

**TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018**

**TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2018**

CONTENTS

Directors' Report	1
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	12
Auditors' Report	13

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

DIRECTORS' REPORT

Your directors present their report on the Company for the financial year ended 30 June 2018.

Directors

The names of the directors in office at any time during, or since the end of the last financial year are:

Mr Vaughan Garfield Bowen
Ms Zaklina Jackie Solakovski
Mr David John Shewring
Mr Philip John Cornish
Mr Michael Stanley appointed 8 August 2017
Ms Renee Bowker appointed 7 March 2018

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

Principal Activities

The Company was incorporated on 2 December 2011 with the purpose of acting as trustee of the Telco Together Fund. The Company has acted as trustee of the Telco Together Fund from formation of the trust on 13 December 2011.

No significant change in the nature of these activities occurred during the year.

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 Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company 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 Company.

Environmental Regulation

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

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

DIRECTORS' REPORT

Information on Directors

Vaughan Garfield Bowen

Qualifications BComm, MAICD
Experience Executive Director of M2 Telecommunications
 Founding Benefactor of Telco Together Foundation

Zaklina Jackie Solakovski

Qualifications BComm, LLB, GradDip App Corp Gov
Experience Partner at Lander & Rogers
 Member of Law Institute of Victoria

David John Shewring

Qualifications BSc (Hons)
Experience Partner at Ernst & Young
 Member of Chartered Accountants Australia New Zealand (CAANZ)
 Member of Institute of Chartered Accountants (England & Wales)
 Registered Company Auditor

Philip John Cornish

Qualifications BVetSci
Experience Director of NGV Foundation
 Governor of Florey Neurosciences

Michael Stanley

Qualifications BSocWk, GradDipMgt
Experience Director Vodafone Hutchison Australia Foundation
 Former Executive HR Director with Vodafone in Australia, UK and NZ

Renee Bowker

Qualifications BComm
Experience Founding CEO of Telco Together Foundation

Meetings of Directors

During the financial year, meetings of directors (including committees of directors) were held. Attendances by each director during the year were:

	Number Eligible to Attend	Number Attended
Vaughan Garfield Bowen	4	4
Zaklina Jackie Solakovski	4	4
David John Shewring	4	4
Philip John Cornish	4	3
Michael Stanley	4	3
Renee Bowker	3	2

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

DIRECTORS' REPORT

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 Company, 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 Company.

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 Company

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

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

Members' Contribution

The Company 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 \$10 each towards meeting any outstanding obligations of the Company. At 30 June 2018, the total amount that members of the Company are liable to contribute if the Company is wound up is \$170.

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

Director:



Mr Vaughan Garfield Bowen

Director:



Mr David John Shewring

Dated this 26th day of SEPTEMBER 2018

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Surplus for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-
Total comprehensive income attributable to members of the entity		-	-

The accompanying notes form part of these financial statements.

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
TOTAL ASSETS		-	-
LIABILITIES			
TOTAL LIABILITIES		-	-
NET ASSETS (LIABILITIES)		-	-
FUNDS			
TOTAL FUNDS		-	-

The accompanying notes form part of these financial statements.

TELCO TOGETHER FOUNDATION
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Note	General Funds \$	Total \$
Balance at 30 June 2016		-	-
Balance at 30 June 2017		-	-
Balance at 30 June 2018		-	-

The accompanying notes form part of these financial statements.

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Cash at beginning of financial period	<u>-</u>	<u>-</u>
Cash at end of financial period	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1 Statement of Significant Accounting Policies

The financial statements cover Telco Together Foundation as an individual entity. Telco Together Foundation is a company limited by guarantee, incorporated and domiciled in Australia.

The Company acts as trustee of Telco Together Fund (the "Trust") and the accounting policies reflect the fiduciary nature of the Company's responsibility for the assets and liabilities of the Trust.

Basis of Preparation

The Company is not a reporting entity because in the opinion of the directors 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 directors' reporting requirements.

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' and AASB 1048 'Interpretation of Standards'.

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

The financial statements were authorised for issue on 26 September 2018 by the directors of the Company.

Audit Services

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

Income Tax

The company is exempt from paying income tax and consequently has not charged any income tax expense.

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

2 Trust Liabilities and Right of Indemnity

The Company acts solely as trustee of Telco Together Fund and liabilities have been incurred on behalf of that trust in the Company's capacity as corporate trustee.

Liabilities incurred on behalf of the trust are not recognised in the financial statements if it is not probable that the Company will have to meet any of those trust liabilities from its own resources. If the Company becomes obligated to meet trust liabilities, the trustee has a right to be indemnified from trust assets. If it is probable that there will be a deficiency in trust assets, a liability is recognised by the Company to the extent of that deficiency. Details of the trust liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity are disclosed by way of note to the financial statements.

Liabilities of the Telco Together Fund not recorded in the financial statements of the Company were:

Current Liabilities

Trade and other payables	36,371	30,964
Provisions	25,203	26,543
Total Current Liabilities	61,574	57,507

Non-Current Liabilities

Provisions	12,989	11,464
Total Non-Current Liabilities	12,989	11,464

Total Liabilities

	74,563	68,971
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Rights of indemnity for liabilities incurred by the Company on behalf of the following trust and not recognised in the financial statements of the Company were:

Telco Together Fund	74,563	68,971
	74,563	68,971

The assets of the Trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Company acting in its own right.

The assets of the Trust were sufficient to discharge all liabilities of the Trust at 30 June 2018.

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$

3 Financial Risk Management

The company is exposed to a variety of financial risks through its use of financial instruments.

The company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The company does not have any derivative instruments at 30 June 2018.

Objectives, Policies and Processes

The board of directors receives overall responsibility for the establishment of the company's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The day-to-day risk management is carried out by the company's finance function under policies and objectives which have been approved by the board of directors. The chief executive officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and assessment of market forecasts for interest rate movements.

The board of directors receives quarterly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below.

The company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

2018
\$

2017
\$

4 Statutory Information

The registered office of the company is:

Telco Together Foundation

Level 10 452 Flinders Street
Melbourne VIC 3000

The principal place of business is:

Level 10 452 Flinders Street
Melbourne VIC 3000

TELCO TOGETHER FOUNDATION
A.C.N. 154 589 447

DIRECTORS' DECLARATION

As detailed in Note 1 to the financial statements, the Company is not a reporting entity because in the opinion of the directors 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 directors' reporting requirements.

The directors of the Company declare that:

1. The financial statements and notes of the Company:
 - (i) presents fairly, in all material respects, the financial position of the Foundation as at 30 June 2018 and its financial performance for the year then ended; and
 - (ii) comply with Australian Accounting Standards, to the extent described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:



Mr Vaughan Garfield Bowen

Director:



Mr David John Shewring

Dated this

26th day of SEPTEMBER 2018

Independent Auditor's Report to the Members of Telco Together Foundation

Opinion

We have audited the financial report being a special purpose financial report, of Telco Together Foundation (the "Entity") which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the director's declaration as set out on pages 4 to 12.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Entity's financial position as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with the Australian Auditing Standards and the accounting policies described in note 1.

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

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

Responsibilities of Management and the Directors for the Financial Report

Management of the Entity is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation and accounting policies described in Note 1 to the financial report is appropriate to meet the requirements of Australian Auditing Standards and is appropriate to meet the needs of the members. Management's responsibility also includes such internal control as management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

We communicate with 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



Ryan Hansen
Partner
Chartered Accountants
Melbourne, 26 September 2018