

**SOUTHERN HIGHLANDS FOUNDATION  
ABN 16 098 283 213  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2020**

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

**CONTENTS**

Directors' Report

Comprehensive Income Statement

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Accounts

Detailed Profit & Loss Statement

Directors' Declaration of the Trustee Company

Independent Auditors' Report

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

**DIRECTORS' REPORT AT 30 JUNE 2020**

---

The Directors' present their report together with the Financial Statements, on the Company for the year ended 30 June 2020.

**Directors**

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Nicole Smith (Chair)  
David Allen (Public Officer)  
Shelley Boyce

**Principal Activities**

The principal activity of the company during the year was that of philanthropy. There has been no change to the principal activities of the company during the year.

**Review of Operations**

The surplus/(deficit) of the company for the financial year, after providing for income tax amounted to:

2020	50,808.83
2019	331,140.83

**Likely Developments**

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

**Meeting of Directors**

During the year 11 Directors' meetings were held.

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

**COMPREHENSIVE INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
Surplus/(Deficit) for the year	50,808.83	331,140.83
<b>Other Comprehensive Income</b>		
Items that will not be reclassified subsequently to profit and loss	-	-
Items that will be reclassified subsequently to profit and loss when specific conditions are met	-	-
Total other comprehensive income for the year, net of income tax	-	-
Total comprehensive surplus/(deficit) for the year	<u>50,808.83</u>	<u>331,140.83</u>
Total comprehensive surplus/(deficit) attributable to the Members' of the entity	<u><u>50,808.83</u></u>	<u><u>331,140.83</u></u>

This statement should be read in conjunction with the attached Notes to the Financial Statements

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	524,387.43	476,610.46
Receivables	3	61,103.07	19,414.62
Other Assets	5	805.31	1,152.07
<b>TOTAL CURRENT ASSETS</b>		<b>586,295.81</b>	<b>497,177.15</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	6	272,091.67	310,401.50
<b>TOTAL NON-CURRENT ASSETS</b>		<b>272,091.67</b>	<b>310,401.50</b>
<b>TOTAL ASSETS</b>		<b>858,387.48</b>	<b>807,578.65</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	40.00	40.00
<b>TOTAL CURRENT LIABILITIES</b>		<b>40.00</b>	<b>40.00</b>
<b>TOTAL LIABILITIES</b>		<b>40.00</b>	<b>40.00</b>
<b>NET ASSETS</b>		<b>858,347.48</b>	<b>807,538.65</b>
<b>EQUITY</b>			
Retained earnings		858,347.48	807,538.65
<b>TOTAL EQUITY</b>		<b>858,347.48</b>	<b>807,538.65</b>

This statement should be read in conjunction with the attached Notes to the Financial Statements

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

	Retained earnings \$	Total \$
Balance at 1 July 2018	476,397.82	476,397.82
Other comprehensive income for the year, net of tax (Deficit) after income tax expense for the year	331,140.83 -	331,140.83 -
Total comprehensive income for the year	<u>331,140.83</u>	<u>331,140.83</u>
<b>Balance at 30 June 2019</b>	<u><u>807,538.65</u></u>	<u><u>807,538.65</u></u>
Balance at 1 July 2019	807,538.65	807,538.65
Other comprehensive income for the year, net of tax (Deficit) after income tax expense for the year	50,808.83 -	50,808.83 -
Total comprehensive income for the year	<u>50,808.83</u>	<u>50,808.83</u>
<b>Balance at 30 June 2020</b>	<u><u>858,347.48</u></u>	<u><u>858,347.48</u></u>

This statement should be read in conjunction with the attached Notes to the Financial Statements

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		-	-
Donations/Grants Received		324,327.83	398,713.57
Payments to Suppliers	-	15,171.02	6,416.93
Donations/Grants Made	-	269,300.00	70,135.00
Tax Refund		1,090.00	903.00
Interest Received		6,830.16	916.05
<b>Net cash from/(used in) Operating Activities</b>	<b>10</b>	<u>47,776.97</u>	<u>323,980.69</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net cash from Financing Activities</b>		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		47,776.97	323,980.69
Cash and cash equivalents at the beginning of the financial year		476,610.46	152,629.77
Cash and cash equivalents at the end of the financial year	<b>2</b>	<u>524,387.43</u>	<u>476,610.46</u>

This statement should be read in conjunction with the attached Notes to the Financial Statements

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

---

The financial report covers Southern Highlands Foundation as an individual entity. The financial report is presented in Australian dollars which is the Southern Highlands Foundation's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the Directors' declaration.

Southern Highlands Foundation is a non-for-profit unlisted public company limited by guarantee.

The financial report was authorised for issue, in accordance with a resolution of Directors. The Directors have the power to amend and reissue the financial report.

## **1 Significant Accounting Policies**

The principal accounting policies adopted in the presentation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The measurement bases are more fully described in the accounting policies below.

### **Basis of Preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Corporations Act 2001. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

### **Revenue Recognition**

Revenue comprises revenue from the sale of goods, grants, fundraising activities and client contributions. Revenue is measured by reference to the fair value of consideration received or receivable by the company for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Group's different activities have been met. Details of the activity-specific recognition criteria are described below.

### **Sale of Goods**

Revenue from the sale of goods comprises revenue earned from the sale of goods donated and purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.



**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

---

**Grants**

A number of the Group's programs are supported by grants received from the federal, state and local governments and other charitable foundations. If conditions are attached to a grant which must be satisfied before the Group is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Group obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Group receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

**Donations and Bequests**

Donations collected, including cash and goods for resale, are recognised as revenue when the Group gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Group becomes legally entitled to the shares or property.

**Interest revenue**

Interest revenue is recognised as it is received and not using the effective interest method. This method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset, is not used as the Directors' do not believe it would add value to the report.

**Other Revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

**Operating Expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

---

**Income Tax**

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

**Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. 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.

**Financial Instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

---

*Classification and subsequent measurement of financial assets*

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss (FVTPL)
- Held-to-maturity (HTM) investments
- Available-for-sale (AFS) financial assets

All financial assets except for those at fair value through profit or loss (FVTPL) are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial

asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below. All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

The company only holds Financial assets at fair value through profit or loss.

*Available-for-sale (AFS) financial assets*

Available-for-sale (AFS) financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's AFS financial assets include listed securities. All available-for-sale (AFS) financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Reversals of impairment losses for AFS debt securities are recognised in profit or loss if the reversal can be objectively related to an event occurring after the impairment loss was recognised. For AFS equity investments impairment reversals are not recognised in profit or loss and any subsequent increase in fair value is recognised in other comprehensive income.

**Contingent Assets & Liabilities**

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>2 Cash and cash equivalents</b>		
CBA Society Cheque Account	726.39	935.96
CBA Interest Bearing Account	217,440.02	175,674.50
CBA Interest Bearing Account	-	-
CBA Term Deposit	306,221.02	300,000.00
	<b>524,387.43</b>	<b>476,610.46</b>
<b>3 Receivables</b>		
Sundry Debtors	51,452.00	-
Distributions Receivable (Managed Fund)	9,651.07	19,414.62
	<b>61,103.07</b>	<b>19,414.62</b>
<b>4 Plant and Equipment</b>		
<b>5 Other Assets</b>		
<b>Current</b>		
GST Refund	75.31	62.07
Imputation Credits Refund	730.00	1,090.00
	<b>805.31</b>	<b>1,152.07</b>
<b>6 Financial Assets</b>		
<b>Non-Current</b>		
<i>Available-for-sale (AFS) financial assets:</i>		
Shares in Unlisted Companies	10.00	10.00
Managed Funds	272,081.67	310,391.50
	<b>272,091.67</b>	<b>310,401.50</b>
<b>7 Trade and Other Payables</b>		
<b>Current</b>		
Trade Creditors	40.00	40.00
	<b>40.00</b>	<b>40.00</b>

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

	2020 \$	2019 \$
<b>8 Other Liabilities</b>		
<b>9 Financial Instruments</b>		
<b>Market Risk</b>		
<i>Interest Rate Risk</i>		
The company is not exposed to any significant interest rate risk.		
<b>10 Reconciliation of Result for the year to Cash flows from Operating Activities</b>		
Surplus/(Deficit) for the year	50,808.83	331,140.83
<b>Cash flows excluded from profit attributable to operating activities</b>		
Non-cash flows in profit:		
Non-cash Income	(13,990.69)	(24,024.58)
Movement in Net Market Value	11,334.07	16,138.97
Depreciation/Loss on Write off of Assets		
Changes in Assets and Liabilities:		
Decrease/(increase) in Other Assets	(375.24)	899.05
(Decrease)/Increase in Payables	0.00	(173.58)
Rounding		
Cash flow from operations	<u>47,776.97</u>	<u>323,980.69</u>

**11 Contingent Liabilities**

Apart from the company operating in its own right, the company acts as trustee for the Southern Highlands Foundation Trust (the trust). As trustee, the company is liable for the liabilities of the trust. However, the trust had sufficient assets to pay these liabilities at the reporting date and the company does not anticipate that there will be a shortfall or a going concern issue in the foreseeable future.

No assets or liabilities of the trust were recognised in these financial statements.

The company had no contingent liabilities as at 30 June 2020 and 30 June 2019.

**12 Commitments for Expenditure**

The company had no commitments for expenditure as at 30 June 2020 and 30 June 2019.

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

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

2020	2019
\$	\$

---

**13 Related Party Transactions**

**Transactions with related parties**

There were no transactions with related parties during the financial year.

**Receivable from and payable to related parties**

There were no trade receivables from or trade payables to related parties at the reporting date.

**Loans to/from related parties**

There were no loans to or from related parties at the reporting date.

**14 Events Occurring After Reporting Date**

No matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

**DETAILED PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Donations	324,327.83	11,930.30
Grants Received	-	386,783.27
Interest Income	6,830.16	916.05
Investment Income	13,990.69	24,024.58
Movement in Net Market Value	- 11,334.07	- 16,138.97
<b>Total Income</b>	<b>333,814.61</b>	<b>407,515.23</b>
<b>Expenditure</b>		
Administration Costs	4,076.10	-
Auditor's Remuneration	-	800.00
Bank Charges	51.20	1.00
Computer Expenses	78.00	73.20
Donations	125,780.00	-
General Expenses	1,107.49	-
Grants	143,520.00	70,135.00
Insurance	2,420.22	2,395.30
Internet Expenses	90.00	120.00
Light & Power	225.00	300.00
Merchant Fees	- 1,260.00	-
Meeting Expenses	565.00	-
Postage	135.43	118.18
Printing & Stationery	325.29	-
Subscriptions	1,898.20	1,784.90
Telephone	436.32	436.32
Travel Expenses	1,687.53	-
Website Costs	1,870.00	210.50
	<b>283,005.78</b>	<b>76,374.40</b>
<b>Profit/(Loss) for the year</b>	<b>50,808.83</b>	<b>331,140.83</b>

This statement should be read in conjunction with the attached Notes to the Financial Statements

**SOUTHERN HIGHLANDS FOUNDATION**  
**ABN 16 098 283 213**

**DIRECTORS' DECLARATION**

---

In the Directors' opinion:

- The attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards – Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and;
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

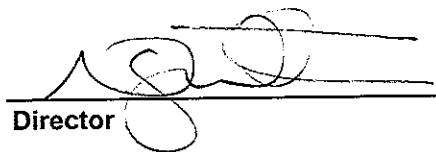
Signed in accordance with a resolution of directors made pursuant to section 295(5) of the Corporations Act 2001.



---

Director

Shelley Boyce - Chair



---

Director

Nicole Smith - Director

Dated this            22nd day of        Apr-21



# SOUTHERN HIGHLANDS FOUNDATION

ABN 16 098 283 213

## INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT TO THE MEMBERS OF SOUTHERN HIGHLANDS FOUNDATION

### Report on the Financial Statements

We have reviewed the accompanying financial statements of Southern Highlands Foundation, which comprise the statement of financial position as at 30 June 2020, the comprehensive income statement, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Assurance Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with Standard on Review Engagements ASRE 2400, *Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity*. ASRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ASRE 2400 is a limited assurance engagement. The assurance practitioner performs procedures primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing Standards. Accordingly, we do not express an audit opinion on these financial statements.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial position of Southern Highlands Foundation as at 30 June 2020, and its financial performance for the year then ended, in accordance with the Australian Accounting Standards.

**Clifton Accountants**



**Ken Clifton**

**Partner**

Dated this 21<sup>st</sup> day of April 2021

Shop 8, 1 Kirkham Street, MOSS VALE NSW 2577

**SOUTHERN HIGHLANDS FOUNDATION  
ABN 16 098 283 213**

**AUDITORS' INDEPENDENCE DECLARATION TO THE DIRECTORS OF  
SOUTHERN HIGHLANDS FOUNDATION**

In accordance with Section 307C of the Corporations Act 2001, as auditor for the review of Southern Highlands Foundation for the year ended 30 June 2020, to the best of my knowledge and belief, there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the review.

Name of Auditor



**KENNETH JAMES CLIFTON**  
Registered Company Auditor 2636

Name of firm

**CLIFTON ACCOUNTANTS**  
Moss Vale NSW

Date

21<sup>st</sup> April 2021