

The Trustee for Abbotsford Convent Foundation Arts Trust



GENERAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

ABN: 79 492 202 447



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This financial report covers Abbotsford Convent Foundation Arts Trust as an individual entity.

Abbotsford Convent Foundation Arts Trust (the "Trust") is a trust fund established for public charitable purposes and is domiciled in Australia. Its principal place of business is:

**Ground Floor, Providence
1 St Heliers Street
Abbotsford VIC 3067**

A description of the nature of the Trust's operations and its principal activities is included in the Trustees' Report.

TRUSTEE'S REPORT

The Trustee presents its report on the Trust for the financial year ended 30 June 2018 and the Auditor's report thereon.

Trustee

The Trustee is the Abbotsford Convent Foundation ("the Trustee") whose Directors at the date of this report are: Victoria Marles (Chair), David Laidlaw (Deputy Chair), Diana Heggie, Ron Jones, Ruth Jones, Stuart Kells, Michael Sokulski, Antonia Syme, Libby Ward-Christie and Judy Williams.

The Directors receive no remuneration or other compensation from the Trustee. Details of the Directors' qualifications and experience are set out on pages 21-23 of the financial report.

Directors' attendance at board meetings during the year was as follows:

| | Meetings attended | Meetings eligible to attend | Notes |
|-------------------------|----------------------|-----------------------------------|--|
| Charlotte Allen | 3 | 3 | <i>Retired on 16th October 2017</i> |
| Diana Heggie | 7 | 8 | |
| Ronald Jones | 8 | 8 | |
| Ruth Jones | 7 | 8 | |
| Stuart Kells | 6 | 8 | |
| David Laidlaw | 5 | 8 | |
| Victoria Marles | 6 | 8 | |
| Sally Romanes | 2 | 3 | <i>Retired on 16th October 2017</i> |
| Michael Sokulski | 7 | 8 | |
| Antonia Syme | 4 | 8 | |
| Elizabeth Ward-Christie | 2 | 3 | |
| Judy Williams | 8 | 8 | |

Principal Activities

The Trust was established for the public charitable purposes of providing funds for the arts to develop a centre at the Abbotsford Convent for the promotion, development, creation and display of culture and arts. This includes, without limiting, literature, music, performing arts, visual arts, craft, design, film, community arts and Aboriginal and Torres Strait Island arts.

The Trust is a charitable organisation and has obtained income tax exempt status under Subdivision 50-45 of the *Income Tax Assessment Act 1997*. The Trust is also treated as a deductible gift recipient under Subdivision 30-BA of the *Income Tax Assessment Act 1997*.

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018

Review of Operations

The result is a deficit of \$2,091,559 (2017: \$565,562 surplus).

Matters subsequent to the End of the Financial Year

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

Likely Developments

The Directors of the Trustee anticipate further grants will be provided for cultural and arts activities and to continue restoration works within the precinct buildings.

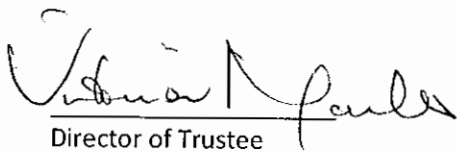
Environmental Regulation

The Trust is not subject to significant environmental regulation.

Indemnification and Insurance of Officers

The Trustee has in place a Directors' and Officers' insurance policy. All premiums are paid by the Trustee.

This report is made in accordance with a resolution of the Directors of the Trustee.



Director of Trustee
Victoria Marles



Director of Trustee
Michael Sokulski

Dated at Melbourne this 22nd October 2018.

SUPPORTERS

The ACF acknowledges the vision of the Abbotsford Convent Coalition whose members worked for seven years to secure this public precinct. This success would not have been achieved without their commitment, and that of many others. Over the years, the project has also been greatly assisted by a vast number of individuals and organisations who have contributed their time, energy, skills and financial support. The Foundation is extremely grateful to all those who have provided support.

The Abbotsford Convent Foundation acknowledges the financial and philanthropic support of the following people and organisations who contributed to the ACF and the Abbotsford Convent Foundation Arts Trust in the year ended 30 June 2018:

PRINCIPAL DONORS

Ms Krystyna Campbell-Pretty
Mr Peter Griffin AM & Ms Terry Swann
Ms Anne Kantor AO & Dr Milan Kantor OAM
Mr Baillieu Myer AC & Mrs Sarah Myer
Ms Sally Romanes
Mr Jeff Thompson & Mrs Kathryn Culley

MAJOR DONORS

Mr Marc Besen AC & Mrs Eva Besen AO
Mrs Helen Brack
Mrs Mavourneen Cowen
Ms Rosina Gilder
Ms Diana Heggie
Mr Hans Henkell & Mrs Petra Henkell
Prof Andrea Hull AO
Ms Karen Inge
Mr Graeme Johnson OAM & Mrs Joan Johnson
Mr Ronald Alan Jones & Mrs Georgina Whitehead
Mr David Laidlaw & Mrs Megan Laidlaw
Ms Maggie Maguire OAM
Ms Victoria Marles
Ms Helen Marcou & Mr Quincy McLean
Mr John McLeod & Mrs Paula McLeod
Prof. Peter McPhee AM & Ms Charlotte Allen
Ms Margaret McVey
Ms Ann E. Miller

MAJOR DONORS (cont)

Ms Patricia O'Donnell
Mr Bruce Parncutt AO
Mr Gregory Shalit & Ms Miriam Faine
The Hon Justice Michelle Quigley QC
Mr Phillip Schudmak & Mrs Sue Schudmak
Mr & Mrs Terence Teo
Mrs Moyna Wilson

KEY SUPPORTERS

Ms Collette Brennan
Ms Julia Cox
Mr Anthony Cullen
Ms Suzanne Davies
Mr Robert Dimattina
Ms Alison Duncan
Mr Robert Hocking
Ms Ruth Jones
Dr Stuart Kells
Mr Peter Kelly
Mrs Judy Matear
Ms Pamela McLure
Mr Alasdair Norton
Ms Sara O'Callaghan
Mr Alex Patton, Ms Anna Lucas & Ava Patton
Mr Michael Sokulski
Lady Marigold Southey AC
Dr Bob Sullivan
Mr Peter van der Kraan
Mrs Judy Williams and Mr Peter Williams
Anonymous (1)

FRIENDS

Dr Christopher Baker
Ms Joanne Bechaz
Mr David Baile
Ms Nicole Beyer
Prof. Catherin Bull AM
Mr Bruce Butler
Mrs Sue Campbell
Mrs Suzy Chandler
Ms Michaela Coventry
A J Daley
Prof. Catherin Bull AM
Prof. David Morritz de Kretser AC
Ms Sandie de Wolf AM
Mrs Faye Dean
Mr John Di Natale
Mr Bruno Doring
Ms Anne Dowling
Ms Lesley Dunton
Mrs Robyn Dwyer & Mr Dennis Dwyer
Mr Anthony Felettigh
Prof. David Forrest
Dr Steven Gaff
Mr Nicholas Garnham
Mr Stephen Gow & Mrs Mary Gow
Mr Meredith Greenwood & Prof. Peter Rendell
Dr Nicholas Gruen
Mrs Jean Hadges
Ms Ria Harrison
Mr Roger Harrop
Mrs Sheila Heys
Mr John Horacek
The Hon. Brian Howe & Mrs Renate Howe
Mr Christopher Howlett
Mr Walter Kane

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018

FRIENDS (cont)

Mr Roger King OAM
Ms Karen Large
Mr James Lesh
Mrs Susan Liepa & Mr Andris Liepa
Ms Emily Lin
Ms Joanne Luciani
Mr Jessica Luu
Mrs Margaret McNaughton
Ms Judy Morton
Ms Leah Muddle
Ms Alexandra Murphy
Ms Lou Oppenheim
Mrs Lynette Payne
Slow Food Farmers' Market
Mr Emilio Raviola
Mr Tom Rendell
Mr Warren Rixon
Ms Janey Runci
Mrs Pamela Saunders
Mrs Rosalind Smallwood
Mr Mike Smith
Ms Antonia Syme
Mrs Patricia Tooth
Ms Barbara Trauer
Mrs Maggie Vaiopoulos
Ms Naomi Velaphi
Mrs Charma Voller
Ms Libby Ward-Christie
Mr George Willox
Dr Jin Woo
Anonymous (7)

CORPORATE PARTNERS

Allens Linklaters
Deloitte
Egon Zehnder
PwC
Studio Round
Williams Boag Architects

CORPORATE SUPPORTERS

Aesop
Art Guide Australia
Australian Writers' Centre
City West Water
Clifton Hill/North Fitzroy
Community Bank Branch of Bendigo Bank
Colour Factory
Corporate AV
Folk Architects
Gunn & Taylor Printers
NAB

EVENT PARTNERS

3MBS Fine Music Radio
Bursaria Fine Foods
Convent Bakery
Kawai
Mornington Peninsula Brewery
Terrace Gardens Florist

TRUSTS & FOUNDATIONS

PRINCIPAL PARTNER

The Dara Foundation

MAJOR PARTNERS

The John T Reid Charitable Trusts
The Copland Foundation

SUPPORTING PARTNERS

The Angior Family Foundation
Ballandry (Peter Griffin Family) Fund (a sub-fund of the Australian Communities Foundation)
Copyright Agency Cultural Fund
The Henkell Family Fund (a sub-fund of the Australian Communities Foundation)
Lord Mayor's Charitable Foundation
McLeod Family Foundation
The Robert Salzer Foundation
Sisters of the Good Shepherd
Victoria's Heritage Restoration Fund

PRINCIPAL GOVERNMENT PARTNERS

Australian Government Department of Environment and Energy
Australian Government Department of Industry, Innovation and Science
Australian Government Department of Infrastructure: National Stronger Regions Fund
Victorian Government Department of Environment, Land, Water & Planning: Living Heritage Fund

GOVERNMENT SUPPORTERS

Creative Victoria
City of Yarra
Public Record Office of Victoria

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For Year Ended 30 June 2018

| | Notes | 2018 \$ | 2017 \$ |
|--|-------|--------------------|----------------|
| Revenue | | | |
| Donations - cash | | 98,273 | 552,692 |
| Grants Received | | 78,000 | 56,000 |
| Interest Income | | 12,718 | 35,822 |
| Total Revenue | | 188,991 | 644,514 |
| Expenditure | | | |
| Donations to Abbotsford Convent Foundation | | 2,277,158 | 78,000 |
| Other Donations | | 2,000 | - |
| Bank Charges & Fees | | 1,392 | 952 |
| Total Expenditure | | 2,280,550 | 78,952 |
| (Deficit)/Surplus before tax | | (2,091,559) | 565,562 |
| Income Tax Expense | 1c | - | - |
| (Deficit)/Surplus for the year | | (2,091,559) | 565,562 |
| Other Comprehensive Income | | - | - |
| Total Comprehensive (Deficit)/Surplus | | (2,091,559) | 565,562 |

The accompanying notes on pages 10 to 15 form part of these financial statements.

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

| | Notes | 2018 \$ | 2017 \$ |
|----------------------------------|-------|----------------|------------------|
| ASSETS | | | |
| Cash and cash equivalents | 2 | 199,090 | 1,134,206 |
| Term deposit | | 159,050 | 1,315,317 |
| Trade and other receivables | 3 | 3,755 | 6,149 |
| TOTAL CURRENT ASSETS | | 361,895 | 2,455,672 |
| TOTAL ASSETS | | 361,895 | 2,455,672 |
| LIABILITIES | | | |
| Trade and other payables | | - | 2,218 |
| TOTAL CURRENT LIABILITIES | | - | 2,218 |
| TOTAL LIABILITIES | | - | 2,218 |
| NET ASSETS | | 361,895 | 2,453,454 |
| Settlement amount | 4 | 100 | 100 |
| Retained income | 4 | 361,795 | 2,453,354 |
| TOTAL EQUITY | 4 | 361,895 | 2,453,454 |

The accompanying notes on pages 10 to 15 form part of these financial statements.

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2018

| | Notes | Settlement Amount \$ | Retained Earnings \$ | Total Equity \$ |
|---|-------|----------------------------|----------------------------|--------------------|
| Balance at 30th June 2016 | | 100 | 1,887,792 | 1,887,892 |
| Surplus for the year | | - | 565,562 | 565,562 |
| Other comprehensive income for the year | | - | - | - |
| Total comprehensive income for the year | | - | 565,562 | 565,562 |
| Balance at 30th June 2017 | 4 | 100 | 2,453,354 | 2,453,454 |
| Deficit for the year | | - | (2,091,559) | (2,091,558) |
| Other comprehensive income for the year | | - | - | - |
| Total comprehensive deficit for the year | | - | (2,091,559) | (2,091,558) |
| Balance at 30th June 2018 | 4 | 100 | 361,795 | 361,895 |

The accompanying notes on pages 10 to 15 form part of these financial statements.

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018

STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

| | <u>Notes</u> | 2018 | 2017 |
|---|--------------|--------------------|-----------|
| | | \$ | \$ |
| Cash flows from operating activities | | | |
| Cash receipts provided by operating activities | | 178,667 | 626,425 |
| Pledges paid to the Abbotsford Convent Foundation | | (2,277,158) | (78,000) |
| Other Expenditures | | (2,000) | - |
| Cash payment to suppliers | | (3,610) | (952) |
| Interest received | | 12,718 | 35,822 |
| Net cash (used in) / provided by operating activities | 5 | (2,091,383) | 583,295 |
| Cash flows provided by investing activities | | | |
| Transfer of cash from Term Deposits | | 1,156,267 | 45,763 |
| Net cash provided by investing activities | | 1,156,267 | 45,763 |
| Net (decrease) / increase in cash and cash equivalents | | (935,116) | 629,058 |
| Cash and cash equivalents at 1 July 2017 | | 1,134,206 | 505,148 |
| Cash and cash equivalents at 30 June 2018 | 2 | 199,090 | 1,134,206 |

The accompanying notes on pages 10 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. Summary of significant accounting policies

(a) Statement of compliance

Abbotsford Convent Foundation Arts Trust (“the Trust”) is a not-for-profit discretionary trust domiciled in Australia.

The Abbotsford Convent Foundation, a company limited by guarantee is the trustee of the Trust.

The financial report was authorised for issue by the Directors of the Trustee on 15th October 2018. The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (“AASBs”) including Australian Accounting Interpretations and the Australian Charities and Not-for-profits Commission Act 2012.

A statement of compliance with International Financial Reporting Standards cannot be made due to the Trustee applying the Not for Profit sector specific requirements contained in AASBs.

(b) Basis of preparation

The financial report is presented in Australian dollars.

The financial report has been prepared on a going concern basis which contemplates the realisation of assets and extinguishment of liabilities in the ordinary course of business.

Adoption of new and revised Accounting Standards

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 July 2017.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Company include:

- AASB 1048 Interpretation of Standards
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016
- AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
- AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for Profit Entities

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018
Notes to the Financial Statements

Adoption of new and revised Accounting Standards (cont'd)

At the date of authorisation of the financial statements, the Company has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

| Standards/amendment | Effective for annual reporting periods beginning on or after | Effective for year end periods beginning on or after |
|---|---|---|
| AASB 9 Financial Instruments | 1 January 2018 | 30 June 2019 |
| AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15, and AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 | 1 January 2019 | 30 June 2019 |
| AASB 16 <i>Leases</i> | 1 January 2019 | 30 June 2020 |
| AASB 1058 Income of Not-for-Profit Entities, and AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities | 1 January 2019 | 30 June 2020 |
| AASB 2008-1 Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle | 1 January 2019 | 30 June 2020 |

The potential impact of the revised Standards/Interpretations on the Company's financial statements has not yet been determined.

In addition, at the date of authorization of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued.

| Standard/amendment | Effective for year end reporting periods beginning on or after |
|---|---|
| <i>Amendments to References to the Conceptual Framework in IFRS Standards</i> | 1 January 2020 |

The financial report is prepared on the historical cost basis.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Trustee.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Note 1b Basis of preparation (cont'd)

The following is a summary of the material accounting policies adopted by the Trustee in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(c) Income tax

The Trust is exempt from income tax under Subdivision 50-45 of the *Income Tax Assessment Act 1997*.

(d) Revenue recognition

i) Donations

Unconditional donations are recognised in the income statement when they become receivable. Any other donations are recognised in the income statement when they become receivable and there is a reasonable assurance that the Trust will comply with the conditions attaching to them. Donations that compensate the Foundation for the cost of an asset are recognised in the income statement when they are receivable and there is reasonable assurance that the Trust will comply with the conditions attached to them and are recognised in proportion to the stage of completion of the relevant asset. The Trust recognises donated assets as revenue on receipt of these assets, based on the fair value of the assets received.

ii) Interest income

Interest income is recognised in the income statement as it accrues.

(e) Employee benefits

The Trust does not have any employees. Hence, no accruals for employee entitlements are recognised at year-end. The Trustee has paid for administrative activities since commencement of operations of the Trust.

(f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash at bank, call deposits and petty cash.

(g) Trade and other receivables

Trade and other receivables are stated at cost less any impairment losses.

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Trust prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

(i) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018
Notes to the Financial Statements

NOTE 2. Cash and cash equivalents

| | 2018 | 2017 |
|---------------|----------------|------------------|
| | \$ | \$ |
| Bank balances | 198,910 | 1,134,106 |
| Cash on hand | 180 | 100 |
| | 199,090 | 1,134,206 |

NOTE 3. Trade and other receivables

| | 2018 | 2017 |
|---------------|--------------|--------------|
| | \$ | \$ |
| Trade debtors | 3,755 | 6,149 |
| | 3,755 | 6,149 |

NOTE 4. Capital and reserves

Reconciliation of movement in capital and reserves

| | Settlement Account | Retained Earnings | Total Equity |
|-------------------------|-----------------------|----------------------|------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2016 | 100 | 1,887,792 | 1,887,892 |
| Surplus for the Year | - | 565,562 | 565,562 |
| Balance at 30 June 2017 | 100 | 2,453,354 | 2,453,454 |
| Balance at 1 July 2017 | 100 | 2,453,354 | 2,453,454 |
| Deficit for the Year | - | (2,091,559) | (2,091,559) |
| Balance at 30 June 2018 | 100 | 361,795 | 361,895 |

The settlement account represents the amount settled on creation of the Trust. The Trustee's policy is to maintain cash reserves and seek donations to contribute to the ongoing viability and development of the Abbotsford Convent.

NOTE 5. Reconciliation of cash flows from operating activities

| | 2018 | 2017 |
|--------------------------------------|--------------------|----------|
| | \$ | \$ |
| (Deficit) / Surplus for the year | (2,091,559) | 565,562 |
| Decrease / (increase) in receivables | 2,394 | 39,648 |
| (Decrease) / Increase in payables | (2,218) | (21,915) |
| Net cash from operating activities | (2,091,383) | 583,295 |

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018
Notes to Financial Statements

NOTE 6. Related parties

Directors of the Trustee

The names of persons who were Directors of the Trustee (Abbotsford Convent Foundation) at any time during the financial period were as follows:

| | | |
|-----------------|------------------|-------------------------|
| Charlotte Allen | Stuart Kells | Sally Romanes |
| Diana Heggie | David Laidlaw | Antonia Syme |
| Ronald Jones | Victoria Marles | Elizabeth Ward-Christie |
| Ruth Jones | Michael Sokulski | Judy Williams |

The Directors of the Trustee receive no remuneration or other compensation from either the Trust or the Trustee.

Other related parties

The Abbotsford Convent Foundation (the Foundation), is the Trustee of the Trust. During the year \$2,277,158 was paid to the Foundation for specific projects. (2017: \$78,000).

NOTE 7. Financial instruments

Financial risk management

The Foundation's financial risk is limited to cash, trade receivables and trade payables. The Foundation's Board authorises where the cash is to be spent.

Liquidity risk

The Foundation manages its financial liabilities based on contractual agreements with normal trading terms of 30 days.

Credit risk exposures

The credit risk of financial assets of the Trust which have been recognised on the statement of financial position is generally the carrying amount of each asset. The ageing of the Trust's trade receivables at the reporting date was:

| | 2018 | 2017 |
|-------------------|--------------|-------|
| | \$ | \$ |
| Not past due date | 3,755 | 6,149 |

Interest rate risk exposures

The Trust's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below. The Trustee manages its capital to ensure that it is able to continue as a going concern while ensuring that it meets its objectives. The Trustee's overall strategy remains unchanged from 2017.

The Trustee for Abbotsford Convent Foundation Arts Trust
General Purpose Financial Report for Year Ended 30 June 2018
Notes to the Financial Statements

Note 7 (cont)

| | 2018 | | | 2017 | | | | |
|------------------------------------|--------------------------------|------------------------|----------------------|----------------|--------------------------------|------------------------|----------------------|------------------|
| | Weighted average interest rate | Floating interest rate | Non-interest bearing | Total | Weighted average interest rate | Floating interest rate | Non-interest bearing | Total |
| <i>Financial assets</i> | | \$ | \$ | \$ | | \$ | \$ | \$ |
| Cash and cash equivalents | 1.57% | 198,910 | 180 | 199,090 | 1.88% | 1,134,106 | 100 | 1,134,206 |
| Term deposit | 2.05% | 159,050 | - | 159,050 | 1.88% | 1,315,317 | - | 1,315,317 |
| Trade receivables | - | - | 3,755 | 3,755 | - | - | 6,149 | 6,149 |
| Total Financial assets | | 357,960 | 3,935 | 361,895 | | 2,449,423 | 6,249 | 2,455,672 |
| <i>Financial liabilities</i> | | | | | | | | |
| Trade payables | | - | - | - | | - | (2,218) | (2,218) |
| Total Financial liabilities | | - | - | - | | - | (2,218) | (2,218) |

All financial assets and liabilities are expected to mature within twelve months.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased or decreased surplus or deficit by \$3,580 (2017: \$24,494).

Net fair value of financial assets and liabilities

There is no material difference between the carrying value and fair values of financial assets and liabilities.

NOTE 8. Auditors remuneration

The auditor of the Trust is Deloitte Touche Tohmatsu. The auditors act in an honorary capacity for the Trust.

| | 2018 | 2017 |
|------------|------|------|
| Audit Fees | \$ - | \$ - |

NOTE 9. Segment reporting

The Trust's operations are limited to one segment and geographical location.

NOTE 10. Commitments & contingencies

There are no capital, lease or other expenditure commitments which exist at the reporting date. There are no contingent liabilities or contingent assets which exist at the reporting date.

NOTE 11. Events after reporting period

No subsequent events have come to the attention of Directors which would affect the information disclosed in this financial report for the year ended 30 June 2018.

DIRECTORS' DECLARATION


The Directors of the Trustee of Abbotsford Convent Foundation Arts Trust ("the Trust") declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- (b) In the Directors' opinion the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust.

Signed in accordance with a resolution of the Directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Act 2012.

Dated at Melbourne this 22nd October 2018

Signed in accordance with a resolution of the Directors of the Trustee:



Victoria Marles
Director of Trustee



Michael Sokulski
Director of Trustee

The Board of Directors
Abbotsford Convent Foundation Arts Trust
Ground Floor, Providence
1 St Helliers Street
ABBOTSFORD VIC 3067

22 October 2018

Dear Board Members,

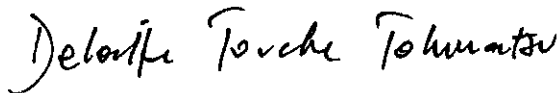
Abbotsford Convent Foundation Arts Trust

In accordance with the *Australian Charities and Not-for profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Abbotsford Convent Foundation Arts Trust.

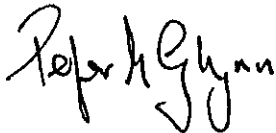
As lead audit partner for the audit of the financial statements of Abbotsford Convent Foundation Arts Trust for the financial year ended 30 June 2018, I declare to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012*, in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Peter Glynn
Partner
Chartered Accountants

Independent Auditor's Report to the Trustees of Abbotsford Convent Foundation Arts Trust

Opinion

We have audited the financial report of Abbotsford Convent Foundation Arts Trust (the "Trust") which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity 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 directors' declaration.

In our opinion the accompanying financial report of the Trust, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Trust's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, 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 Trust in accordance with the ethical requirements of the auditor independence requirements of the ACNC Act and 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Director's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the directors and the Australian Charities and Not-for-profits Commission (ACNC) and should not be distributed to or used by parties other than the Directors, the Directors and the ACNC. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

Director's Responsibilities for the Financial Report

The Directors are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the Members. The Director's responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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:

- a) 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.
- b) 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 Trust's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- d) Conclude on the appropriateness of the director's 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 Trust'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 Trust to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Peter Glynn

Peter Glynn
Partner
Chartered Accountants
Melbourne, 22 October 2018

DIRECTORS' QUALIFICATIONS AND EXPERIENCE

The Directors of the Abbotsford Convent Foundation at the date of this report are Victoria Marles (Chair), David Laidlaw (Co-Deputy Chair), Diana Heggie, Ronald Jones, Ruth Jones, Stuart Kells, Michael Sokulski, Antonia Syme, Elizabeth Ward-Christie and Judy Williams.

VICTORIA MARLES (Chair)

Victoria is currently the CEO of Trust for Nature (the Victorian Conservation Trust), a position she has held since late 2009. Prior to assuming this role, Victoria was Victoria's Legal Services Commissioner and Chief Executive Officer of the Legal Services Board. As a lawyer Victoria specialised in media and communications law and policy and was the Deputy Telecommunications Industry Ombudsman and prior to that the Deputy Director of the Communications Law Centre.

Victoria has a background in the arts having graduated in drama from the Victorian College of the Arts. She has held various board positions including the Victorian Arts Centre, the Victorian Women's Trust and the Melbourne Writers Festival. Victoria was chair of the Circus Oz Board for fourteen years. Victoria is currently a board member of the Consumer Action Law Centre and a director of the Australian Advertising Standards Council.

DAVID LAIDLAW (Deputy Chair)

David Laidlaw is a partner with a major Melbourne law firm. In his practice David acts in a wide range of large scale tort, contract and corporate litigation matters. His Board appointments have included Asian Law Centre Board University of Melbourne, Law Institute Council, the Federal Attorney General's International Legal Services Advisory Council, the ADVOC Asia Board and Inter-Pacific Bar Association Council and as a foundation member and Chair of the University of Melbourne's Alumni Council.

David has a keen interest and involvement in the arts which stretches back to his days as a national student arts leader. He has served on a number of arts boards and as CEO of his firm, was instrumental in fostering his law firm's support of Australian artists, including its sponsorship of artists selected to represent Australia at the Venice Biennales. He was also responsible for the establishment of the Maddocks' Art Prize for emerging artists in the visual arts. In addition to his legal qualifications he has participated in leadership training with Harvard Business School and has completed Wharton Business School's Advanced Management Program.

He and his wife Megan also run black cattle on their farm property in Western Victoria.

DIANA HEGGIE

Ms Heggie has extensive executive and non-executive experience. She is currently a Director of the Abbotsford Convent Foundation, Chair, of Peninsula Health, Director of the National Heart Foundation (Vic) and a Director of Toorak College. Her previous executive roles included CEO of the Heart Foundation (Vic), CEO of Scope, a major provider of services to people with disabilities, and CEO of the EW Tipping Foundation.

She originally qualified as a physiotherapist in 1987 from Trinity College Dublin, but quickly moved into people management roles in the non for profit sector. She believes strongly in the development of staff and volunteers, and that leadership is about empowering others to do great things. She is also a passionate walker, a green skier, and loves to spend time with her family.

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RONALD JONES

Ronald Alan Jones is a Fellow of the Australian Institute of Landscape Architects, an Adjunct Professor of Landscape Architecture at RMIT University, and a member of the Victorian Government Architect's Design Review Panel. He is a director of Jones & Whitehead Pty Ltd, a practice established in 2000 that focuses on public landscapes and urban design, including related policy development, urban design frameworks, master plans and public space design. Before this, Ron was a member of the City of Melbourne's urban design team, where he played a leading role in developing Melbourne's urban design strategy and several major projects.

RUTH JONES

Ruth Jones is an independent non-profit/philanthropy consultant. She recently returned to Australia after more than 12 years in North America, 10 of these as CEO of the Social Venture Partners Network, the largest network of engaged donors operating globally. Previous to this, Ruth held senior roles at Community Foundations of Canada and Philanthropy Australia. She was Chief Executive of the Australian Film Institute before moving to the field of philanthropy.

STUART KELLS

Stuart Kells is an award-winning author whose books are being published around the world. Before writing full-time, he had a diverse career in government, academia and the private sector. Stuart was a director at KPMG, chief economist at PPB Advisory, and an economic adviser to three consecutive premiers of Victoria. He has a PhD in Law from Monash University and a B.Comm and M.Comm, both with first class honours, from the University of Melbourne. He has served on numerous boards including those of the Industry Capability Network (Vic), the Defence Reserves Support Council (Vic), the Australian and New Zealand Association of Antiquarian Booksellers, the Woodend Winter Arts Festival Foundation and the Book Collectors' Society of Australia (Vic).

MICHAEL SOKULSKI

Michael Sokulski is a chartered accountant and finance professional currently leading the financial accounting team at Medibank. Michael has previously worked 10 years with Ernst & Young where he accumulated significant experience in the accounting field, including delivery of financial assurance projects, internal audits, compliance work, financial reporting analysis and accounting advice across a broad spectrum of private and public clients. He has advised on a variety of transactions including IPOs, acquisitions and business divestments. Michael has also chaired the Young Professionals' Panel for the Institute of Chartered Accountants, promoting the interests of young members and driving engagement with the broader community.

ANTONIA SYME

Antonia Syme is the Director of the Australian Tapestry Workshop (ATW) in Melbourne. She has worked for many years cultural sector as a director, consultant, conservator and curator. She was Director of Artbank, for ten years, and worked in federal and state cultural institutions and as Co-Director of Syme Dodson Gallery in Sydney. Board and committee memberships have included the Federal Government's Taxation Incentives for the Arts Committee, NSW National Trust's Museums and Collections Committee, Craft Australia, the Heritage Council (NSW) Maritime Archaeological Advisory Panel, the Sydney College of the Arts Board, the Camden Park Preservation Committee.

(cont)

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ELIZABETH WARD-CHRISTIE

Libby is the Principal Industry Fellow in Social Impact at the Centre for Social Impact (CSI), Swinburne University of Technology. In her role, Libby works across Swinburne's Australian Graduate School of Entrepreneurship programs and CSI's research agenda to grow social-sector, industry engagement, ensure industry-relevant content and develop cross-sector strategic partnerships. She also has management responsibility to learning and teaching excellence and teaches social entrepreneurship and innovation in the Master of Social Impact degree.

Libby is a recognised specialist in social enterprise development and financing and not-for-profit business strategy. Prior to joining Swinburne, she worked for over seven years as Head of Investment and Advisory at Social Traders Ltd, a leading social enterprise development organisation. Libby has an MBA from Melbourne Business School and was awarded their 2016 Outstanding Recent Alumnus in recognition of her work; she is also a graduate of the Australian Institute of Company Directors and holds a Master's Degree in Landscape Architecture and Arts and Science (Hons) Degrees from the University of Melbourne.

JUDY WILLIAMS

Judy Williams has extensive arts management experience, having previously worked at the National Gallery of Victoria (NGV) for almost two decades. From 2004 – 2014, she was Head of Foundation & Fundraising, where she was responsible for the development and implementation of the NGV's fundraising strategy, including bequests, legacies and annual giving. As part of her role, she developed and implemented the NGV's 150th Anniversary fundraising campaign – Masterpieces for Melbourne. Prior to this role, Judy was the NGV's Manager of External Relations & Events, where she oversaw the planning and delivery of events for the opening of the Ian Potter Centre and the re-opening of NGV International.

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