

TELCO TOGETHER FUND
A.B.N. 91 256 972 804

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2015

**TELCO TOGETHER FUND
A.B.N. 91 256 972 804**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2015**

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TELCO TOGETHER FUND

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TRUSTEES' REPORT

The Trustee presents its report together with the financial report of the Fund for the financial year ended 30 June 2015 and the auditor's report thereon.

Directors

The Trustee is Telco Together Foundation Limited. The names of the directors of the Trustee in office at any time during, or since the end of the financial year are:

Mr Vaughan Garfield Bowen
Ms Zaklina Jackie Solakovski
Mr David John Shewring
Mr Philip John Cornish

The above named Directors have held office during the whole of the financial year and since the end of the financial year unless otherwise stated.

Significant Changes in the State of Affairs

No significant changes in the Fund's state of affairs occurred during the financial year.

Principal Activities

The principal activity of the Fund during the financial year was the development of industry-wide initiatives that leverage the technology, capabilities and reach of the telecommunications industry in support of disadvantaged communities within Australia.

Short-term and Long-term Objectives

The Fund's objectives are to provide support to disadvantaged communities within Australia.

Strategies

To achieve its objectives the Fund is focussed on developing collaborative projects that leverage the reach, technology and capabilities of the industry to provide funding, volunteers, or technology solutions to charities working with the community. The Fund measures its performance through the setting of an annual budget and plan of programs which is agreed by the Board of Directors. Financial performance and other non-financial measures are monitored by the Board quarterly. Key strategic projects are also considered by the Advisory Board twice per year.

Key Performance Measures

Through the strategic planning process the Directors, Advisory Board and members will develop Key Performance Measures to monitor the short and long term objectives of the Fund.

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TRUSTEES' REPORT

Events Subsequent to the End of the Reporting Period

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

Distributions

Distributions paid during the 2015 financial year are made to Deductible Gift Recipients (DGR) of \$162,450 (2014:\$280,000)

The fund is committed to distributing all fundraising revenue to eligible DGR entities, however due to the timing of revenue receipts these payments sometimes fall outside of the reporting period. A portion of fundraising revenue in the current reporting period will be distributed in the following year.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Fund and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Fund.

Environmental Regulation

The Fund's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Indemnification of Officers and Auditors

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Fund, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Fund.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

Proceedings on Behalf of the Fund

No person has applied to the Court for leave to bring proceedings on behalf of the Fund, or intervene in any proceedings to which the Fund is a party, for the purpose of taking responsibility on behalf of the Fund for all or any part of those proceedings.

The Fund was not a party to any such proceedings during the year.

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TRUSTEES' REPORT

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

Director:



Mr Philip John Cornish

Director:



Mr David John Stewring

Dated this 28th day of September 2015

TELCO TOGETHER FUND
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Revenue	2	536,250	756,539
Other income	2	39,132	91,722
		575,382	848,261
Administrative Costs		(31,216)	(26,798)
Accountancy expenses		(36,865)	(44,720)
Employee benefits expenses		(279,879)	(236,251)
Fundraising Costs		(30,252)	(55,640)
Other expenses		(56,097)	(95,589)
Surplus from operations for the year	3	141,073	389,263
Distributions Paid		(162,450)	(280,000)
		(162,450)	(280,000)
(Deficit)/Surplus for the year		(21,377)	109,263
Other comprehensive income		-	-
Total comprehensive income for the year		(21,377)	109,263
Total comprehensive income attributable to the Fund		(21,377)	109,263

The accompanying notes form part of these financial statements.

TELCO TOGETHER FUND
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	54,745	142,654
Accounts and other receivables	5	109,770	26,227
Other current assets	6	2,029	1,958
TOTAL CURRENT ASSETS		<u>166,544</u>	<u>170,839</u>
TOTAL ASSETS		<u>166,544</u>	<u>170,839</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts and other payables	7	34,365	31,618
Provisions	8	20,285	10,321
TOTAL CURRENT LIABILITIES		<u>54,650</u>	<u>41,939</u>
NON-CURRENT LIABILITIES			
Provisions	8	4,371	-
TOTAL NON-CURRENT LIABILITIES		<u>4,371</u>	<u>-</u>
TOTAL LIABILITIES		<u>59,021</u>	<u>41,939</u>
NET ASSETS		<u>107,523</u>	<u>128,900</u>
TRUST FUNDS			
Trust capital	9	100	100
Accumulated surplus	10	107,423	128,800
TOTAL TRUST FUNDS		<u>107,523</u>	<u>128,900</u>

The accompanying notes form part of these financial statements.

TELCO TOGETHER FUND
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Donors	436,698	673,277
Payments to suppliers and employees	(413,341)	(384,863)
Interest received	2,512	3,063
Distributions Paid	(162,450)	(280,000)
Receipts from Customers	48,671	91,722
Net cash provided by (used in) operating activities	14 <u>(87,910)</u>	<u>103,199</u>
Net increase (decrease) in cash held	(87,910)	103,199
Cash at beginning of financial year	142,654	39,455
Cash at end of financial year	4 <u>54,745</u>	<u>142,654</u>

The accompanying notes form part of these financial statements.

TELCO TOGETHER FUND
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STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2015

	Note Settled Sum \$	Accumulated Funds \$	Total \$
Balance at 30 June 2013	100	19,537	19,637
Surplus		109,263	109,263
Balance at 30 June 2014	100	128,800	128,900
Deficit		(21,377)	(21,377)
Balance at 30 June 2015	100	107,423	107,523

The accompanying notes form part of these financial statements.

TELCO TOGETHER FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1 Statement of Significant Accounting Policies

The financial statements cover Telco Together Fund as an individual entity. Telco Together Fund is a trust, established and domiciled in Australia.

Basis of Preparation

The Fund is not a reporting entity because in the opinion of the directors of the Trustee company there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Trustee's reporting requirements under the Trust deed and the Australian Charities and Not-for-profits Commission Act 2012.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial report has been prepared in accordance with the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Australian Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1054 'Australian Additional Disclosures', AASB 1031 'Materiality' and AASB 1048 'Interpretation of Standards'.

The Fund is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 28 September 2015 by the directors of the Trustee company.

The following significant accounting policies have been adopted in the preparation of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Fund commits itself to either purchase or sell the asset (i.e. trade date accounting adopted).

Impairment of Assets

At the end of each reporting period, the Fund assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Fund estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members of the Telco Together Foundation as well as accounts receivable from the Australian Taxation Office. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of receivables and other debtors are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Employee Benefits

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

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Provisions

Provisions are recognised when the Fund has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

TELCO TOGETHER FUND

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Account Payables and Other Payables

Account payables and other payables represent the liabilities at the end of the reporting period for goods and services received by the Fund that remain unpaid.

Account payables are recognised at their transaction price. Accounts payables are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

Adoption of New and Revised Accounting Standards

During the current period, the Fund has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Telco Together Fund.

AASB 1031 Materiality

Disclosure Impact

The revised AASB 1031 is an interim standard that cross references to other Standards and the 'Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations. Once all of these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the amounts recognised in the Trust's financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Income Tax

No provision for income tax has been raised as the Fund is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

Audit Services

Auditing services have been provided by Deloitte Touche Tohmatsu on a pro-bono basis.

The financial report was authorised for issue on 28 September 2015 by the directors of the trustee company.

TELCO TOGETHER FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
2 Revenue and Other Income		
Revenue		
Fundraising Income		
Fundraising Donations	176,406	283,373
Fundraising Revenue	<u>62,858</u>	<u>60,820</u>
	<u>239,264</u>	<u>344,193</u>
Donations		
Corporate Donations	242,382	351,850
Other Donations	<u>40,552</u>	<u>52,432</u>
	<u>282,934</u>	<u>404,282</u>
Other Revenue:		
Sponsorship Revenue	-	5,000
Parental Leave Reimbursement	11,539	-
Interest Received	<u>2,513</u>	<u>3,064</u>
	<u>14,052</u>	<u>8,064</u>
Total Revenue	<u>536,250</u>	<u>756,539</u>
Other Income		
Kilimanjaro Trip	<u>39,132</u>	<u>91,722</u>
Total Other Income	<u>39,132</u>	<u>91,722</u>

3 Surplus for the year

Surplus from continuing operations includes the following specific expenses:

Expenses

Employee benefits expense:

contributions to superannuation funds	21,913	19,408
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
4 Cash and Cash Equivalents		
Cash in Hand	100	100
Cash at Bank	54,645	142,554
	<u>54,745</u>	<u>142,654</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	54,745	142,654
	<u>54,745</u>	<u>142,554</u>
5 Account Receivables and Other Debtors		
Current		
Trade Debtors	107,600	22,100
GST	2,170	4,127
	<u>109,770</u>	<u>26,227</u>
6 Other Non-Financial Assets		
Current		
Prepayments	2,029	1,958
	<u>2,029</u>	<u>1,958</u>
7 Account Payables and Other Payables		
Current		
Accounts Payable	9,446	3,192
Kilimanjaro Trip - Deposit	-	2,000
Other Creditors	16,876	22,140
Accrued Expenses	8,043	4,286
	<u>34,365</u>	<u>31,618</u>

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NOTES TO THE FINANCIAL STATEMENTS
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	2015 \$	2014 \$
8 Provisions		
Provision for Annual Leave	20,285	10,321
Provision for Long Service Leave	4,371	-
Total provisions	<u>24,656</u>	<u>10,321</u>
Analysis of Total Provisions		
Current	20,285	10,321
Non-current	4,371	-
	<u>24,656</u>	<u>10,321</u>
9 Trust Capital		
Settlement Sum	100	100
	<u>100</u>	<u>100</u>
10 Accumulated Surplus		
General Funds at the beginning of the financial year	128,800	19,537
(Deficit) Surplus	(21,377)	109,263
General Funds at the end of the financial year	<u>107,423</u>	<u>128,800</u>
11 Net Assets Attributable		
	General Funds	Total
	\$	\$
Balance at 30 June 2013	19,537	19,537
Surplus	109,263	109,263
Balance at 30 June 2014	<u>128,800</u>	<u>128,800</u>
Deficit	(21,377)	(21,377)
Balance at 30 June 2015	<u>107,423</u>	<u>107,423</u>
12 Events After the Reporting Period		

The Trustee is not aware of any significant events since the end of the reporting period.

TELCO TOGETHER FUND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
13 Related Party Transactions		
Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.		
14 Cash Flow Information		
Reconciliation of Cash Flow from Operations with (Deficit)/Surplus for the year		
(Deficit)/Surplus for the year	(21,377)	109,263
Changes in assets and liabilities		
(Increase)/Decrease in Receivables and Other Assets	(83,615)	(5,968)
Increase/(Decrease) in Payables	2,747	(4,904)
Increase/(Decrease) in Provisions	14,335	4,808
Net cash (used in)/provided by operating activities	(87,910)	103,199

15 Financial Risk Management

The Fund's financial instruments consist mainly of deposits with banks.

Financial Risk Management Policies

The Trustee's overall risk management strategy seeks to assist the Fund in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Trustee on a regular basis. These include the credit risk policies and future cash flow requirements.

The Fund does not have any derivative instruments at 30 June 2015.

16 Fund Details

The registered office and principal place of business of the Fund is Level 10 452 Flinders Street Melbourne Vic 3000 and its principal activities are philanthropic activities in accordance with the Trust deed.

TELCO TOGETHER FUND

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DIRECTORS' DECLARATION

As detailed in Note 1 the financial statements, the Fund is not a reporting entity because in the opinion of the directors of the Trustee company there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Trustee's reporting requirements under the Trust deed and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012.

The directors of the Trustee company declare that:

- 1 The financial statements and notes of the Fund:
 - (i) gives a true and fair view of the Fund's financial position as at 30 June 2015 and its performance for the year ended on that date; and
 - (ii) comply with Accounting Standards to the extent described in Note 1 to the financial statements; and
- 2 In the directors' opinion there are reasonable grounds to believe that the Fund 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 of the Trustee company.

Trustee:

Director:


Mr Philip John Cornish

Director:


Mr David John Shewring

Dated this 28 day of September 2015