

2020-2021
FINANCIAL BASICS FOUNDATION
ANNUAL
REPORT



The Financial Basics Foundation is a trusted independent charity.

The Financial Basics Foundation vision is financial wellbeing for young Australians.

This is achieved through our mission to enhance the financial capability of young Australians by providing quality independent financial education resources.

Our Supporters

We wish to acknowledge and express our sincere gratitude to the individuals and organisations who share our vision and support us in our work to ensure that all young Australians are financially capable and can manage their finances now and into the future.

The financial in-kind support provided by these companies along with the voluntary contribution of time and expertise generously given by so many people enables us to continue our work.



Presenting Partner ESSI Money and ESSI Money Challenge; Support Partner Financial Basics Foundation

Suncorp is partnering with the Financial Basics Foundation to improve the financial literacy of young people. By offering a range of fun, interactive online resources to all Australian secondary school teachers, Suncorp is working with Financial Basics Foundation to give every young person the knowledge, skills and confidence to manage their money which means a better financial future for our younger generations, their families and our customers.



BDO in Australia is proud to support Financial Basics Foundation's mission to improve the financial literacy of young people. As an accountancy and advisory firm with a heritage in helping businesses grow, BDO in Australia believe that the most important foundation for success is education. BDO in Australia is committed to working with the Foundation to equip our young people with strong financial literacy skills and enable them to plan ahead for a bright future.

KPMG

KPMG is a professional services firm with global reach, and deep expertise in audit and assurance, tax and advisory. KPMG generously provide the Financial Basics Foundation with an annual Independent Audit Report on a no fee basis.



Image: Teens playing ESSI Money Powered by Suncorp.

Chairperson's Address

2021 has been another challenging year as the global COVID-19 pandemic continues to rage. Despite the impacts of this with ongoing lockdowns and interruptions to day-to-day life, Financial Basics Foundation has continued to drive strong outcomes.

We once again ran the Suncorp ESSI Money Challenge which saw increased uptake, in part due to schools operating on a remote model which was a great alignment with the challenge.

We also made additional changes to our board membership to enhance capability even further.

Board changes and capability build

We welcomed a new Board member in October 2020, Melissa Witheriff.

She has a strong background in innovation and customer centred design and has recently joined Avonade as their Director, Regional Innovation Lead.

In 2022, we will welcome two more board members.

Joel White, who is currently the Director, Digital at Deloitte. Joel has a strong background in digital and technology and brings additional strength to our digital capability.

Stefanie Wilson, will also join the board in 2022. Stefanie is an entrepreneur and will bring significant value to the board through both her connections and her creative thought process.

Cale Bennett resigned from our board in 2021. Cale had been a director for five years and added real value throughout his tenure, particularly with his knowledge and understanding of technology.

I will step down as chair in 2022 after 2.5 years which have been an absolute privilege.

We have appointed a replacement chair, Philip Cullum. Philip comes from a consumer advocacy and regulatory background and has strengths in strategy and engagement which will be a great addition to the FBF board.

Our major strategic focus for 2022 will continue to be the development and implementation of our digital roadmap. A contemporary website, a learning management system and other digital assets will be rolled out over 2022 and 2023.

This build of digital capability and the discipline of focus and patience as we build out these new assets is critical, as we navigate an increasingly uncertain future.

Brigid Leishman
Chairperson

CEO's Report

The impact and disruption of COVID-19 which had been rapid and wide-spread in 2020, continued in 2021, although most secondary schools across Australia were better prepared to continue educating their students through remote and distance education during this time. For Financial Basics Foundation, this resulted in schools returning to exiting core content rather than seeking to 'fill in' time with replacement activities. That said, the demand for our resources continued to grow across all areas, including a:

- 17% increase in teacher registrations
- 14% increase in registered ESSI Money classes
- 12% increase in unique ESSI Money players

Once again, this data shows that thousands of Australian educators trust the Foundation's resources. It speaks to the flexibility, usefulness and effectiveness of the materials provided, particularly ESSI Money, and signifies the value and quality it delivers for teachers.

Over 7000 teachers from 1694 Australian secondary schools are now accessing the Foundations resources. This represents an increase of 4.3% in the total number of registered schools for this financial period. Total reach across all Australian secondary schools now stands at 61.05%.

Once again, the Suncorp ESSI Money Challenge which was conducted in August 2019 proved to be a great success with almost 8000 students taking part. The public relations campaign reached a national audience of 4.8 million.

Following a considerable delay in receiving approval from the Queensland Department of Education to conduct the research and the ongoing impact of COVID-19 which restricted the researchers' access into secondary schools, the project was finally completed just before the end of this financial year. We are currently planning an event which will be hosted at Suncorp Stadium in February 2022 to release the findings.

Not only did we weather the storm of 2020 and set new records for membership and ESSI Money growth, but we also did the hard work to progress our plans for our company's digital future. It's a future that builds on our decades of experience to ensure we remain a credible, independent and innovative provider of financial literacy resources for young people.

We worked with our digital agency to finalise costings for digital roadmap in line with our IT strategy. We agreed to a number of prioritized activities across a three-horizon roadmap. The work set for 'horizon one' which will address issues with FBF's current offerings, and specifically how to improve the ease of use, access, and consumption of financial literacy education materials for both teachers and students has commenced.

The Foundation's work to create high quality resources continued with the development of a further five new WebQuests which have now generated almost 25,000 views. We also continued working on implementing standardised protocols to measure our impact, including working with Suncorp to pilot a series of impact measurement questions as part of the ESSI Money Challenge.

Suncorp's partnership with Financial Basics Foundation demonstrates its commitment to developing the financial capability of young people and to that end, we have commenced mapping out a schedule of activities and benefits for the partnership beyond this current period.

BDO in Australia supports the work of the Foundation by providing in-kind accounting, bookkeeping and advisory services. This partnership has enabled us to build organisational capacity and adds value to the work we do to build the financial capability of young Australians.

I would like to take this opportunity to welcome Joel, Stefanie and Philip to the board. I look forward to working with each of you across all of our activities, but in particular the areas of expertise you each bring to the Foundation. Thank you also to the current Directors. I appreciate your ongoing support, and the generosity with which you give of your time, skill and expertise, in support of our work. To Brigid, our outgoing Chair, I have thoroughly enjoyed working with you, learning from you and laughing with you. It has been an absolute pleasure having you as our Chair and I am forever grateful for your guidance and mentorship during your time with us.

As always, I would like to acknowledge our small but ever dedicated program team. Despite there being only 3 of you, you continue to deliver a suite of programs and activities which enable us to deliver outstanding results year on year.

Financial Basics Foundation will continue to pursue its strategic objectives in 2022 in order to achieve its vision and I look forward to another busy and successful year.

Katrina Samios
Financial Basics Foundation

Financial Basics Foundation

Financial Statements for the year ended 30 June 2021

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Your directors present their report on the Financial Basics Foundation Limited (the Foundation) for the financial year ended 30 June 2021.

Directors

The names of each person who has been a director during the year and up to the date of this report are:

Brigid Leishman
Tarryn McMullen (resigned 18 April 2021)
Katrina Samios
Tim Devine
Cale Bennett (resigned 18 April 2021)
Norman Hunter
Kelly Evans
Nicole Pedwell
Melissa Witheriff (appointed 8 October 2020)
Joel White (appointed 11 October 2021)
Philip Cullum (appointed 28 October 2021)
Stefanie Wilson (appointed 28 October 2021)

Directors have been in office since the start of the financial year and up to the date of this report, unless otherwise stated.

Principal Activities

Financial Basics Foundation is a national financial literacy charity which aims to teach young Australians, between the ages of 12-24 years, the basics of effective financial management. The Foundation provides Australian secondary schools with free, quality resources and programs that foster sound financial attitudes and behaviours.

Financial Basics Foundation pursues its mission and engages its networks through a series of programs which are designed to educate young people about financial issues; facilitate dialogue and professional development for educators; and establish opportunities for engagement between our sponsors and the communities in which they operate.

Financial Basics Foundation's vision is: financial wellbeing for young Australians.

Review of Operations

Financial Basics Foundation has:

- Continued to update and republish the modules in Operation Financial Literacy.
- Hosted a national financial literacy competition (the Suncorp ESSi Money Challenge) in August 2020 which saw 7,853 students compete for the chance to win cash prizes for themselves and for their schools.
- Conducted a national financial literacy survey where over 3,675 secondary school students responded to a series of questions which sought to identify knowledge, skills and trends of young people in relation to their consumer behaviour and financial literacy.
- Engaged researchers from Griffith University to undertake a piece of research to explore the factors that influence the financial literacy for young Australians and in particular, young women.
- Established a strong presence in the professional development arena by presenting at state and local conferences throughout the year.
- Provided its resources and support to over 840 community organisations and educators outside of the secondary school system.
- Published and distributed e-newsletters, blogs and online content to 8,052 subscribers.
- Produced and published ten WebQuests which generated over 24,910 views.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Review of Operations (continued)

Reach

7005 teachers from 1694 Australian secondary schools are now accessing the Foundations resources. This represents a year on year growth of 17.4% in teacher registrations and 4.3% increase in registered schools for this financial period. 61.05% of all Australian secondary schools are registered as accessing our resources.

ESSI Money Game Statistics

ESSI Money and ESSI Money Plus game statistics for this financial year are:

- 28,381 individual students have played (an increase of 12.35% from the previous year)
- 9002 individual students have completed the full 26 week simulation (this statistic is in line with the previous year)
- 2,272 classes have been registered (year on year increase of 14.5%)
- 53,192 games have been registered (year on year increase of 9.95%)
- 13,101 games have been completed (a slight decrease of 4.7% from the previous year)

Effects of COVID-19

The impact and disruption of COVID 19 which had been rapid and wide-spread in 2020, stabilised somewhat in 2021. That is, secondary schools across Australia were better prepared to continue educating their students through remote and distance education when needed and reverted to exiting core content rather than seeking to 'fill in' time with other stop gap activities. That said, FBF noted consistent demand for its resources in line with the previous period, which experienced a considerable increase in demand.

ESSI Money Challenge Public Relations

Once again, the Suncorp ESSI Money Challenge which was conducted in August 2020, proved to be a great success with 7,953 students taking part, and 14,248 games being registered. The Challenge was supported by a dynamic public relations campaign designed to:

- heighten public awareness of the Challenge and its supporters
- help boost the number of competition registrations
- highlight the importance of developing the financial capability of young Australians

In addition to a mainstream media strategy, the Foundation worked with Sequel PR to devise and develop a creative social media advertising campaign. The Foundation also worked with Suncorp as the presenting partner of this initiative to secure significant levels of publicity in print, broadcast and online media. This included coverage across Channel 9 Today Money Report; ABC National and regional radio stations, the Herald Sun, Courier Mail and Queensland Times papers. In total, the campaign reached an audience of 4.887 million.

Research

Financial Literacy of Young Australians – What is happening and how can we help?

The Foundation partnered with researchers from Griffith University to undertake a piece of research focusing on the financial literacy of young women. Previous assessments and research show that this cohort has low financial literacy levels. The basis for this study is the belief that current financial literacy education can be improved by considering circumstances specific to the individual such as gender and cultural factors.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Review of Operations (continued)

Following a considerable delay in receiving approval from the Queensland Department of Education to conduct the research and the ongoing impact of COVID 19 which restricted the researchers access into secondary schools, the project was further delayed in 20/21.

The final report was completed in June 2021 and presented to the directors in October 2021. Details of the findings and recommendations will be outlined in FY22 directors report.

IT Strategy

In line with our strategic objective to develop an approach to the Foundation's IT and digital needs in order to ensure sustainability and growth, the Foundation engaged a consultant to scope and document the technology architecture of the FBF Website, ESSI Money, and the ESSI Money Challenge.

In order to ensure that our financial literacy propositions are future-proof and remain relevant, the directors agreed to a digital roadmap and strategy in line with the recommendations from the report.

The resulting prioritised activities included in a three-horizon roadmap are:

H1 - (near term) – Defend and extend current core business/enhance the core

Address issues with FBF's current offerings - how to improve the ease of use, access, and consumption of financial literacy education materials for both teachers and students.

H2 - (mid-term) – Build momentum for emerging new business / monetise for 'business' growth

- To investigate how FBF might monetise its offerings and intellectual property across the wider ecosystem.
- To explore ways to involve/engage parents of teenagers as well as individuals (12-24) to develop their financial capability.

H3 (longer term) – Create options for future new 'business' / markets/segments

- Investigate how FBF could be involved in building the financial literacy of the general public, beyond K-12 education.

New Resources

WebQuests

The Foundation's work to create high quality resources that educate young people about sound financial management principles expanded with the development of a new suite of resources. A WebQuest is an inquiry-oriented online tool which encourages self-paced learning for students. FBF WebQuests have generated over 24,910 views during this period.

The suite of topics developed during this financial year include:

- Life Insurance 101
- Time is money
- Superannuation
- The Cost of Credit
- SOS – Safe Online Shopping.

This is an ongoing initiative with further topics added throughout the year.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Review of Operations (continued)

Impact Measurement

Ongoing work to implement protocols which enable the Foundation to measure its impact and success include:

- piloting impact measurement questions as part of the ESSI Money Challenge
- consultation with and involvement in Financial Capability strategy workshops with Treasury (Responsibility for developing a national approach to improving the financial literacy, capability and wellbeing of Australians moved to the Australian Treasury (Treasury) from ASIC in the 2020-21 Budget).

This work is ongoing and will remain a key focus area for the Foundation moving forward.

Sponsorship

Financial Basics Foundation aligns with like-minded organisations and has a long history of successful partnerships that support delivery of its mission. The Board would like to take this opportunity to thank Suncorp and BDO in Australia for their ongoing and generous sponsorship.

Suncorp's partnership with Financial Basics Foundation demonstrates Suncorp's commitment to developing the financial capability of young people. As the Presenting Partner of ESSI Money and the ESSI Money Challenge and Support Partner of the Foundation, the partnership with Suncorp focuses on expanding reach and building on activities that increase the Foundation's brand and public awareness.

BDO in Australia supports the work of the Foundation by providing in-kind accounting, bookkeeping and advisory services. This partnership has enabled us to build organisational capacity and adds value to the work we do to build the financial capability of young Australians.

Collection House Limited founded the Financial Basics Foundation in 2002. As the Founding Donor, Collection House remains an important and valued part of our history. Collection House continues to provide ongoing in-kind support.

The Foundation is working with external consultants to develop a sustainable plan and proposition for acquiring and managing new partnerships to support our work.

Strategic Objectives

Financial Basics Foundation will continue to pursue its strategic objectives in order to achieve its vision:

- To create high quality resources that educate young people about sound financial management principles.
- To secure increased financial and operational resources that support our strategic objective to achieve financial security.
- To increase our profile and expand the reach of Financial Basics Foundation products and messaging to key stakeholders throughout Australia.
- To implement protocols which enable us to measure our impact and success.
- To continually improve and expand current offerings, including conference presentations, Professional Development for teachers.
- To develop a strategic approach to our IT and digital needs to ensure sustainability and growth.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Information on Directors

Brigid Leishman GAICD/MBA – Chair

Brigid has over 30 years of executive and leadership experience in the financial services sector.

She now runs her own coaching and consulting business.

Brigid has lived and worked in four countries. She developed and led a multi award winning company in Fiji.

More recently, Brigid was the COO at CUA. Prior to leaving CUA to start her own business, she led the development of a strategic roadmap for robotics and AI.

Brigid is a New Zealander by birth and is now an Australian citizen. She has an MBA (Dist), is a GAICD and a member of the Australian Coaching Association.

Brigid was appointed as a member and Director of the Foundation on 10 April 2019 and will retire from the Board in December 2021.

Tarryn McMullen GAICD/MBA – Director

Tarryn was the inaugural staff member of Financial Basics Foundation (formerly Collection House Foundation). She has 15+ years' experience across both the not-for-profit and for-profit sectors, including fundraising and marketing roles for several not-for-profits, and strategy, marketing and communications roles for listed entities.

Tarryn was appointed as a member and Director of the Foundation on 14 December 2004, and retired from the Board in April 2021.

Katrina Birch – Director/CEO

Katrina has been a consultant to the Foundation since 2004 and was appointed as CEO and Director in 2011.

Katrina has worked in the youth sector for over 20 years with experience in government and not-for-profit organisations. A strong advocate for young people, Katrina was involved in the deinstitutionalisation of disabled clients from residential institutions in Queensland. Prior to commencing with the Financial Basics Foundation, Katrina was the State Manager of CanTeen Queensland (the organisation supporting young people living with cancer).

Tim Devine LLB – Director

Tim is an experienced lawyer who has provided legal advice on corporate and commercial matters in private practice and as in-house counsel.

Tim was appointed as a member and Director of the Foundation on 5 December 2013.

Cale Bennett CPA – Director

Cale's professional background encompasses both senior financial roles at some of Australia's largest listed companies and co-founding Fintech start-ups. His eclectic experience is fuelled by a strong interest in technology as an enabler and a commitment to life-long learning. Cale believes that financial literacy is a key ingredient in enabling young people to live the life they want to.

Cale was appointed as a member and Director of the Foundation on 18 May 2016 and resigned in April 2021.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Information on Directors (continued)

Norman Hunter - Director

Norm Hunter is the principal consultant of Thinkit Through, an educational consultancy with a particular focus on leadership, strategic thinking, mentoring and writing. He was founding Co-Principal, then Principal of Hillbrook Anglican School, serving for 21 years.

Norm has a Certificate of Teaching (KGTC), Bachelor of Arts (UQ) and a Master of Education - Leadership and Management – (USQ). He is a Fellow of both the Australian Council for Educational Leaders and the Australian College of Educators.

Norm has been a member of the national board of the Australian College of Educators, Vice President of the Queensland Branch of the Australian Council for Educational Leaders, and chair of the Griffith University Centre for Educational Leadership & Management.

Norm was appointed as a member and Director of the Foundation on 10 November 2016.

Kelly Evans CA – Director/Treasurer

Kelly is a Chartered Accountant with over fifteen years' experience in external audit and financial reporting and is currently the Financial Reporting Manager for an ASX-100 company.

Kelly was appointed as a member and Director of the Foundation on 28 September 2018.

Nicole Pedwell – Director/Secretary

Nicole is a qualified Company Secretary, corporate governance and communications professional. Nicole has over 20 years' investor and stakeholder relations experience in both global and domestic financial services entities. Nicole holds a Bachelor of International Business from Griffith University, a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia and is a graduate of the Australian Institute of Company Directors.

Nicole is Company Secretary to Credit Union Australia Ltd, Credicorp Insurance Pty Ltd, CUA Management Pty Ltd and Credicorp Finance Pty Ltd.

Nicole joined the Boards of Financial Basics Foundation and Financial Basics Community Foundation in March 2020.

Melissa Witheriff - Director

Melissa is a non-executive director specialising in Organisational Strategy, Digital Innovation and Enterprise culture. She is currently a board member of the Service Innovation Alliance (SIA) Advisory Board for the University of Queensland.

She has more than 25 years of senior leadership experience across non-for-profit, government and corporate environments. Her experience spans sectors such as Finance, Insurance, Mobility (Transport and Road infrastructure), Public Works, ICT, Education and Retail. Melissa is a highly experienced digital innovator, transforming ideas from concept to commercialisation within corporate environments.

Melissa was appointed as a member and Director of the Foundation on 8 October 2020.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Information on Directors (continued)

Joel White - Director

Joel is an experienced digital leader, with a background in highly awarded digital agencies, and a current focus on digital transformation within enterprise.

Joel is passionate about privacy and the ethical use of customer data, and works with customer, digital and marketing teams to make informed consent, privacy preferences and ethical data usage part of the customer experience.

Joel also leads the Blockchain and DLT community of practice in Queensland for Deloitte, and is passionate about advocacy and adoption of DLT.

Joel was appointed as a member and Director of the Foundation on 11 October 2021.

Philip Cullum – Director

Philip is an experienced regulator and consumer advocate, based in Melbourne. He recently set up Consumer-wise Consulting, working on strategy, policy, engagement and governance. He is a member of the Boards of the Clean Energy Council, Consumer Action and Consumers' Federation of Australia, the code committee for customer-owned banks, and the expert panel at the financial ombudsman AFCA. He is a graduate of the Australian Institute of Company Directors.

He was a senior advisor to the Australian Energy Regulator in 2017–2020, focused on strategy, governance and change. Before that, Philip was at the Australian Competition and Consumer Commission, on secondment from the UK energy regulator Ofgem, where he was the Consumers and Sustainability Partner. In the UK he also held senior roles at three consumer organisations, worked as an associate partner at Accenture, and was a member of advisory committees in financial services, food safety, aviation and water.

Philip was appointed as a member and Director of the Foundation on 28 October 2021.

Stefanie Wilson – Director

Stefanie is a mindful innovator, experienced entrepreneur and strategic leader, with over 20 years industry experience.

As the founder of Luminair (a company which has created over \$900m in economic impact for the Australian economy), Stefanie specialises in 'agenda to action' strategy.

She is dedicated to the ethos of 'doing good, while doing well', contributes to a number of boards, is a Federal Government appointed 'expert mentor', consulting strategist, executive advisor and a mentor for both the Minerva Sports Network and also Women In Technology.

Passionate about start-ups/scale-ups, financial literacy and changing the game; Stefanie cultivates mindful collaborations and impactful outcomes.

Stefanie was appointed as a member and Director of the Foundation on 28 October 2021.

Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

Company Secretary

Nicole Pedwell has held the position of Company Secretary from March 2020.

Refer above for information of the qualifications and experience of the Company Secretary.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT**Meetings of the Board of Directors**

During the financial year 6 meetings of directors were held. Attendances by each director during the year were as follows:

<i>Director</i>	<i>Directors Meetings</i>	
	<i>Meetings eligible to attend</i>	<i>Meetings attended during period</i>
Brigid Leishman	6	4
Tarryn McMullen	5	3
Katrina Samios	6	6
Tim Devine	6	6
Cale Bennett	5	2
Norman Hunter	6	6
Kelly Evans	6	5
Nicole Pedwell	6	6
Melissa Witheriff	5	4

The Foundation is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2021, the total amount that members of the Foundation are liable to contribute if the Foundation is wound up is \$140 (2020: \$160).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 10 of the financial report.

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

Brigid Leishman
Chairman

DocuSigned by:
Brigid Leishman
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Dated this 13th day of December 2021

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

To: the directors of the Financial Basics Foundation

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2021 there have been:

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

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Ben Flaherty
Partner

Brisbane
13 December 2021

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Revenues	2	613,285	558,986
Expenses	3	(516,300)	(549,793)
Surplus/(Deficit) before income tax		<u>96,985</u>	<u>9,193</u>
Income tax expense	1(g)	-	-
Net surplus/(Deficit) for the year attributable to members of the entity		<u>96,985</u>	<u>9,193</u>
Other comprehensive income		-	-
Total comprehensive income attributable to members of the entity		<u>96,985</u>	<u>9,193</u>

The accompanying notes form part of these financial statements.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

BALANCE SHEET AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	783,555	652,338
Receivables	5	11,042	44,656
TOTAL CURRENT ASSETS		<u>794,597</u>	<u>696,994</u>
TOTAL ASSETS		<u>794,597</u>	<u>696,994</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	6	65,626	64,448
Provisions	7	62,695	63,255
TOTAL CURRENT LIABILITIES		<u>128,321</u>	<u>127,703</u>
TOTAL LIABILITIES		<u>128,321</u>	<u>127,703</u>
NET ASSETS		<u>666,276</u>	<u>569,291</u>
EQUITY			
Accumulated surplus		<u>666,276</u>	<u>569,291</u>

The accompanying notes form part of these financial statements.

FINANCIAL BASICS FOUNDATION

ACN 114 812 270

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Balance at 1 July	569,291	560,098
Surplus/(deficit) for the year	<u>96,985</u>	<u>9,193</u>
Balance at 30 June	<u>666,276</u>	<u>569,291</u>

The accompanying notes form part of these financial statements.

FINANCIAL BASICS FOUNDATION

ACN 114 812 270

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from operating activities		689,717	568,958
Cash payments from operating activities		(558,500)	(589,600)
Net cash provided by (used in) operating activities	9(a)	<u>131,217</u>	<u>(20,644)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for intangible assets		-	-
Payments for PPE		-	-
Net cash (used in) investing activities		<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Funds provided to related parties		-	-
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		131,217	(20,644)
Cash at the beginning of the year		652,338	672,982
Cash at the end of the year	4	<u><u>783,555</u></u>	<u><u>652,338</u></u>

The accompanying notes form part of these financial statements.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial Basics Foundation (the Foundation) is a Company limited by guarantee domiciled in Australia. The Foundation's registered office and principal place of business is Level 7, 525 Flinders Street, Melbourne.

The Foundation is a not-for-profit entity and primarily is involved in developing financial literacy resources for Australian secondary schools. The Financial Basics Foundation pursues its mission and engages its networks through a series of programs which are designed to educate Australian secondary school students about financial issues; facilitate dialogue and professional development for educators, and establish opportunities for engagement between our sponsors and the communities in which they operate.

In the opinion of the Directors, the Foundation is not publicly accountable nor a reporting entity. The financial statements of the Foundation have been drawn up as special purpose financial statements for distribution to members and for the purpose of fulfilling the requirements of the *Australian Charities and Not-For-Profits Commission Act 2012*.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical cost.

These financial statements are presented in Australian dollars which is the Foundation's functional currency.

The financial statements for the financial year ended 30 June 2021 were authorised for issue on 13 December 2021 by the directors of the Foundation.

The special purpose financial statements have been prepared in accordance with the requirements of the *Australian Charities and Not-For-Profits Commission Act 2012* and the recognition, measurement and classification aspects of all applicable Australian Accounting Standards (AASBs).

The special purpose financial statements include only the disclosure requirements of the following AASBs and those disclosures considered necessary by the directors to meet the needs of members

- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 1048 *Interpretation and Application of Standards*
- AASB 1054 *Australian Additional Disclosures*

Accounting Policies

a. Revenue and income

Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration.

The customer for these contracts is the funding provider.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognise revenue

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Foundation have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES***Government Grant income*

Government Grant income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligations is satisfied. During the FY20 financial year, the Foundation was eligible for the cash flow boost government stimulus scheme. Upon meeting the governments eligibility criteria, the Foundation was entitled to the grant income over time. The cash flow boost scheme was applicable for the period March to June 2020.

Interest revenue

Interest revenue is recognised as it accrues using the effective interest rate method.

All revenue is stated net of the amount of goods and services tax (GST).

b. Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturity of three months or less.

c. Receivables

Trade and other receivables are recognised and carried at original invoice amounts. Receivables expected within 12 months of the end of the reporting period are classified as current assets. All other receivables classified as non-current assets.

d. Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Foundation during the period which remain unpaid. Liabilities for trade creditors and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Foundation. Balance is normally paid within 30 days of recognition of the liability.

e. Employee Provisions

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the Foundation to an employee superannuation fund and are charged as expenses when incurred.

f. 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 Tax Office (ATO). Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from or payable to the ATO is included in the balance sheet.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

g. Income tax

No provision for income tax has been made in the financial report as the Foundation is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

h. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Foundation.

Key estimates — Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

i. New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board (AASB) has issued a number of new and revised Accounting Standards and Interpretations that have mandatory application dates in future reporting periods. Earlier application is permitted, however the Foundation has not early adopted these new or amended standards in preparing these financial statements. These changes are not expected to have a significant impact on the Foundation's financial statements.

FINANCIAL BASICS FOUNDATION

ACN 114 812 270

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 2: REVENUES	2021	2020
	\$	\$
Sponsorship	405,169	401,840
Donations	186,362	29,909
Consulting	20,235	51,310
Government grant*	-	66,930
Sundry revenue	1,472	-
Copyright reimbursement	47	8,997
Total Revenues	613,285	558,986

* Government grant income relates to the receipt of the cash flow boost scheme provided by the Australian Commonwealth government during the period March to June 2020. Refer to Note 1 c. for details regarding the Foundation's accounting policy.

NOTE 3: EXPENSES	2021	2020
	\$	\$
Consultancy fees	107,133	91,024
Game expenses	119,931	133,413
Payroll	234,856	241,586
Accounting fees	15,000	15,040
Public relations	27,300	28,350
Workcover	3,094	3,090
Website expenses	3,056	22,165
Sundry expenses	5,930	15,125
Total Expenses	516,300	549,793

KPMG have provided their audit services on an honorary basis.

NOTE 4: CASH AND CASH EQUIVALENTS	2021	2020
	\$	\$
Cash at bank	783,555	652,338
	783,555	652,338

NOTE 5: RECEIVABLES	2021	2020
	\$	\$
Trade receivables	1,093	5,641
Financial Basics Community Foundation	1,169	1,170
GST receivable	8,780	-
Government grant	-	37,845
	11,042	44,656

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 6: PAYABLES	2021 \$	2020 \$
Trade payables	31,023	12,763
Accruals	20,801	1,676
Payroll liabilities	13,802	15,882
GST payable	-	34,127
	<u>65,626</u>	<u>64,448</u>
NOTE 7: PROVISIONS	2021 \$	2020 \$
Annual leave provision	42,642	46,185
Long service leave provision	20,053	17,070
	<u>62,695</u>	<u>63,255</u>

NOTE 8: EQUITY

The company is limited by guarantee. If the Foundation is wound up, the constitution states that each member of the Foundation is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Foundation. At 30 June 2021, the members of the Foundation stood at 7 (2020: 8).

Capital management

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Directors ensure that the overall risk management strategy is in line with this objective.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manage the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since prior year. The strategy of the entity is to ensure that sufficient cash is on hand to meet trade and sundry payables.

FINANCIAL BASICS FOUNDATION

ACN 114 812 270

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 9: CASH FLOW INFORMATION	2021	2020
	\$	\$
a. Reconciliation of cash flows from operating activities with surplus/(deficit) after income tax		
Surplus/(deficit) after income tax	96,985	9,193
Changes in assets and liabilities:		
(Increase)/decrease in receivables	33,614	(35,744)
Increase/(decrease) in payables	1,178	(6,022)
Increase/(decrease) in provisions	(560)	11,929
Net cash provided by (used in) operating activities	<u>131,217</u>	<u>(20,644)</u>

NOTE 10: EVENTS OCCURRING AFTER REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in subsequent financial years.

NOTE 11: CONTINGENT LIABILITIES

At the end of the financial year the Foundation had no contingent liabilities or any pending, to the knowledge of the Directors.

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' DECLARATION

The directors have determined that the Foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

In the directors' opinion:

1. The financial statements and notes, as set out on pages 11 to 20 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:
 - a. complying with *Accounting Standards* as described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - b. giving a true and fair view of the Foundations financial position as at 30 June 2021 and of its performance for the year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the Foundation 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 Board of Directors.

Brigid Leishman
Chairman

DocuSigned by:
Brigid Leishman
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Dated this 13th day of December 2021



Independent Auditor's Report

To the members of Financial Basics Foundation

Report on the audit of the Financial Report

Opinion

We have audited the *Financial Report*, of the Financial Basics Foundation (the Foundation).

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

- i. giving a true and fair view of the Foundation's financial position as at 30 June 2021, and of its financial performance and its cash flows for the year ended on that date; 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*.

The *Financial Report* comprises:

- i. Balance sheet as at 30 June 2021
- ii. Statement of profit or loss and other comprehensive, Statement of changes in equity, and Statement of cash flows for the year then ended
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration of the Foundation.

Basis for opinion

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

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – basis of preparation and restriction on use

We draw attention to Note 1 to the Financial Report, which describes the basis of preparation.

The Financial Report has been prepared for the purpose of fulfilling the Directors financial reporting responsibilities under the *ACNC Act 2012*. As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the members of the Foundation and ACNC and should not be used by any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Financial Report to which it relates to any person other than the members of the Foundation and ACNC.

Other information

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

The Other Information we obtained prior to the date of this Auditor's Report was the Directors 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. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Directors

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC.
- ii. Determining that the basis of preparation described in Notes 1 to the Financial Report is appropriate to meet the requirements of the ACNC. The basis of preparation is also appropriate to meet the needs of the members.
- iii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iv. Assessing the Group and Foundation's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

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

We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Foundation's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Foundation to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the registered Foundation regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DocuSigned by:

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DocuSigned by:

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 Ben Flaherty
 Partner

Brisbane
 13 December 2021

