



## 2022 Annual Report

**The Australian Mutuals Foundation Limited**

**ACN 602 774 434**

**For the year ended 30 June 2022**



## Corporate Details

Registered Name: The Australian Mutuals Foundation Ltd

Registered Address: 59 Buckingham Street Surry Hills NSW 2010

Email Address: [info@australianmf.org](mailto:info@australianmf.org)

Website: [www.australianmf.org](http://www.australianmf.org)

Telephone: 0418 466 307

Registered by the 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 2022 and at the date of this report:

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

Company Secretary:	Brian Bennett
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## 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 and Mark Vespa Executive Manager –Australian Mutual Bank volunteering for Barnardos

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

Despite our year again being affected by Covid-19 lockdown and restrictions both in Australia and overseas we were still able to undertake our activities to help those most at risk of abuse and neglect.

In Australia we continued to support Barnardos Australia and assist in three programs:-

- The RECONNECT program which is an early program for young people at risk of homeless due to family conflict.
- The YURINGAI LEARNING CENTRE which delivers a range of after school services for up to 30 Indigenous children (aged 5-12) including homework, cultural learning, life skills, creativity, self-confidence and provision of after school meals.

- The AUBURN CHILDREN AND FAMILY SERVICES assist vulnerable families who are at-risk, isolated, homeless or fleeing home domestic violence by providing immediate care, secure accommodation, education support and a range of intensive support services.

As Covid restrictions are slowly lifting we will be able to offer face to face volunteering opportunities, such as the Barnardos Peter Pan Op shop opportunities, the Rosehill Hill Special needs Christmas Party (this year it will be held for the first time since 2019) and the Yuringai Learning centre Graduation dinner.

Recently volunteers from Horizon Bank and Australian Mutual Bank volunteered to assist Barnardos Australia at the “Working Bee” to revamp a property on the NSW South Coast used for short holidays for disadvantaged families across the Barnardos network. The house can accommodate up to 10 people at a time and is a familiar place for Barnardos children, who will often struggle to go away on holidays to unfamiliar places. From time to time, the house also provides emergency accommodation for young people.

**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 is an Affiliate member of the Asian Confederation of Credit Unions (ACCU) and represents Australian Credit Unions/Mutuals/Co-operatives in Asia. AMF’s support for ACCU has been recognised by ACCU board and members this year by receiving the 2022 ACCU Recognition Award (Institution Category) for its support of promoting and strengthening credit unions as vehicles for the socio-economic development of people of Asia.

ACCU is an organisation that has been in existence for 50 years and represents over 33,000 credit unions with 48.8 million members in 23 countries in Asia.

AMF is continuing to assist by helping to undertake poverty alleviation development projects in Laos PDR and Timor Leste.

Also AMF has help provide funding 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

These virtual programs are designed to assist credit unions and for credit unions to stop people (Women & Children) from falling back into poverty and take a positive on action on Climate Change initiatives.

### **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 Flood Appeal 2022**



*Pictured: the impact of floods in Northern New South Wales and representatives of Move Bank, Family First Credit Union, Australian Mutual Bank and Summerland Credit Union (some of Credit Union/Mutual supporters) being acknowledged for their support for our Bushfire and Flood Appeals.*

Having just distributed all the funds raised from the 2019/20 Bushfire appeal, then the weather changed and the rain started and continued on to the point that another natural disaster occurred in Northern New South Wales and southern Queensland where whole communities were affected by floods.

AMF then launched its 2022 flood appeal to help those communities affected by these floods. With the support of Credit Unions, Mutuals and Cooperatives, AMF raised over \$216,000 for the victims of the floods.

Combined with the Bushfire Appeal (\$385,598) AMF was able to raise \$601,598 to help those most in need, a remarkable achievement for a small charity.

With the support of Summerland Credit Union, G & C Mutual Bank and Business Council for Cooperatives and Mutuals AMF launched its Flood small grants scheme aimed at small not for profits, charities and community organisations in helping those most in need, recover from the long term effects of the floods. AMF received over 150 applications for grants totalling more than \$500,000.

During the second half of 2022, \$216,000 has been paid out to 44 community organisations in northern New south Wales based them on what they can do for their communities and the future “mental” wellbeing of their communities. A list of those organisations that received grant 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.**

During the year AMF was able to offer three programs in conjunction with the BCCM, these programs being:

- Introduction to Cooperatives and Mutuals
- AICU Foundation of Directorship for CME's
- BCCM Innovation Masterclass\*

\* [BCCM Innovation Masterclass](#) was being developed and delivered by Professor Emmanuel Josserand and Fred Etiemble who together bring years of global experience in supporting teams to develop a strategy and innovation mindset. An innovation mind set is key to the success of any team especially given the increasing number of challenges and having the mindset to support turning a challenge into an opportunity within a CME's leadership is key to building resilience.

Applications to attend these courses were received from Australian Mutual Bank, People Choice Credit Union, Teachers Mutual Bank, Bank First, Summerland Credit Union, Greater Bank, Western Murray Land Improvement (coop), and Maitland Mutual Bank. Also, two scholarships were offered to international applicants from the Asian Confederation of Credit Unions and the Nepal Federation of Savings & Credit Cooperative Unions Ltd (NEFSCUN).

## 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 sixth year of operation as a registered charity.

Again, it has been a difficult year with ongoing Covid pandemic and the knock-on effect on business and communities, natural disasters, financial instability, increase in domestic violence and mental health has been demanding.

We have all faced challenges in these arduous times and we are reminded of those less fortunate Australians and communities alike who continue to be hit with hard times.

This year has been particularly tough with parts of our communities being severely affected by floods, devastating regions in both northern New South Wales and Southern Queensland. These disasters seem to be occurring more frequently than not and the need to support our members and communities has never been greater.

Over and above, I want to thank Australian Mutual Bank, BCCM, COBA, Credit Unions, Co-operatives and Mutual Banks who are supporters of AMF and have actively strengthened our cause and objectives through donations and encouragement. My thanks and appreciation to all Directors, Management, staff and members for their support over the last twelve months.

On a domestic note, despite the Covid lockdowns imposed, AMF has continued to provide funds to Barnardos Australia to enable the work they are so passionate about to continue their programs by assisting youth and children in Australia who are at risk of abuse or neglect.

Internationally, AMF continues to help alleviate poverty in developing countries in Asia and the Pacific by providing funding to the Asian Confederation of Credit Unions for the socio-economic development of people and continue to strengthen the establishment of sustainable financial Credit Unions/Co-operatives.

This year both our partners programs have received in excess of \$100,000 bringing the total of donations of \$1.2M since the formation of AMF.

### **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 hardship and disadvantage by creating safe, nurturing and stable homes, connected to family and community.

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

Our partnership continues to grow, broadening our support this year across three important programs that assist the 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

AMF play a part in supporting Barnardos projects by facilitating volunteers from its donor supporters. These opportunities to contribute form a key part of the Barnardos partnership. The hands-on approach in assisting local communities, encourages team building, supports the philanthropic culture all the while helping Barnardos deliver vital services.

We are proud to maintain the relationship and continue supporting Barnardos during unstable times ahead.

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

Based in Asia ACCU has been operating now for over 50 years and plays a vital role in regional credit union development. Their aim is to increase credit union awareness and significance with community-based financial institutions to help alleviate poverty in Asia.

Australian Mutual Foundation is an international development partner and continues to help with poverty alleviation and development projects in Laos PDR and Timor Leste.

This year AMF' received the 2022 ACCU Institution Recognition Award for promoting and strengthening Credit Unions as a vehicle for socio-economic development of the communities in Asia. This is a great honour and one we were very proud to receive at the ACCU annual forum in Bangkok in September 22 by our manager Brian Bennett and directors Mark Worthington and Paul Dawson.

AMF continue to support the education programs of ACCU helping to raise awareness of climate change impacts on Credit Unions and their members in Asia. As a result of AMF's support two business solutions have been developed, Guide to Credit Unions on Climate Action and an Assessment Tool for Green Cooperative which have now been circulated to over 33,000 credit unions around Asia. By contributing to these programs, we are actively taking action on climate change to help the environment and the future of our children

AMF is happy to support ACCU in these difficult times and continue to provide assistance whenever possible.



## AMF Flood Appeal 2022

In response to the terrible Floods that occurred in northern New South Wales and southern Queensland, AMF launched a flood appeal in early 2022 so as to assist those communities affected by the floods.

AMF raised over \$216,000 throughout the appeal which has been distributed to 44 community organisations in northern New South Wales and Queensland, where they can assist and support the “mental” wellbeing of their communities. A list of those organisations that received grant funds are listed 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 partake in aggregating donations in order to fulfil our objectives. With great supporters and partners, we will continue to make a difference.

The board would like to acknowledge and thank director Paul Dawson, from First Choice Credit Union & Adam Milbank from Australian Mutual Bank who have mentored attendees of the Asian Confederation of Credit unions (ACCU) DE programs in challenging times. They have devoted their time to assist participants in the ACCU 30th & 31st DE courses conducted over Zoom meetings during the year. AMF will continue to offering scholarships for employees of Credit Unions and Mutuals to attend the 32<sup>nd</sup> and 33<sup>rd</sup> DE course in person in Thailand during 2022/23.

A special thankyou and appreciation to my fellow directors for their support and commitment over the last twelve months in these difficult times, and look forward to the next 12 months.



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 and in 2022 was appointed Vice Chair. 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.

In 2021 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

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 2022 AMF has been making donations and grants from donations received from its Flood 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 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.
- has established a scholarship program through the Business Council of Cooperatives and Mutuals (BCCM) to promote best practices for the Mutual/Cooperative industry.

## 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 2022, 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



James Winter  
Partner – Audit & Assurance  
Sydney, 23 December 2022

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## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Donation income		538,500	694,721
Other income		1,125	1,150
<b>Total income</b>	<b>3</b>	<b>539,625</b>	<b>695,871</b>
Donations and scholarship		(211,028)	(511,959)
Software system		(3,374)	(3,445)
Consultant expenses		(40,000)	(20,900)
Insurance		(3,821)	(2,221)
Other expenses		(3,533)	(6,145)
Non-monetary expenses		(27,400)	(27,400)
Audit fees		-	-
<b>Surplus for the year</b>		<b>250,469</b>	<b>123,801</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>250,469</b>	<b>123,801</b>

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

## Statement of Financial Position

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	4	920,689	676,743
GST receivable	5	5,860	2,722
Other assets	6	5,124	1,739
<b>Total current assets</b>		<b>931,673</b>	<b>681,204</b>
<b>Total assets</b>		<b>931,673</b>	<b>681,204</b>
<b>Liabilities</b>			
<b>Total liabilities</b>		-	-
<b>Net assets</b>		<b>931,673</b>	<b>681,204</b>
<b>Funds</b>			
Accumulated funds		931,631	681,204
<b>Total funds</b>		<b>931,673</b>	<b>681,204</b>

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 2022

	Accumulated funds \$	Total Funds \$
<b>Balance at 1 July 2020</b>	<b>557,403</b>	<b>557,403</b>
Surplus for the year	123,801	123,801
<b>Balance at 30 June 2021</b>	<b>681,204</b>	<b>681,204</b>
<b>Balance at 1 July 2021</b>	<b>681,204</b>	<b>681,204</b>
Surplus for the year	250,469	250,469
<b>Balance at 30 June 2022</b>	<b>931,673</b>	<b>931,673</b>

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

## Statement of Cash Flows

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Operating activities</b>			
Receipts from:			
• donations and appeals		511,100	667,321
• interest income		1,075	150
Other receipts		2,772	6,089
Donations and grants paid		(201,251)	(511,991)
Payments to suppliers		(69,750)	(35,290)
<b>Net cash provided by operating activities</b>	7	<b>243,946</b>	<b>126,279</b>
<b>Investing activities</b>			
<b>Net cash provided by / (used in) investing activities</b>		-	-
<b>Financing activities</b>			
<b>Net cash from / (used in) financing activities</b>		-	-
Net change in cash and cash equivalents			
		243,946	126,279
Cash and cash equivalents, beginning of year			
		676,743	550,464
<b>Cash and cash equivalents, end of year</b>	4	<b>920,689</b>	<b>676,743</b>

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 – Simplified Disclosures 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 2022 were approved and authorised for issue by the Responsible Entities on 23 December 2022.

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

	2022 \$	2021 \$
<b>Income received as a not-for-profit entity Recognised under AASB 1058</b>		
Donations:		
• Individuals' donations	13,347	7,548
• corporate donors	497,753	659,773
Non-monetary donations	27,400	27,400
<b>Total income</b>	<b>538,500</b>	<b>694,721</b>
<b>Other income</b>		
Investment income:		
• interest	1,075	150
Other	50	1,000
<b>Total other income</b>	<b>1,125</b>	<b>1,150</b>

## 4 Cash and cash equivalents

	2022 \$	2021 \$
Cash at bank	920,689	676,743

## 5 Trade and other receivables

	2022 \$	2021 \$
<b>Current</b>		
GST receivable	5,860	2,722



## 6 Other assets

	2022 \$	2021 \$
<b>Current:</b>		
• Prepayments	5,124	1,739

## 7 Reconciliation of cash flows

	2022 \$	2021 \$
Net surplus for the year	250,469	123,801
Net changes in assets and liabilities:		
• Change in trade and other receivables	(3,385)	2,367
• Change in other assets	(3,138)	111
Net cash from operating activities	<b>243,946</b>	<b>126,279</b>

## 8 Related party transactions

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

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.

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

Director 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.

Director Melina Morrison is CEO of the Business Council of Cooperatives and Mutuals (BCCM).

The BCCM offers training courses to its members. During the year AMF offered scholarships conducted by the BCCM to directors and employees of mutuals to promote the advancement of the Mutual Banking industry by discussing best practices and enhance the future of the industry. The value of these scholarships was \$11,000.

Also the BCCM offers to AMF a complimentary ticket to its annual conference, during this reporting period BCCM did not hold an annual conference.

Directors act in an honorary capacity and receive no compensation for their services.

The Manager Brian Bennett supplies management/consulting services to AMF through his management company.

Total Key Management Personnel compensation to 30 June 2022 was \$40,000 (2021: \$20,900).

## 9 Contingent liabilities

Nil.

## 10 Commitments

Nil.

## 11 Post-reporting date events

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.

## 12 Information disclosed in accordance with the Charitable Fundraising Regulation 2021 (NSW)

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

	2022	2021
	\$	\$
- Donations received	511,100	667,321
<b>Total income from fundraising appeals</b>	<b>511,100</b>	<b>667,321</b>
- Fundraising expenses	-	-
- Administration and other operational costs	60,728	32,711
- Grants, donations & scholarships made	211,028	511,959
<b>*Net surplus from fundraising appeals</b>	<b>239,344</b>	<b>122,651</b>

*\*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 2022 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 2022 and its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards – Simplified Disclosures 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

23 December 2022

## Declaration in accordance with the Charitable Fundraising Regulation 2021 (NSW)

On behalf of The Australian Mutuals Foundation Limited, I declare that:

1. the Company is able to pay all of its debts as and when the debts become due and payable;
2. the 30 June 2022 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 2022 financial statements of the Company are true and fair; and
4. the Company has appropriate and effective internal controls.



Brian Bennett  
Company Secretary  
Sydney, 23 December 2022

# 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 2022, 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 2022 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards – Simplified Disclosures 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 in accordance with the Charitable Fundraising Regulation 2021 and the other information preceding the financial statements in the Annual Report.

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 – Simplified Disclosures 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



James Winter  
Partner – Audit & Assurance  
Sydney, 23 December 2022

## 2022 AMF Flood Grant Recipients

- Summerland Dressage Club
- Lismore Workers Swim Team
- Northern Rivers Children's Services Ltd
- DDrawong Reserve Land Manager
- Nundah Community Enterprises Cooperative
- Woodburn Event Team Inc
- Goolmangar School of Arts Inc
- The Channon Resilience Inc
- Woodburn Evans Head Ladies Golf Club
- Casino Art Group Inc
- Woodburn Softball Club
- Korinderie Ridge Co-Operative
- Mid Richmond Historical Society Inc trading as Coraki Museum
- RILEYS HILL WAR MEMORIAL RESERVE TRUST
- Woodburn Public School P&C association
- Evans Head Business & Community Chamber Inc
- Coraki Community Garden
- Lismore Produce Market Inc
- Rileys Hill community hall
- BANG Academy of Performing Arts & Byron Casting
- Northern Rivers Flood Action Group
- Kyogle Landcare Group
- Tullera Community Hall
- South Lismore Duck Pond Landcare Inc.
- Blue Knob Community Market
- LightnUp Incorporated
- Realising Every Dream Limited
- Creative First Aid Alliance
- Mullumbimby and District Neighbourhood Centre
- Nmbngee Community Cooperative Limited
- Moondani Community
- Lismore Preschool
- Main Arm Eco Village
- Bentley Rural Fire Brigade
- BARCO - Brunswick Area Responsible Canine Ownership
- Northern Rivers Suicide Prevention and Awareness Group (NRSPAG)
- Caboolture Community Work Cooperative
- The Tropical Fruits Incorporated
- Friends of the Koala Incorporated
- Northern Rivers Football Academy
- Coraki Business Chamber Incorporated
- Evans Head Fishermen's Co-operative Ltd
- Tuntable Falls Community School
- Resilient Lismore Housing Project