

Foundation for Rural and Regional Renewal

ACN 091 810 589

A company limited by guarantee

**Financial Report
for the year ended
30 June 2018**

Contents

Directors' report	1
Lead auditor's independence declaration	5
Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	27
Independent auditor's report	28

Foundation for Rural and Regional Renewal

A company limited by guarantee

Directors' report

For the year ended 30 June 2018

The directors present their report together with the financial report of Foundation for Rural and Regional Renewal ("the Foundation" or "FRRR") for the financial year ended 30 June 2018 and the auditor's report thereon.

1 Directors

The directors of the Foundation at any time during or since the end of the financial year are:

	Appointed	Retired
Rt Hon Ian Sinclair, AC, BA, LLB ⁽¹⁾	1 March 2000	-
William Kelty, AC, B.Ec ⁽²⁾	30 May 2000	-
Ian Allen, OAM, B.Ec, M.Admin, FAIM, FAICD ⁽³⁾	28 March 2001	-
Tim Fairfax, AC, FAICD ⁽⁴⁾	31 October 2002	6 July 2017
Patrick Handbury ⁽⁵⁾	20 March 2009	-
Fred Grimwade, B.Com, LLB (Hons) MBA, SF Fin, FAICD FCIS ⁽⁶⁾	21 September 2011	-
Patrick Myer ⁽⁷⁾	25 September 2013	-
Mike Mrdak, AO ⁽⁸⁾	9 October 2013	12 September 2017
Annabel Dulhunty, BA, M.Phil Bus ⁽⁹⁾	24 March 2015	-
Anne Grindrod, BA, GAICD ⁽¹⁰⁾	24 March 2015	-
Bruce Scott, OAM ⁽¹¹⁾	15 November 2017	-
Steven Kennedy, PSM, BEc (Hons), MEc, PhD ⁽¹²⁾	15 November 2017	-
Andrew McKenzie, JP, Dip Ap Sci (Ag), Grad Dip Bus Mgt, Dip.Fin Adv (SIA) ⁽¹³⁾	4 April 2018	-
Sue Middleton, GAICD	4 April 2018	-

Information on directors

(1) Rt Hon Ian Sinclair, AC is Chair of the Foundation for Rural and Regional Renewal Board of Directors; Chair of Innovation for Community Impact, and CPPW Assessment Committees; and member of TTTT and Aussie Cotton Farmers Grow Communities Assessment Committees.

(2) William Kelty, AC is Chair of the Finance & Audit Committee and the ANZ Seeds of Renewal Assessment Committee.

(3) Ian Allen, OAM is a member of the Small Grants for Rural Communities Assessment Committee.

(4) Tim Fairfax, AC was Chair of the CARA Assessment Panel and a member of the Finance & Audit Committee.

(5) Patrick Handbury is Chair of TTTT Assessment Committee, GR&W and Disaster Resilient: Future Ready Assessment Committees.

(6) Fred Grimwade is Chair of the REAPing Rewards Committee; a member of the GR&W Assessment Committee and a member of the Finance and Audit Committee.

(7) Patrick Myer is the Sidney Myer Fund's representative; Chair of Heywire Youth Innovation and RRR Assessment Committees; a member of Domino's Give for Good and ANZ Seeds of Renewal Assessment Committees.

(8) Mike Mrdak, AO was the Federal Government's representative.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Directors' report

For the year ended 30 June 2018

1 Directors (continued)

Information on directors (continued)

(9) Annabel Dulhunty is Chair of Domino's Give for Good, Social Innovation Fund and Aussie Cotton Farmers Grow Communities Assessment Committees.

(10) Anne Grindrod is Chair of Small Grants for Rural Communities and Caring for Aging Rural Australians Assessment Committees; a member of the GR&W and REAPing Rewards Assessment Committees.

(11) Bruce Scott, OAM is a member of the TTTT Assessment Committee.

(12) Steven Kennedy, PSM is the Federal Government's representative.

(13) Andrew McKenzie, JP is a member of the Repair Restore Renew Assessment Committee.

2 Company secretary

Mrs Lisa Norden was appointed on 26 June 2014. Her qualifications include Certified Practicing Accountant (CPA), Governance Institute of Australia Corporate Governance Graduate Diploma and Australian Institute of Company Directors Course Diploma.

3 Directors' meetings

The number of directors' meetings, including the Finance and Audit Committee (F&A), Nominations and Appointments Committee meetings (N&A) and the number of meetings attended by each of the directors of the Foundation during the financial year are:

Director	F&A		N&A		Board	
	A	B	A	B	A	B
Ian Sinclair (Chair)	-	-	2	2	4	4
William Kelty	4	4	-	-	4	4
Ian Allen	-	-	2	2	3	4
Tim Fairfax	-	-	-	-	-	-
Patrick Handbury	-	-	-	-	3	4
Fred Grimwade	4	4	2	2	4	4
Patrick Myer	-	-	-	-	4	4
Mike Mrdak	-	-	-	-	-	1
Annabel Dulhunty	-	-	-	-	4	4
Anne Grindrod	-	-	2	2	4	4
Bruce Scott	-	-	-	-	3	3
Steven Kennedy	-	-	-	-	3	3
Andrew McKenzie	-	-	-	-	1	1
Sue Middleton	-	-	-	-	1	1

A - Number of meetings attended

B - Number of meetings held during time director held office

Foundation for Rural and Regional Renewal

A company limited by guarantee

Directors' report

For the year ended 30 June 2018

4 Principal activities

The principal activity of the Foundation is that of a charitable foundation. The Foundation is established for rural charitable purposes, namely to promote for the public benefit, rural and regional renewal, regeneration and development in Australian social, economic, environmental and cultural areas.

The Foundation's short term objectives are to:

- Deliver a range of grant programs, that supports the development of rural and regional Australia, and use seed funding and challenge grants to move regional development project funding into a more dynamic context;
- Build a greater understanding of the needs and opportunities in rural, regional and remote Australia to develop programs and products ensuring effectiveness; and
- Attract further partners and resources, resulting in financial and product growth.

The Foundation's long term objectives are to:

- Promote for the public benefit, rural and regional renewal, regeneration and development in Australia in social, economic, environmental and cultural areas in the manner the directors decide from time to time; and
- Establish partnerships between philanthropy, governments and business to stimulate rural and regional renewal in Australia.

5 Operating and financial review

The Foundation generated a net profit of \$860,847 (2017: \$921,469) for the year under review.

6 Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Foundation that occurred during the financial year under review.

7 Likely developments

The Foundation's primary focus will be on the continued promotion for the public benefit, rural and regional renewal, regeneration and development in Australian social, economic, environmental and cultural areas.

8 Events subsequent to balance date

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Foundation, to affect significantly the operation of the Foundation, the results of those operations, or the state of affairs of the Foundation, in future financial years.

9 Environmental regulation

The Foundation's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Foundation has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Foundation.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Directors' report
For the year ended 30 June 2018

10 Indemnification and insurance of officers and auditors

Indemnification

Since the end of the previous financial year, the Foundation has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Foundation.

Insurance premiums

During the financial year the Foundation has paid \$5,284 (2017: \$2,911) in insurance premiums in respect of directors' and officers' liability and legal expenses, insurance contracts, for current and former directors and officers including senior executives of the Foundation. The insurance premiums relate to:

- Costs and expenses incurred by relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position with the exception of conduct involving a willful breach of duty or improper use of information or position to gain a personal advantage.

11 Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the directors' report for financial year ended 30 June 2018.

Signed in accordance with a resolution of directors:



Patrick Myer
Acting Chairman

Dated at Victoria
9 November 2018



William Kelly, AC
Chair of Finance & Audit Committee

Dated at Victoria
9 November 2018



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the Directors of Foundation for Rural and Regional Renewal

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2018 there have been:

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

KPMG

KPMG

Tony Batsakis
Partner

Melbourne
9 November 2018

Foundation for Rural and Regional Renewal
A company limited by guarantee

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	5	7,662,335	7,811,053
Expenses			
Grants paid		(7,120,565)	(6,236,024)
Employee related expenses		(1,026,525)	(940,829)
Depreciation expense		(5,762)	(8,880)
Other expenses	5a	(755,426)	(725,672)
Results from operating activities		<u>(1,245,943)</u>	<u>(100,352)</u>
Finance income		2,106,790	1,034,026
Finance expense		-	(12,205)
Net finance income	6	<u>2,106,790</u>	<u>1,021,821</u>
Tax expense	3a	-	-
Profit for the year		<u>860,847</u>	<u>921,469</u>
Other comprehensive income for the year			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Available-for-sale financial assets – net change in fair value		(469,319)	647,436
<i>Items that will never be reclassified to profit or loss:</i>		-	-
Other comprehensive (loss)/income for the year, net of income tax		<u>(469,319)</u>	<u>647,436</u>
Total comprehensive income for the year		<u>391,528</u>	<u>1,568,905</u>

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Statement of financial position
As at 30 June 2018

	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	7	11,771,179	12,171,548
Trade and other receivables	8	1,292,764	338,492
Other current assets		4,014	4,014
Total current assets		13,067,957	12,514,054
Non-current assets			
Financial assets	9	14,116,651	14,266,555
Plant and equipment		16,738	16,580
Total non-current assets		14,133,389	14,283,135
Total assets		27,201,346	26,797,189
Current liabilities			
Trade and other payables	10	84,281	66,041
Employee benefits	11	82,514	94,731
Total current liabilities		166,795	160,772
Non-current liabilities			
Employee benefits	11	27,874	21,268
Total non-current liabilities		27,874	21,268
Total liabilities		194,669	182,040
Net assets		27,006,677	26,615,149
Equity			
Core grant reserve	12	10,000,000	10,000,000
Fair value reserve	12	528,728	998,047
Retained earnings	12	16,477,949	15,617,102
Total equity	12	27,006,677	26,615,149

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Statement of changes in equity
For the year ended 30 June 2018

	Retained earnings	Core grants reserve	Fair value reserve	Total equity
	\$	\$	\$	\$
2017				
Opening balance at 1 July 2016	14,695,633	10,000,000	350,611	25,046,244
Total comprehensive income for the period				
Profit for the year	921,469	-	-	921,469
Other comprehensive income for the year	-	-	647,436	647,436
Total comprehensive income for the year	921,469	-	647,436	1,568,905
Transactions with members of the Foundation	-	-	-	-
Balance at 30 June 2017	15,617,102	10,000,000	998,047	26,615,149
2018				
Opening balance at 1 July 2017	15,617,102	10,000,000	998,047	26,615,149
Total comprehensive income for the period				
Profit for the year	860,847	-	-	860,847
Other comprehensive loss for the year	-	-	(469,319)	(469,319)
Total comprehensive income/ (loss) for the year	860,847	-	(469,319)	391,528
Transactions with members of the Foundation	-	-	-	-
Balance at 30 June 2018	16,477,949	10,000,000	528,728	27,006,677

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Cash from grants, donations and other operating activities		7,632,136	7,854,704
Interest received		174,920	181,679
Distributions and imputation credits received		1,003,165	829,329
Payments to suppliers and employees		(8,889,849)	(7,896,506)
Net cash (used in)/from operating activities		(79,628)	969,206
Cash flow from investing activities			
Receipts from sales of financial assets		1,836,409	642,500
Payments for financial assets		(2,151,230)	(749,075)
Payments for plant and equipment		(5,920)	(916)
Net cash used in investing activities		(320,741)	(107,491)
Cash flow from financing activities			
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		(400,369)	861,715
Cash and cash equivalents at beginning of period		12,171,548	11,309,833
Cash and cash equivalents at end of period	7	11,771,179	12,171,548

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

1. Reporting entity

The Foundation for Rural and Regional Renewal (the 'Foundation') is a not-for profit company limited by guarantee domiciled in Australia. These financial statements are individual financial statements of the Foundation and are as at and for the year ended 30 June 2018. The Foundation is primarily involved in the issuance of grants, namely to promote for the public benefit, rural and regional renewal, regeneration and development in Australian social, economic, environmental and cultural areas.

The address of the Foundation's registered office is: 66 Garsed Street, Bendigo, Victoria 3550.

2. Basis of preparation

(a) Statement of compliance

In the opinion of the Directors, the Foundation is not publically accountable. The financial report is a Tier 2 general purpose financial report which has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

The financial statements were approved by the Board of Directors on 9 November 2018.

(b) Basis of measurement

The financial report is prepared on the historical cost basis except for available-for-sale financial assets, which are measured at fair value.

The methods used to measure fair value are discussed further in Note 4.

(c) Functional and presentation currency

The financial report is presented in Australian dollars, which is the Foundation's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the 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.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Income tax

The Foundation is an exempt body for income tax purposes and accordingly no provision for income tax is made.

(b) Financial instruments

(i) Non derivative financial assets

The Foundation initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Foundation becomes a party to the contractual provisions of the instrument.

The Foundation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Foundation is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Foundation has the following non-derivative financial assets: receivables and available-for-sale financial assets.

Receivables, including other financial assets

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less any impairment losses (see note 3(c) (i)).

Receivables comprise trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits that are subject to an insignificant risk of changes in their fair value, and are used by the Foundation in the management of its short-term commitments.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as any other category of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(i) Non derivative financial assets (continued)

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see note 3(c) (i)) and foreign currency differences on available for sale debt instruments, are recognised in other comprehensive income and accumulated in the fair value reserve in equity. When these assets are derecognised, the cumulative gain or loss in equity is reclassified to profit or loss.

Available-for-sale financial assets comprise equity securities and debt securities.

(ii) Non-derivative financial liabilities

The Foundation initially recognises its financial liabilities on the trade date, which is the date that the Foundation becomes a party to the contractual provisions of the instrument.

The Foundation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Foundation classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise trade and other payables.

(c) Impairment

(i) Non-derivative financial assets

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Foundation on terms that the Foundation would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security or observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets. For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Foundation considers a decline of 20% to be significant and a period of 9 months to be prolonged.

Financial assets measured at amortised cost

The Foundation considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and a collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

3. Significant accounting policies (continued)

(c) Impairment (continued)

(i) Non-derivative financial assets (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When the Foundation considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases, and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale are not reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Foundation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(d) Leases

Leases in terms of which the Foundation assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Foundation's statement of financial position.

(i) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

3. Significant accounting policies (continued)

(d) Leases (continued)

(ii) Determining whether an arrangement contains a lease

At inception of an arrangement, the Foundation determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfilment of the arrangement is dependent on the use of a specific asset or assets; and
- the arrangement contains a right to use the asset(s).

At inception or upon reassessment of the arrangement, the Foundation separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Foundation concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Foundation's incremental borrowing rate.

(e) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Other long-term employee benefits

The Foundation's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs. That benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on corporate bonds that have maturity dates approximating the terms of the Foundation's obligations. Remeasurements are recognised in profit or loss in the period in which they arise.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Foundation is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Foundation has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

3. Significant accounting policies (continued)

(e) Employee benefits (continued)

(iv) Short-term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Foundation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(f) Revenue

(i) Non-reciprocal grant revenue

Non-reciprocal grant and donation revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If specific obligations and conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

(ii) Services

Revenue from services rendered is recognised in the statement of profit or loss in the period in which the service is provided. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services.

(g) Finance income and expenses

Finance income comprises interest income on funds invested, unwinding of the discount on receivables, dividend and distribution income and gains on the disposal of available-for-sale financial assets. Interest and distribution income is recognised as it accrues in profit or loss using the effective interest method. Dividend income is recognised in profit or loss on the date that the Foundation's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets and impairment losses recognised on financial assets (other than trade receivables).

(h) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

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

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

3. Significant accounting policies (continued)

(i) Provisions

A provision is recognised if, as a result of a past event, the Foundation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(j) Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within "other income" in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment.

(k) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017, and have not been applied in preparing these financial statements. Those which may be relevant to the Foundation are set out below. The Foundation does not plan to adopt these standards early and the extent of the impact has not yet been determined.

AASB 9 *Financial Instruments* which becomes mandatory for the Foundation's 2019 financial statements and could change the classification and measurement of financial assets.

AASB 15 *Revenue from Contracts with Customers* which becomes mandatory for the Foundation's 2020 financial statements and replaces existing revenue recognition guidance, including AASB 118 *Revenue*, AASB 111 *Construction Contracts* and IFRIC 13 *Customer Loyalty Programmes*.

AASB 1058 *Income of Not-for-Profit Entities* which becomes mandatory for the Foundation's 2020 financial statements and replaces the income recognition requirements relating to private sector not-for-profit entities.

AASB 16 *Leases* which becomes mandatory for the Foundation's 2020 financial statements and will bring all operating lease contracts onto the balance sheet.

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

4. Determination of fair values

A number of the Foundation's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(b) Available-for-sale financial assets and other instruments

The fair value of available for sale financial assets and other instruments are determined as follows:

- Listed – by reference to their quoted bid price at reporting date.
- Unlisted – by reference to the declared fund manager valuations at the reporting date, which are typically determined by reference to recent transaction values or commonly accepted methodologies.

(c) Market risk

The Company is exposed to equity price risk, which arises from available-for-sale equity securities measured at fair value. Management monitors the proportion of equity securities in its investment portfolio based on market indices. Investments are managed by the Finance and Audit Committee. The primary goal of the Company's investment strategy is to maximise investment returns to improve its returns in general. Management is assisted by external advisors in this regard.

(d) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principle and interest cash flows, discounted at the market rate of interest at the reporting date.

5. Revenue	2018	2017
	\$	\$
Donations	2,707,979	2,292,241
RRR grants	66,410	181,719
Education grants	613,260	728,423
Service fees	682,214	543,239
Other grants	3,555,951	4,029,244
Other income	36,521	36,187
	<hr/> 7,662,335	<hr/> 7,811,053

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

5a. Other expenses	2018	2017
	\$	\$
Marketing expenses	197,889	189,663
Rent	50,522	49,522
Fundraising expenses	110,308	108,472
Other expenses	396,707	378,015
	<u>755,426</u>	<u>725,672</u>
	2018	2017
	\$	\$
6. Net finance income		
<i>Finance income:</i>		
Interest received	189,381	181,679
Distributions/redemptions from managers	1,713,948	628,501
Imputation credit refunds	198,828	223,846
Gain on disposal of financial assets	4,633	-
	<u>2,106,790</u>	<u>1,034,026</u>
<i>Finance expense:</i>		
(Loss) on disposal of financial assets	-	(12,205)
	<u>-</u>	<u>(12,205)</u>
Net finance income recognised in profit or loss	<u>2,106,790</u>	<u>1,021,821</u>
	2018	2017
	\$	\$
7. Cash and cash equivalents		
<i>Variable interest instruments:</i>		
Cash deposits at call	9,158,218	9,080,290
<i>Fixed interest instruments:</i>		
Short term deposits	2,612,961	3,091,258
	<u>11,771,179</u>	<u>12,171,548</u>

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

	2018	2017
	\$	\$
8. Trade and other receivables		
Trade debtors	73,686	29,025
Trade debtors – investment distributions receivable	1,018,314	100,910
Sundry debtors – imputation credits receivable	200,764	208,557
	<u>1,292,764</u>	<u>338,492</u>
9. Available for sale financial assets	2018	2017
By fund manager:	\$	\$
Morgan Stanley	6,090,681	5,814,878
Warakirri Asset Management	3,643,196	3,588,534
MF Charities Equity Fund	4,382,774	4,863,143
	<u>14,116,651</u>	<u>14,266,555</u>
Comprising:		
Debt securities, held at fair value	6,090,681	5,814,878
Equity securities, held at fair value	8,025,970	8,451,677
	<u>14,116,651</u>	<u>14,266,555</u>
	2018	2017
	\$	\$
10. Trade and other payables		
Sundry creditors	84,281	66,041
	<u>84,281</u>	<u>66,041</u>
	2018	2017
	\$	\$
11. Employee benefits		
Current		
Provision for annual leave	61,350	74,077
Provision for long service leave	21,164	20,654
	<u>82,514</u>	<u>94,731</u>
Non-current		
Provision for long service leave	27,874	21,268
	<u>110,388</u>	<u>115,999</u>

The Foundation made contributions during the year to superannuation plans of \$89,042 (2017: \$86,618).

Foundation for Rural and Regional Renewal

A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

		2018	2017
		\$	\$
12. Reserves and retained earnings			
Core grant reserve	(a)	10,000,000	10,000,000
Fair value reserve	(b)	528,728	998,047
Retained earnings		16,477,949	15,617,102
		<u>27,006,677</u>	<u>26,615,149</u>

(a) Commonwealth core grant funding

The Deed of Grant between the Commonwealth of Australia, represented by the Department of Infrastructure, Regional Development and Cities and Foundation for Rural and Regional Renewal, discloses measures for the termination and redirection of Commonwealth funding.

They include:

The Commonwealth may, at any time for any reason, by written notice, terminate or restrict the scope of the Commonwealth's Funding for the Foundation for Rural and Regional Renewal and may do so if monies have not been made available for the Foundation of Rural and Regional Renewal by the Parliament of the Commonwealth.

Upon a written notice being given and to the extent required by or consistent with, the termination or restrictions, the Foundation for Rural and Regional Renewal:

- i) must cease planned and projected activities under the Agreement and immediately do everything possible to minimise the expenditure of Commonwealth Funds as necessary; and
- ii) may continue its activities in any area and to the extent not affected by the termination or restriction.

On 6 February 2012 an amendment to the Deed of Grant was executed deleting clause 13.3. The core amount now cannot be recalled provided the Foundation remains in operation and manages the fund in accordance with the Deed of Grant.

(b) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until such investments are derecognised or impaired.

Members' guarantee

The Foundation is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the Company. All members have equal voting rights.

At 30 June 2018 the number of members was 2 (2017: 2).

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

13. Operating lease commitments	2018	2017
	\$	\$
Within one year	61,654	59,671
Greater than one year but less than five years	251,322	13,226
	<u>312,976</u>	<u>72,897</u>

The foundation leases its premises under an operating lease.
The lease entered into is currently for a 60 month term and expires on the 30 September 2023.
The foundation leases its motor vehicle under an operating lease.
The lease entered into is currently for a 48 month term and expires on the 26 July 2022.

14. Commitments	2018	2017
	\$	\$
Project Expenditure Commitments		
Within one year and no later than five years	10,360,651	10,223,160
	<u>10,360,651</u>	<u>10,223,160</u>

The Foundation is committed to expend the above funds in relation to grants and donations received and recognised as revenue in the current and prior financial periods.

15. Auditors' remuneration	2018	2017
	\$	\$
Audit services		
Auditors of the Foundation		
KPMG Australia:		
Audit of financial report	18,000	17,500
	<u>18,000</u>	<u>17,500</u>
Other services		
KPMG Australia:		
Assistance with the compilation of financial statements	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
	<u>20,500</u>	<u>20,000</u>

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

16. Related parties

(a) Key management personnel disclosure

(i) Directors

The following persons held the position of Director of the Foundation for Rural and Regional Renewal during all of the financial year, unless otherwise stated:

Rt Hon Ian Sinclair, AC

William Kelty, AC

Ian Allen, OAM

Tim Fairfax, AC

Retired 6 July 2017

Patrick Handbury

Fred Grimwade

Patrick Myer

Mike Mrdak, AO

Retired 12 September 2017

Annabel Dulhunty

Anne Grindrod

Bruce Scott, OAM

Appointed 15 November 2017

Steven Kennedy, PSM

Appointed 15 November 2017

Andrew McKenzie, JP

Appointed 4 April 2018

Sue Middleton

Appointed 4 April 2018

Directors of the entity or their Director related entities, conduct transactions with entities within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those with which it is reasonable to expect the entity would have adopted if dealing with the Director or Director related entity at arm's length in similar circumstances. These transactions include the following and have been quantified below where the transactions are considered likely to be of interest to users of these financial statements.

Mr Ian Sinclair AC has contributed donations to FRRR amounting to \$2,000 (2017: \$2,000) during the year under normal terms and conditions.

Mr Tim Fairfax AC, a Trustee of the Tim Fairfax Family Foundation and a Director of the Vincent Fairfax Family Foundation, made donations to FRRR during the year of \$20,000 (2017: \$515,000).

Ms Anne Grindrod has contributed donations to FRRR amounting to \$1,000 (2017: \$500) during the year under normal terms and conditions.

Ms Annabel Dulhunty has contributed donations to FRRR amounting to \$500 (2017: \$5,000) during the year under normal terms and conditions.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

16. Related parties (continued)

(a) Key management personnel disclosure (continued)

Patrick Myer is a shareholder of the Myer Family Investments Pty Ltd which is the owner of Myer Family Company Ltd which administers the MF Charities Equities Fund. The Foundation is a unit holder of the MF Charities Equities Fund and payments for services are made based on the aggregate portfolio value of the fund. Transactions with this fund are on normal commercial terms.

Mr Patrick Myer has contributed donations to FRRR amounting to \$5,000 (2017: \$10,000) during the year under normal terms and conditions.

(ii) Executives

Key management personnel includes the Board of Directors, Natalie Egleton, CEO and Lisa Norden, Company Secretary.

Mrs Lisa Norden has contributed donations to FRRR amounting to \$500 (2017: \$500) during the year under normal terms and conditions.

(b) Transactions with members

Sid Myer, a trustee of the Sidney Myer Fund, is also a non-executive director of Myer Family Company Ltd which administers the MF Charities Equities Fund in which the Foundation is a unit holder on normal commercial terms. Affiliates of the Sidney Myer Fund (The Myer Family Company) have contributed donations to FRRR amounting to \$21,325 (2017: \$220,111) during the year under normal commercial terms.

17. Remuneration of Directors and key management personnel

The key management personnel compensations recognised during the year are as follows:

	2018	2017
	\$	\$
Short-term employee benefits	285,960*	279,197*
Post-employment benefits	<u>24,476</u>	<u>23,358</u>
Total executive key management benefits	<u>310,436</u>	<u>302,555</u>

*This balance includes the remuneration of the Chairman \$5,000 (2017: \$5,000) for travel and communication allowances to defray expenses in these areas.

18. Subsequent events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Foundation, to affect significantly the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in future financial years.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

19. Capital management

The Board's policy is to maintain a strong capital base so as to sustain future development of the Foundation. Capital is represented by total equity as recorded in the statement of financial position.

The Board is managing the growth of the business in line with the requirements of the deed of grant between the Commonwealth of Australia and Foundation for Rural and Regional Renewal. There are no other externally imposed capital requirements, although the nature of the Foundation is such that amounts will be paid in the form of grants. Grants paid for the year ended 30 June 2018 are recorded in the statement of profit or loss and other comprehensive income.

To assist in ensuring the Foundation's sustainability the Board has decided to set aside additional funds to enable the core \$10 million (refer to Note 12) to be maintained regardless of market conditions.

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

20. Financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30 June 2018	Note	Carrying amount			Fair value				
		Amortised cost	Available for sale financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Equity securities	9	-	8,025,970	-	8,025,970	-	8,025,970	-	8,025,970
Corporate debt securities	9	-	6,090,681	-	6,090,681	6,090,681	-	-	6,090,681
		-	14,116,651	-	14,116,651	6,090,681	8,025,970	-	14,116,651
Financial assets not measured at fair value									
Cash and cash equivalents	7	11,771,179	-	-	11,771,179	-	-	-	-
Trade and other receivables	8	1,292,764	-	-	1,292,764	-	-	-	-
		13,063,943	-	-	13,063,943	-	-	-	-
Financial liabilities not measured at fair value									
Trade and other payables	10	-	-	84,281	84,281	-	-	-	-
		-	-	84,281	84,281	-	-	-	-

Foundation for Rural and Regional Renewal
A company limited by guarantee

Notes to the financial statements
For the year ended 30 June 2018

20. Financial instruments (continued)

30 June 2017	Note	Carrying amount			Fair value				
		Amortised cost	Available for sale financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Equity securities	9	-	8,451,677	-	8,451,677	-	8,451,677	-	8,451,677
Corporate debt securities	9	-	5,814,878	-	5,814,878	5,814,878	-	-	5,814,878
		-	14,266,555	-	14,266,555	5,814,878	8,451,677	-	14,266,555
Financial assets not measured at fair value									
Cash and cash equivalents	7	12,171,548	-	-	12,171,548	-	-	-	-
Trade and other receivables	8	338,492	-	-	338,492	-	-	-	-
		12,510,040	-	-	12,510,040	-	-	-	-
Financial liabilities not measured at fair value									
Trade and other payables	10	-	-	66,041	66,041	-	-	-	-
		-	-	66,041	66,041	-	-	-	-

Foundation for Rural and Regional Renewal
A company limited by guarantee

Directors' declaration

In the opinion of the directors of Foundation for Rural and Regional Renewal (the Foundation):

- (a) the Foundation is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 6 to 26 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Foundation's financial position as at 30 June 2018 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Regime and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (c) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Patrick Meyer
Acting Chairman



William Kelly, AC
Chair of Finance & Audit Committee

Dated at Victoria
9 November 2018

Dated at Victoria
9 November 2018



Independent Auditor's Report

To the directors of Foundation for Rural and Regional Renewal

Opinion

We have audited the **Financial Report**, of the Foundation for Rural and Regional Renewal (the Foundation).

In our opinion, the accompanying **Financial Report** of the Foundation is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Foundation's financial position as at 30 June 2018, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Reduced Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The **Financial Report** comprises:

- i. Statement of financial position as at 30 June 2018.
- ii. Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration of the Foundation.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Foundation in accordance with the auditor independence requirements of the *ACNC Act 2012* and 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. We have fulfilled our other ethical responsibilities in accordance with the Code.



Other information

Other Information is financial and non-financial information in Foundation for Rural and Regional Renewal's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iii. Assessing the Foundation's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 *Australian Auditing Standards*, we exercise professional judgment and maintain professional scepticism throughout the audit.



We also:

- i. 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.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Foundation's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. 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 registered Foundation'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 to the date of our Auditor's Report. However, future events or conditions may cause the registered Foundation to cease to continue as a going concern.
- v. 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 of the Foundation 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.

KPMG

Melbourne
9 November 2018

Tony Batsakis
Partner