gives a true and fair view of) the financial position of the Company as at 30 June 2020, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### **Basis of opinion**

We conducted our audit in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and the Australian Charities and Not-for-Profits Commission Act 2012. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial report section of our report.

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code.

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

### **Information other than the financial statements and auditor's report thereon**

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

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

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

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

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**

**ACN 134 595 681**

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
SCHOOL FOR LIFE FOUNDATION AUSTRALIA LIMITED**

**ACN 134 595 681**

to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Name of Firm:** Watkins Coffey Martin  
Chartered Accountants

**Name of Partner:**



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Richard Watkins, Partner

**Address:** 65 Hill Street Roseville NSW 2069

**Dated this** 15 October 2020