



2021 Annual Report

The Australian Mutuels Foundation Limited

ACN 602 774 434

30 June 2021



Corporate Details

Registered Name: The Australian Mutuals Foundation Ltd

Registered Address: 59 Buckingham Street Surry Hills NSW 2010

Email Address: info@australianmf.org

Website: www.australianmf.org

Telephone: 0418 466 307

Registered by Australian Charities and Not-for-profits Commission (ACNC)

Affiliations:

Affiliate member of the Asian Confederation of Credit Unions (ACCU) and international development partner.

Member of World Council of Credit Unions (WOCCCU)

Donor to World Council of Credit Unions Foundation.

Responsible Entities

The following Responsible Entities (Directors) were in office during the year ended 30 June 2021:

Directors: Rosanna Argall
Paul Dawson
Gillian George
Michael Lawrence
Melina Morrison
Louise Tratt-appointed 25 May 2021
Mark Worthington

Secretary: Brian Bennett

Our Vision:

To continue to support the ideals and beliefs of the pioneers of the cooperative financial organisations who sought to bring about positive human and social development by helping to alleviate domestic and international poverty.

Our Objectives:

The Australian Mutuals Foundation Ltd (AMF) has four main objects. They are:

Objective 1: To support Australian children and youth who are at risk of abuse or neglect, or who are disadvantaged in terms of housing, medical care or education



Picture: Viv the Senior Advisor Aboriginal Services / Yurungai Centre Manager from Barnardos Australia.

The Australian Mutuals Foundation (AMF) has supported Barnardos since 2016, we are one of Barnardos Australia's top ten corporate supporters.

Despite the difficulties posed by Covid-19 our partnership continues to grow with AMF broadening our support this year to a number of Barnardos programs, these include: Reconnect Youth program Marrickville, Yurungai Learning Centre and Child Youth & Family Services at their Auburn Centre, volunteering opportunities at the Peter Pan Op shop Fundraising event, assisting in repainting the Barnardos Reconnect Office in Marrickville, helping in the Christmas Appeal for kids and participating in the Barnardos Jamberoo day– all in line with AMF's vision to support disadvantaged Australian children and youth who are at risk of abuse or neglect.

Objective 2: To assist remote and disadvantaged communities in impoverished South East Asian and South Pacific countries to facilitate microfinance benefits to assist the poor to generate income.



AMF continues to support the Asia Confederation of Credit Unions (ACCU) as international development partner and supporter. ACCU is an organisation that has been in existence for 50 years and represents 33,120 credit unions with 48.8 million members with total assets of \$466 billion in 23 countries in Asia.

AMF is continuing to assist by helping to undertake poverty alleviation development projects in Laos PDR and Timor Leste. Due to the Covid-19 crisis on site management of these projects has been restricted and ACCU asked whether funds not used be redirected to developing on line training programs for directors, management & staff in Credit Unions in Asia.

The training programs have included:

- Guide to Credit Unions on Climate Action
- Guide to Credit Unions on the Impacts and Responses to COVID 19
- Business Continuity Plan Template.
- Personal Financial Plan Template

With travel restrictions in place worldwide these virtual programs are designed to assist credit unions and for credit unions to stop people (Women & Children) from falling back into poverty.

Objective 3: To provide a mechanism for members of credit unions, cooperatives and mutuals, and the general public, to donate to assist those affected by natural disasters

To provide a mechanism for members of cooperatives and mutuals, and the general public, to make donations to assist those affected by natural disasters in Australia, South East Asia, or the South Pacific.

AMF - Australian Bushfire Appeal 2020/2021



The AMF launched a bushfire relief financial appeal in November 2019, only seeking donations from mutuals and members of mutuals in Australia. However, with international media coverage of the disaster came offers of assistance from around the world.

With guidance from Australia's Business Council of Cooperatives and Mutuals (BCCM), from the Asian Confederation of Credit Unions (ACCU), and from the World Council of Credit Unions (WOCCU), international donors sought out the AMF.

The cooperative response was remarkable, with the AMF receiving \$385,598 of donations from individuals and organisations both in Australia and around the world.

During 2020 & 2021 financial years AMF distributed over \$370,000 to charities, not for profit organisations and community organisations in the bushfire affected regions in NSW, South Australia & Victoria. A list of those organisations that received funds are listed at the end of the Annual Report.

Objective 4: To promote the advancement of the mutual banking industry by providing assistance and support for people engaged in the industry to discuss best practice and enhance the future of the industry.

On 5th March 2020, the Australasian Mutuals Institute (trading as Instil) ceased to operate after almost 40 years educating mutual finance professionals (both directors & staff). The board noted that its financial position as a 'going concern' was not sustainable in the current uncertain economic & Covid-19 climate.

The Instil Board believed that the Australian Mutuals Foundation (AMF) was the most appropriate organisation to receive Instil's assets consistent with the requirements of Instil and AMF Constitutions. Hence the remaining assets have been transferred to AMF.

The Board of AMF agreed to the transfer of assets and will be introducing in 2022 a number of educational scholarships for directors, management and staff of Credit Unions/Mutuals banks to continue to promote best practices for the benefit of the industry, consumers & the community

Chair's Report

On behalf of the Board of Directors I am pleased to report to members, supporters and donors on the activities of the Australian Mutuals Foundation in its fifth year of operation as a registered charity.

It has been difficult times for AMF over the last twelve months as Australia was firstly affected by damaging bushfires and then the Covid-19 pandemic lockdowns, the impacts of which will have lasting effects both in Australia and internationally.

In these COVID-19 pandemic times, we are all facing many challenges. However, I am constantly reminded that during the year with half of Australia in lockdown the usual problems faced by many Australians have not gone away: domestic violence, sexual assaults, child protection and mental health issues. Additionally, the communities affected by the bushfires that devastated parts of eastern Australia in 2019/20 have been hit hard by the Covid-19 lockdowns.

I must firstly thank Australian Mutual Bank (previous known as Endeavour Mutual Bank), as well as other credit unions and mutual banks who are supporters of the AMF. My thanks to their directors, management, staff and members for their assistance and support over the last twelve months.

Domestically, despite the Covid lockdowns imposed, AMF has continued to provide funds to Barnardos Australia so they could continue their programs that assists youth and children in Australia who are at risk of abuse or neglect. Internationally, the AMF aims to help alleviate poverty in developing countries in Asia and the Pacific by providing funding to the Asian Confederation of Credit Unions so that they may continue the establishment of sustainable financial co-operatives.

During the year each of our partners programs received in excess of \$100,000 to bring the total donations to those partners since the AMF's formation to over \$1,000,000.

Barnardos is one of the leading child protection charities in Australia

Barnardos Australia believes all children and young people deserve caring families in which they can grow safely and fulfil their potential. Barnardos works together with children, young people and families to break the cycle of disadvantage, creating safe, nurturing and stable homes, connected to family and community.

AMF is a Major Partner of Barnardos and we are proud to assist Barnardos to help youth and children affected by abuse, homeless and mental health issues.

Our partnership continues to grow with AMF broadening its support this year across three important programs that assist disadvantaged Australian children and youth who are at risk of abuse or neglect:

- Reconnect Program;
- Yurungai Learning Centre; and

- Child Youth & Family Services Auburn Centre

The AMF has also involved its donor supporters employees in volunteering activities for Barnardos projects.

Volunteering and other engagement opportunities like this form a key part of the Barnardos partnership, allowing the AMF and its donor supporters to take a hands-on approach to contributing to their local communities, to drive team building and a philanthropic culture, all the while helping Barnardos continue to deliver their vital services.

We will be proud to continue to support Barnardos during the turbulent times ahead.

The Asian Confederation of Credit Unions (ACCU) is a regional member based organisation of credit unions and cooperatives in Asia.

ACCU plays a vital role in regional credit union development in Asia it has been operating for over 50 years. Their aim is to make credit unions more relevant community-based financial institutions to help alleviate poverty in Asia.

The AMF is an international development partner and is continuing to help with poverty alleviation and development projects in Laos PDR and Timor Leste.

Due to the travel bans brought by Covid-19 pandemic, ACCU's services were moved from face-to-face to virtual delivery, and the AMF agreed to support ACCU in its online development activities. In consultation with the CEOs of member organisations, five business solutions were released by ACCU as a response to the impacts of Covid-19:

- Guide to Credit Unions on Climate Action
- Guide to Credit Unions on the Impacts and Responses to COVID 19
- Guide to Wealth Creation for Members
- Business Continuity Plan Template; and
- Personal Financial Plan Template

AMF is pleased to support ACCU in these troubled times and will continue to assist when and where possible.

AMF Bushfire Appeal 2019/2021

In response to the terrible bushfires that swept south eastern Australia, AMF launched a bushfire appeal in November 2019 so as to assist those affected by the fires.

During 2020 & 2021 AMF distribute over \$370,000 was distributed to Australian Charities, not for profit organisations and community organisations during 2020 & 2021. A list of those organisation that received funds are shown at the end of the Annual Report.

The effects of the Covid-19 pandemic will continue to have an impact both here and overseas, with the likely impact being an increase in poverty and mental health issues that may lead to more Australian children and youth being at risk of abuse or neglect. Internationally, it will also lead to increased levels of poverty in developing countries in Asia. AMF will continue to do its part in aggregating donations in order to fulfil our objects. With great supporters and partners we will continue to make a difference.

The board would like to acknowledge and thank director Paul Dawson & Adam Milbank from Australian Mutual Bank who have acted as mentors for attendees of the Asian Confederation of Credit unions (ACCU) DE programs. They have given up their time to assist participants in the ACCU 28th & 29th DE courses held during the year.

I would like to thank my fellow directors for their support over the last twelve months in these difficult times. Also I would like to welcome Louise Tratt as our newest director.

A handwritten signature in black ink, appearing to read 'G. George', written in a cursive style.

Gillian George
Chair

Information on directors and company secretary

Brian Bennett – company secretary

Brian has held senior executive manager positions in credit unions/mutuals in Australia. Brian had a thirty-six year career in credit unions/mutuals. His last position being Chief Executive Officer of Encompass Credit Union; a position he held for eleven years. Brian has been Company Secretary of the AMF since formation. Brian provides consulting and management services to AMF.

Rosanna Argall - director

- MBA
- Graduate Diploma - Applied Corporate Governance
- FCIS
- FGIA
- MAICD
- Director since 2017

Rosanna is currently the CEO of G&C Mutual Bank and also holds the position of Company Secretary. Rosanna has extensive experience in the mutual banking sector having held senior executive roles for the last 17 years.

She is a Chartered Secretary and is a Fellow of Governance Institute of Australia. She is currently a Director on the mutual banking Employers Association and holds various positions on Board Committees within the mutual banking sector.

Paul Reginald Dawson - director

- Diploma Financial Services
- Graduate, Australian Institute of Company Directors
- Director since 2017

Paul is the General Manager of First Choice Credit Union and he has worked in Finance and Advocacy for over 30 years.

Paul is a past Chairman of the No Interest Loans Scheme and Community Chest in his local area.

He has worked with the Asian Confederation of Credit Unions since 2011, speaking at Conferences, facilitating workshops and mentoring various programs.

In 2017, recognising his work among Asian credit unions, Paul was named the “Joe Biden Development Educator of the Year” by the International Credit Union Development Education & Leadership Foundation (based in London).

Gillian George - director

- Director from 2015
- Chair from June 2018

Gillian has worked for thirty eight years in the transport industry and is currently employed with Transport for NSW as a Senior Systems Engineer Greater Sydney IT Portfolio.

Gillian is also a director and Treasurer of Transport Life and Leisure, a not for profit organisation which provides member benefit services, including sporting activities and accommodation at discounted rates to employees of the transport industry. Gillian was the first female director elected to the Board of the Transport Life and Leisure, which was previously known as the Railway Institute and was established over a hundred years ago.

Gillian has attended and facilitated at the Asian Confederation of Credit Unions Women and Youth Forums in Bali, Thailand, Sri Lanka, Philippines and Malaysia in 2014, 2015, 2017, 2018, 2019 and 2020 (on-line) encouraging women and youth to self- promote and explore opportunities to develop their careers.

Mark Joseph Worthington - director

- Bachelor of Arts
- Master of Business Administration
- Graduate, Australian Institute of Company Directors
- Director since 2015

Mark is the Chief Executive Officer of Australian Mutual Bank, and he has held senior management positions in mutual banking organisations for over 20 years.

He is also a director of the managed services company Transaction Solutions Ltd, which provides platform and infrastructure hosting services to over fifty clients in the financial services sector, including other mutual banks.

He has participated in credit union development projects in Papua New Guinea, Fiji, Tonga, and Tuvalu. Mark is a Credit Union Development Educator and is a regular presenter at Asian Confederation of Credit Unions forums.

Michael Lawrence - director

Mike is the Chief Executive Officer of the Customer Owned Banking Association (COBA), the industry body for Australia's credit unions, building societies and mutual banks, following his appointment on 4 December 2017.

In April 2018, Mike became a Director of the World Council of Credit Unions (WOCCU), the peak international body for the credit union movement globally. Recently he was appointed Treasurer of this organisation. Mike has over 30 years' experience in financial services, primarily gained with AMP Bank and National Australia Bank.

Mike was Managing Director of AMP Bank for eight years and prior to this, Mike undertook senior roles in all distribution channels of banking, namely, Corporate, Commercial and Retail, having done so across three continents, Australia, UK and USA.

During the year Mike joined the Advisory Board of Zafin, a banking software enterprise platform company. Zafin is a global company headquartered out of Canada.

Mike is passionate about community involvement and using his skills that have been acquired over a very fortunate career in playing his part in helping others, more recently as Vice Chair of Heart Research Australia and the many activities associated with Special Needs.

Melina Morrison – director

Melina Morrison is the Chief Executive Officer of the Business Council of Co-operatives and Mutuals (BCCM) being appointed in 2013. The BCCM is the first, cross-sectoral peak body for co-operatives and mutuals operating in diverse industries across the Australian economy.

Melina has led several transformative campaigns to benefit Australian member-owned businesses. She commissioned the first national mapping report for the co-operative and mutual sector in Australia. Her advocacy resulted in the Australian Government minting a coin and producing a stamp series commemorating the International Year of Cooperatives in 2012.

Melina successfully advocated for a Federal Government inquiry into the co-operative and mutual business sector, which handed down seventeen ground-breaking reforms in 2016. This was followed in 2017 with an independent inquiry into access to capital issues for co-operatives and mutuals, leading to the first enabling legislation for mutuals in Australia in eighteen years. Enacted in April 2019, the new laws permit mutuals to raise investment capital whilst safeguarding their mutual corporate status.

Louise Tratt- Director appointed 25 May 2021

Louise has been appointed to the board of the Australian Mutual Foundation following the transfer of assets from Instil, Engaging bright minds where she has been a Director since 2016 and Chair since 2019.

Louise is currently an Area Manager at G & C Mutual Bank, prior to this appointment worked in the health care industry and previously was an Executive Manager – Sales and Lending with Endeavour Mutual Bank from February 2006 to December 2019. She has considerable experience in lending, marketing, business development and sales.

During her time with Endeavour, Louise was heavily involved in raising awareness of the incredible work Barnardos does and encouraged staff participation in fundraising and supporting their many initiatives.

Louise has also attended and facilitated at the Asian Confederation of Credit Unions Women and Youth Forums in Bali and Thailand in 2014 and 2015.

She has invested in inspiring and mentoring the younger generation. She was a founder and committee member of Women in Mutuals group. Her key message reminds them that they are strong, capable and each have something valuable to contribute to the business world.

Principal activities

During the year, the principal activities of entities within the AMF were to support Australian children and youth who are at risk of abuse or neglect, or who are disadvantaged in terms of housing, medical care or education. Also to assist remote and disadvantaged communities in impoverished South East Asian and South Pacific countries to facilitate microfinance benefits to assist the poor to generate income. AMF does this in conjunction with Barnardos Australia and Asian Confederation of Credit Unions (ACCU).

During 2020 & 2021 AMF has been making donations and grants from donations received from its Bushfire appeal to those in need, being charities, not-for profit organisations and community organisations. A List of those organisations is shown at the end of this report.

There have been no significant changes in the nature of these activities during the year, however these activities have been impacted by the Covid-19 pandemic and current lockdown restrictions.

Short-term objectives

AMF's short-term objectives:

- assisting with Barnardos Australia with AMF broadening our support this year across three of Barnardos programs: Reconnect Program Marrickville, Yurungai Learning Centre and Child Youth & Family Services at their Auburn Centre
- currently undertaking development projects in Laos PDR, Timor Leste in conjunction with the Asian Confederation of Credit Unions (ACCU).
- supporting the Asian Confederation of Credit Unions (ACCU) to develop online training programs to assist member organisations, especially guides on impacts of Climate Change.
- provides a mechanism for members of credit unions and mutuals, and the general public, to donate to assist those affected by natural disasters in Australia, South East Asia, or the South Pacific

Long-term objectives

The Company's long-term objectives are:

- To continue to support the ideals and beliefs of the pioneers of the cooperative financial organisations who sought to bring about positive human and social development by helping to alleviate domestic and international poverty.
- To establish and maintain relationships that foster social inclusion and community reconnection for disadvantaged and underprivileged people in Australia, South East Asia, and the Pacific

Strategy for achieving short and long-term objectives

To achieve these objectives, the AMF has adopted the following strategies:

- has entered into a partnership with Barnardos Australia to fund projects to help disadvantaged youth who are at risk of abuse or neglect in Australia. AMF is a Major partner/donor of Barnardos.
- To encourage employees of Australian mutuals to undertake volunteer activities with Barnardos to help disadvantage children and improve their lives.
- has a partnership with the Asian Confederation of Credit Unions to fund credit union development in developing Asian countries and assisting in developing online training programs.
- has established a scholarship program in conjunction with Allianz Insurance for young Australians employed by mutuals to attend the Asian Confederation of Credit Unions Development Education. The Development Education courses help co-operators to understand credit union values and philosophy and to assist in promoting co-operative values. To date thirteen young Australians have attended the Asian Development Education course. However due to Covid-19 restrictions on travel these courses are being held on line, however AMF has not sent anyone on the courses in 2020/21.

Corporate information

Responsible Entities

The Responsible Entities (Directors) of The Australian Mutuals Foundation Ltd at the date of this report are:

Rosanna Argall
Paul Dawson
Gillian George
Michael Lawrence
Melina Morrison
Louise Tratt
Mark Worthington

Company Secretary

Brian Bennett

Registered street address and principal place of business

59 Buckingham
Street Surry Hills
NSW 2010

Auditor

Grant Thornton

ABN

44 602 774 434

Auditor's Independence Declaration

To the Responsible Entities of The Australian Mutuals Foundation Limited

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of The Australian Mutuals Foundation Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

**Grant Thornton Audit Pty
Ltd Chartered
Accountants**

Claire Scott

**Claire Scott
Partner – Audit & Assurance
Sydney, 14 December 2021**

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

www.grantthornton.com.au

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Revenue	3	695,871	684,604
Total Income	3	695,871	684,604
Donations paid		(511,959)	(261,703)
Software system		(3,445)	(2,785)
Fundraising expenses		-	(1,446)
ACCU-DE course		-	(6,116)
Consultant expenses		(20,900)	(32,273)
Insurance		(2,221)	(2,813)
Other expenses		(6,145)	(10,601)
Non-monetary expenses		(27,400)	(34,400)
Surplus for the year		123,801	332,467
Other comprehensive income		-	-
Total comprehensive income for the year		123,801	332,467

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2021

	Notes	2021 \$	2020 \$
Assets			
Current			
Cash and cash equivalents	4	676,743	550,464
GST receivable	5	2,722	5,089
Other assets	6	1,739	1,850
Total current assets		681,204	557,403
Total assets		681,204	557,403
Liabilities			
Current			
Trade and other payables	7	-	-
Total current liabilities		-	-
Total liabilities		-	-
Net assets		681,204	557,403
Funds			
Accumulated funds		681,204	557,403
Total funds		681,204	557,403

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Funds

For the year ended 30 June 2021

	Accumulated funds \$	Total Funds \$
Balance at 1 July 2019	224,936	224,936
Surplus for the year	332,467	332,467
Balance at 30 June 2020	557,403	557,403
Balance at 1 July 2020	557,403	557,403
Surplus for the year	123,801	123,801
Balance at 30 June 2021	681,204	681,204

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Operating activities			
Receipts from:			
• donations and appeals		667,321	649,616
• interest income		150	477
Other receipts		6,089	5,302
Donations and grants paid		(511,991)	(267,820)
Payments to suppliers		(35,290)	(59,729)
Net cash provided by operating activities	8	126,279	327,846
Investing activities			
Net cash provided by / (used in) investing activities		-	-
Financing activities			
Net cash from / (used in) financing activities		-	-
Net change in cash and cash equivalents			
		126,279	327,846
Cash and cash equivalents, beginning of year			
		550,464	222,618
Cash and cash equivalents, end of year	4	676,743	550,464

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

1 General information and statement of compliance

The financial report includes the financial statements and notes of The Australian Mutuals Foundation Limited (the “Company” or “AMF”). The Company is a not-for-profit entity and company limited by guarantee domiciled in Australia, registered with the Australian Charities and Not-for-profits Commission, and a Public Benevolent Institution.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012. The Australian Mutuals Foundation Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 30 June 2021 were approved and authorised for issue by the Responsible Entities on 14 December 2021.

The financial statements have been prepared on an accruals basis and are based on a historical cost basis. The financial report has been prepared on a going concern basis and is presented in Australian dollars, which is the Company’s functional currency.

2 Summary of accounting policies

Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

New, revised or amending Accounting Standards and Interpretations adopted

No new, revised or amending Accounting Standards and interpretations issued by the Australian Accounting Standards Board (‘AASB’) during the current year have had any significant impact on the entity or the financial statement.

Income recognition policy under AASB 1058 Income of Not-for-profit Entities

Donations and bequests

Revenue from donations and fundraising including raffles is recognised when the Company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

Operating expenses

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

Income taxes

No provision for income tax has been raised as AMF is a charity 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.

Financial instruments

(i) Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Company 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.

(ii) Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

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:

- amortised cost
- fair value through profit or loss (FVPL)
- fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The Company's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

(iii) Impairment of financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new

requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and Other Receivables

The Company makes use of a simplified approach in accounting for trade and other receivables; it records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

(iv) Classification and measurement of financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Accumulated funds

Accumulated funds include all current and prior period surpluses.

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.

Significant accounting judgements, estimates and assumptions in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. Specific accounting judgements and estimates are discussed in the relevant accounting policy note.

3 Revenue and other income

	2021 \$	2020 \$
Income received as a Not for profit entity Recognised under AASB1058		
Donations:		
• Individuals' donations	7,548	21,009
• corporate donors	659,773	628,608
Non-monetary donations	27,400	34,400
Total revenue	694,721	684,017
Other Income		
Investment income:		
• interest	150	477
Other	1,000	110
Total other income	1,150	587

4 Cash and cash equivalents

	2021 \$	2020 \$
Cash at bank	676,743	550,464

5 Trade and other receivables

	2021 \$	2020 \$
Current		
GST receivable	2,722	5,089

6 Other assets

	2021 \$	2020 \$
Current:		
• Prepayments	1,739	1,850

7 Trade and other payables

	2021 \$	2020 \$
Current:	-	-
• Other creditors and accruals	-	-

8 Reconciliation of cash flows

	2021 \$	2020 \$
Net surplus for the year	123,801	332,467
Net changes in assets and liabilities:		
• Change in trade and other receivables	2,367	1,102
• Change in other assets	111	5,277
• Change in trade and other payables	-	(11,000)
Net cash from operating activities	126,279	327,846

9 Related party transactions

AMF's related parties include its key management personnel (KMP) and related entities as described below.

Louise Tratt was the chair of the Australasian Mutuals Institute (trading as Instil) which on the 5th March 2020 ceased to operate after almost 40 years educating mutual finance professionals (both directors & staff). The board of Instil noted that its financial position as a 'going concern' was not sustainable in the current uncertain economic & Covid-19 climate.

The Instil Board believed that the Australian Mutuals Foundation (AMF) was the most appropriate organisation to receive Instil's assets consistent with the requirements of Instil and AMF Constitutions. Following the 2021 Annual General Meeting of Instil, members of Instil approved the transfer of assets to AMF. Following the initial transfer of funds to AMF Louise Tratt was appointed a director of AMF in May 2021. An amount of \$400,000 was received during the year with further \$58,500 received in July 2021.

Director Mark Worthington is Chief Executive Officer of Australian Mutual Bank. Australian Mutual Bank is a supporter donor of AMF. Australian Mutual Bank also supplies office accommodation and support to AMF at no cost.

Director Paul Dawson is General Manager of First Choice Credit Union. First Choice Credit Union is a supporter donor of AMF.

Rosanna Argall is CEO and Company Secretary of G & C Mutual Bank. G & C Mutual Bank is a supporter donor of AMF.

Michael Lawrence is CEO of COBA. COBA offers a stand at its annual conference on a complimentary basis to AMF, during this reporting period COBA did not hold its annual conference.

Directors act in an honorary capacity and receive no compensation for their services. Total Key Management Personnel compensation to 30 June 2021 is nil (2020: nil).

10 Contingent liabilities

Nil.

11 Commitments

Nil.

12 Post-reporting date events

The economy and the community continue to be impacted by the ongoing uncertainties arising from the COVID-19 pandemic. Additionally, the charities' sector may face additional uncertainty regarding donations and charitable contributions and sponsorships during this period.

The Board continues to closely monitor these uncertainties.

13 Information to be furnished under the Charitable Fundraising Act 1991

Details of aggregate gross income and total expenses of fundraising/donations appeals.

	2021 \$	2020 \$
- Donations received	667,321	649,617
Total income from Fundraising appeals	667,321	649,617
- Fundraising expenses	0	1,446
- Administration and other operational costs	32,712	48,471
- Total Grants, Donations & Scholarships made	511,959	267,820
*Net surplus/deficit from fundraising appeals	122,649	331,880

**The disclosures are of monetary amounts only*

The surplus from fundraising is applied to the charitable purposes of AMF.

Responsible Entities' Declaration

The Responsible Entities declare that:

1. The 30 June 2021 financial statements and notes of The Australian Mutuals Foundation are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - a. Giving a true and fair view of its financial position as at 30 June 2021 and its performance for the financial year ended on that date; and
 - b. Complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Responsible Entities.



Gillian George
Chair



Mark Worthington
Director

14 December 2021

Declaration by the Principal Officer

Declaration by the principal officer in accordance with the requirements of the Charitable Fundraising Act 1991.

I, Brian Bennett, Company Secretary of The Australian Mutuals Foundation Limited declare that in my opinion:

1. the Company is able to pay all of its debts as and when the debts become due and payable;
2. the 30 June 2021 financial statements of the Company satisfy the requirements of the Charitable Fundraising Act 1991 and the Charitable Fundraising Regulation 2021;
3. the contents of the 30 June 2021 financial statements of the Company are true and fair; and
4. the Company has appropriate and effective internal controls.



Brian Bennett
Company Secretary
Sydney, 14 December 2021

Independent Auditor's Report

To the Members of The Australian Mutuals Foundation Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of The Australian Mutuals Foundation Limited (the "Registered Entity") which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Responsible Entities' declaration.

In our opinion, the financial report of The Australian Mutuals Foundation Limited has been prepared in accordance with, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

1. giving a true and fair view of the Registered Entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013;

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 Registered Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the Declaration by the Principal Officer.

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

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

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

Responsibilities of the Responsible Entities and management for the financial report

The Responsible Entities and management of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012, and the Charitable Fundraising Act 1991 and the Charitable Fundraising regulation 2021, and for such internal control as the Responsible Entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Responsible Entities are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Responsible Entities either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Responsible Entities.
- Conclude on the appropriateness of the Responsible Entities' 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 Entity'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 Entity to cease as a going concern

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

We communicate with those charged with governance 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.

Grant Thornton Audit Pty Ltd
Chartered Accountants

Claire Scott

Claire Scott
Partner – Audit & Assurance
Sydney, 14 December 2021

AMF Bushfire Donation Recipients

Charities, not for profit and community organisations who received grants from AMF to assist the recovery of communities affect by the 2019/20 Bushfires. These organisations were as follows:

- Saint Vincent de Paul
- Lithgow and District Community Nursey
- Help Getting Help Inc
- Blue Mountains Rhododendron Society
- Lithgow Lions Club
- Mollymook Surf Life Saving Club
- Bermagui & districts Lions Club
- Cobargo Community Association
- Bermagui Area Chamber of Commerce
- Conjola Community Recovery Fund
- Rocky Hall Bushfire Brigade
- Hartley District Bushfire Brigade
- Friends of the Cobargo School of Arts
- Tilba District P & C association
- The Big Fix
- Mission Australia
- Blackheath & District Chamber of Commerce
- Cobargo Coop
- Western District Memorial Community Club (Kangaroo Island SA)
- Candelo Bulk Wholefoods Coop
- Erowal Bay Holiday Coop
- Secret Creek Sanctuary
- Batlow Apple Tree Learning Coop
- Bermagui Preschool Coop Society
- Lithgow Area Women's shed
- Organic and Regenerative Investment Coop (Vic)
- Manyana Matters Environmental Association
- Merimbula Chamber of Commerce
- Cudlee Creek Coop (SA)
- TAFCO rural Supplies
- Eden Community Access Centre