

NEiTA FOUNDATION

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2016**

NEiTA FOUNDATION
SPECIAL PURPOSE FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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Independent Auditor's Report to the members of NEiTA Foundation

We have audited the accompanying financial report, being a special purpose financial report, of NEiTA Foundation, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in trust funds for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and Trustees' declaration as set out on pages 4 to 12.

Trustees' Responsibility for the Financial Report

The Trustees are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the financial reporting requirements of the Trust Deed and is appropriate to meet the needs of the members. Trustees' responsibility also includes such internal control as Trustees determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity'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 Trustee, 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.



Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of NEiTA Foundation as at 30 June 2016, and its financial performance for the year then ended in accordance with the financial reporting requirements of the Trust Deed as described in Note 1.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist NEiTA Foundation to meet the financial reporting requirements of the Trust Deed. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members and should not be distributed to or used by parties other than the members.

A handwritten signature in cursive script that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in cursive script that reads "Max R. Murray".

Max Murray
Partner
Chartered Accountants
Sydney, 28 September 2016

NEiTA FOUNDATION

**TRUSTEES' DECLARATION
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

As detailed in Note 1 to the financial statements, the NEiTA Foundation ("the Foundation") is not a reporting entity because in the opinion of the Trustees there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the Trustees' reporting requirements under the Trust Deed.

In the opinion of the Trustees of the NEiTA Foundation:

- a) the attached financial statements and notes thereto comply with accounting standards;
- b) the attached financial statements and notes thereto give a true and fair view of the financial position, and performance of the NEiTA Foundation, and
- c) there are, when this statement is made out, reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

On behalf of the Trustees



Mr Craig Dunstan
Trustee
Oakleigh, 28 September 2016



Mr Allen Blewitt
Trustee
Oakleigh, 28 September 2016

NEITA FOUNDATION

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	NOTE	2016	2015
Revenue		\$	\$
Sponsorships income		158,352	185,573
Other Income		450	3,664
Interest income		504	550
Total Revenue		<u>159,306</u>	<u>189,787</u>
Expenses			
Advertising, promotions & public relations		17,481	19,769
Award functions		17,670	15,095
Bank charges		25	249
Staff Amenities		-	53
Website and internet related expenses		8,338	2,482
Consulting fees		5,000	2,500
Postage and couriers		1,643	2,759
Printing and stationery		10,156	21,406
Prizes and trophies		71,568	86,805
Telephone		-	1,325
Travel and accommodation		27,425	37,344
Total Expenses		<u>159,306</u>	<u>189,787</u>
Operating profit before income tax			
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Operating profit after income tax		<u>-</u>	<u>-</u>
Other comprehensive income		-	-

The accompanying notes form part of, and are to be read in conjunction with, these financial statements.

NEITA FOUNDATION

**STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2016**

	NOTES	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	3	28,029	17,545
Trade and other receivables	4	<u>6,187</u>	<u>16,450</u>
Total current assets		<u>34,217</u>	<u>33,995</u>
Total assets		<u>34,217</u>	<u>33,995</u>
Current liabilities			
Trade and other payables	5	<u>4,494</u>	<u>4,272</u>
Total current liabilities		<u>4,494</u>	<u>4,272</u>
Total liabilities		<u>4,494</u>	<u>4,272</u>
Net assets		<u>29,723</u>	<u>29,723</u>
Trust funds			
Accumulated income	10	<u>29,723</u>	<u>29,723</u>
Total trust funds		<u>29,723</u>	<u>29,723</u>

The accompanying notes form part of, and are to be read in conjunction with, these financial statements.

NEiTA FOUNDATION

**STATEMENT OF CHANGES IN TRUST FUNDS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	Equity
	\$
Balance at 30 June 2014	29,723
Profit or loss for the year	-
Other comprehensive income for the year	-
Total comprehensive income for the year	-
Balance at 30 June 2015	<u>29,723</u>
Profit or loss for the year	
Other comprehensive income for the year	-
Total comprehensive income for the year	-
Balance at 30 June 2016	<u>29,723</u>

The accompanying notes form part of, and are to be read in conjunction with, these financial statements.

NEiTA FOUNDATION

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	NOTES	2016 \$	2015 \$
Cash flows from operating activities			
Sponsorships received		170,214	199,709
Other income		450	3,579
Interest received		504	550
Payments to suppliers		<u>(160,684)</u>	<u>(199,770)</u>
Net cash provided by/(used in) operating activities	8(b)	<u>10,484</u>	<u>4,068</u>
Net increase/(decrease) in cash held		10,484	4,068
Cash at the beginning of the financial year		<u>17,545</u>	<u>13,477</u>
Cash at the end of the financial year	8(a)	<u>28,029</u>	<u>17,545</u>

The accompanying notes form part of, and are to be read in conjunction with, these financial statements.

NEiTA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

1. STATEMENT OF ACCOUNTING POLICIES

The NEiTA Foundation ("the Foundation") is not a reporting entity because in the opinion of the Trustees, there are unlikely to exist users of the report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the Trustees' reporting requirements under the Trust Deed.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report has been prepared in accordance with the provision of the Trust Deed, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality', and AASB 1054 'Australian Additional Disclosures'.

In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented in these financial statements for the year ended 30 June 2015.

(a) Income Tax

It is the view of the Trustees that the income of the NEiTA Foundation is exempt from tax under Section 50-5 of the Income Tax Assessment Act 1997 on the basis that the Foundation is a public charitable Trust for the purpose of advancement of education.

NEITA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(b) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(c) Revenue Recognition

Sponsorship income is recognised on an accrual basis.

(d) Trade and Other Receivables

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

(e) Trade and Other Payables

Trade and other payables are recognised when the Foundation becomes obliged to make future payments due to the purchase of goods and services. No interest is charged on the trade payables. The Foundation has financial risk management policies in place to ensure that all payables are paid within the standard terms and conditions of its suppliers.

2. FORMATION OF THE FOUNDATION

The NEITA Foundation was formed under a Trust Deed which was executed on 26 April, 1995.

	2016 \$	2015 \$
3. CASH AND CASH EQUIVALENTS		
Cash at Bank	28,029	17,545
4. TRADE AND OTHER RECEIVABLES		
Sponsorship income receivable and other	4,588	16,450
GST claimable	1,599	-
	6,187	16,450
5. TRADE AND OTHER PAYABLES		
Accrued payable to Australian Scholarships Group	4,494	833
Sundry Creditors	-	1,562
GST payable	-	1,878
	4,494	4,272

NEITA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

6. RELATED PARTY DISCLOSURES

Transactions with trustee related entities

Sponsorship income was received/receivable from the Australian Scholarships Group Friendly Society Limited ("Australian Scholarships Group") amounted to \$158,352 (2015: \$185,573).

Reimbursement paid/payable to ASG Education Programmes (NZ) Limited amounted to \$173 (2015: \$29,038).

The following trustees of the Foundation (A Blewitt (from 2 July 2015), T Brain (from 1 January 2016), C Dunstan, C Evans (resigned 31 December 2015), T O'Connell, J Jennings, S Vallance (resigned 23 July 2015), M Sasson, and L Nash) are also directors of the Australian Scholarships Group.

7. ADDITIONAL INFORMATION

The Foundation operates predominantly within Australia.

Registered office

23-35 Hanover Street
OAKLEIGH VIC 3166
Tel: (03) 9276 7777

Principal place of business

23-35 Hanover Street
OAKLEIGH VIC 3166
Tel: (03) 9276 7777

8. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash at bank.

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2016	2015
	\$	\$
Cash at Bank	<u>28,029</u>	<u>17,545</u>

(b) Reconciliation of profit/(loss) from ordinary activities after related income tax to net cash inflows from operating activities

Operating profit / (loss) from ordinary activities after related income tax		-
Changes in assets and liabilities:		
Decrease in assets		
Current receivables	10,262	14,051
Increase/(decrease) in liabilities		
Current payables	222	(9,983)
Net cash /provided by operating activities	<u>10,484</u>	<u>4,068</u>

NEiTA FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

9. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

	2016	2015
	\$	\$
10. ACCUMULATED INCOME		
Accumulated income at the beginning of the financial year	29,723	29,723
Total comprehensive income for the year	-	-
Accumulated income at the end of the financial year	<u>29,723</u>	<u>29,723</u>