Australian Business Volunteers Limited
As Trustee For the AESOP Foundation

Annual Financial Report

For the Year Ended

30 June 2021

Australian Business Volunteers Limited
As Trustee for the AESOP Foundation
Financial Statement Index

Australian Business Volunteers Limited
As Trustee for the AESOP Foundation
ABN: 89 008 612 431
Statement of Comprehensive Income
For the Financial Year Ended 30 June 2021

	Note	**2021**		**2020**	
Revenue					
Contributions					
Service fees		911,106		935,418	
			911,106		**935,418**
Other Income					
Investment income (interest received)		1,039		1,030	
Other income		(590)		47,541	
Revenue from government		67,426		62,877	
Unrealised (loss) gain on foreign exchange		(908)		2,065	
			66,967		**113,513**
Total Revenue			**978,073**		**1,048,931**
Expenditure					
Program support costs		174,075		320,649	
Administrative expenses		143,870		274,299	
Employees expenses		679,315		533,168	
Total Expenditures			**997,260**		**1,128,116**
Net Profit			**(19,187)**		**(79,185)**
Other Comprehensive (Loss)/ Income			-		-

Australian Business Volunteers Limited
As Trustee for the AESOP Foundation
ABN: 89 008 612 431
Statement of Financial Position
As At 30 June 2021

	Note	2021		2020	
Assets					
Current Assets					
Cash & Cash Equivalents	3	239,197		50,712	
Trade & Other Receivables	4	49,622		3,277	
Other Assets	5	7,600		-	
Total Current Assets			***296,429***		***53,989***
Non-Current Assets					
Property, plant and equipment	6	14,324		3,815	
Right of Use Asset	7	107,620		-	
Total Non-Current Assets			***121,944***		***3,815***
Total Assets			**418,363**		**57,804**
Liabilities					
Current Liabilities					
Trade & Other Payables	8	300,158		76,767	
Right of Use Liability - Current	9	56,449		-	
Unearned revenue	10	58,650		23,200	
Provisions	11	34,753		21,466	
Total Current Liabilities			**450,010**		**121,433**
Non-current Liabilities					
Right of Use Liability - Non-Current		51,171		-	
Total Non- Current Liabilities			***51,171***		-
Total Liabilities			**501,181**		**121,433**
NET ASSETS			**(82,818)**		**(63,629)**
Represented by:					
Retained Earnings & Capital			**(82,818)**		**(63,629)**

Australian Business Volunteers Limited
As Trustee for the AESOP Foundation
ABN: 89 008 612 431
Statement of Changes in Equity
For The Year Ended 30 June 2021

	Retained Earnings	Settlement Capital	Total
Balance as at 01/07/2019	15,546	10	15,556
Net surplus / (deficit) for the year	(79,187)		(79,187)
Other comprehensive income for the year	-		-
Total comprehensive income for the year	(79,187)		(79,187)
Balance as at 30/06/2020	**(63,641)**	**10**	**(63,631)**
Net surplus / (deficit) for the year	(19,187)		(19,187)
Other comprehensive income for the year	-		-
Total comprehensive income for the year	(19,187)		(19,187)
Balance as at 30/06/2021	**(82,828)**	**10**	**(82,818)**

Australian Business Volunteers Limited
As Trustee for the AESOP Foundation
ABN: 89 008 612 431
Statement of Cash Flows
For The Year Ended 30 June 2021

	2021		2020	
Cash Flow from Operating Activities				
Cash receipts	966,138		1,114,524	
Cash paid to suppliers and employees	(758,982)		(1,185,279)	
Cash generated from or (used in) operations		*207,156*		*(70,755)*
Interest received		1,039		1,030
Net Cash Flow Provided by (Used in) Operating Activities		***208,195***		***(69,725)***
Cash Flow from Investing Activities				
Purchase of property, plant and equipment	(14,760)			-
Deposit Paid	(4,950)			-
Net Cash Flow Provided by (Used in) Investing Activities		***(19,710)***		-
Cash Flow from Financing Activities				
Other loan receipts or (payments)	-		-	
Net Cash Flow Provided by (Used in) Financing Activities		-		-
Net Increase (Decrease) in Cash & Cash Equivalents		**188,485**		**(69,725)**
Cash & Cash Equivalents Balance as at 01 July		50,712		120,437
Cash & Cash Equivalents Balance as at 30 June		**239,197**		**50,712**

Note 1: Summary of significant accounting policies

a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the Australian Charities and Not for-profits Commission Act 2012 and the ACFID Code of Conduct reporting requirements.

The financial report covers Australian Business Volunteers Limited as Trustee for the AESOP Foundation (the Foundation). The Foundation was established by a declaration of trust dated 14 February 1985. Australian Business Volunteers Limited (the Trustee Company) is incorporated under the Corporations Act 2001 and is a Company limited by guarantee.

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 otherwise stated.

New and amended standards and interpretations

The following new and revised accounting standards are applicable to the Foundation and reviewed accordingly.

i) AASB 16 Leases;

The Foundation has adopted AASB 16 Leases for the first time this financial year, recognising both the right of use asset and the right of liability that has resulted from a premises lease of its new office at Suite 4, Level 1, 17 Castlereagh Street, Sydney, NSW 2000.

ii) AASB 17 Insurance Contracts

Effective from 01 January 2023, AASB 17 requires all insurance contracts to be accounted for in a consistent manner and requires insurance obligations to be accounted for using current values. The standard introduces insurance contract measurement principles requiring:

- Current, explicit and unbiased estimates of future cash flows;
- Discount rates that reflect the characteristics of the contracts' cash flows
- Explicit adjustment for non-financial risk.

Impact:

When this standard is applied, there will be no material impact on the transactions and balances of the Foundation recognised in the financial statements.

iii) AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

Starting from 01 July 2021, AASB 1060 sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053 Application of Tiers of Australian Accounting Standards.

The Standard has been developed based on a new methodology and principles to be used in determining the Tier 2 disclosures that are necessary for meeting user needs, to replace the current Reduced Disclosure Requirements (RDR) framework.

This Standard does not change:

- Which entities are permitted to apply Tier 2 reporting requirements; and
- The recognition and measurement requirements of Tier 2, which are the same as for Tier 1.

Entities that comply with this Standard must apply the recognition and measurement requirements in other Standards, but are exempt from the disclosure requirements in those other Standards.

Impact:

It is reviewed that when these amendments are first adopted for the year ending 30 June 2022, there will be no material impact on the financial statements of the Foundation.

iv) AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as current or Non-current

Effective from 01 January 2022, AASB 2020-1 makes amendments to AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or noncurrent.

A liability is classified as current if the entity has no right at the end of the reporting period to defer settlement for the liability for at least 12 months after the reporting period. The AASB recently issued amendments at AASB 101 to clarify the requirements for classifying liabilities as current. Specifically:

- Clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period;
- Stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability;
- Adding guidance about lending conditions and how these can impact classification; and

- Including requirements for liabilities that can be settled using an entity's own instruments.

Impact:

It is reviewed and assessed that when these amendments are first adopted for the year ending 30 June 2023, there will be no material impact on the financial statements of the Foundation.

v) AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities – March 2021

Effective from 01 July 2021, this Standard amends AASB 1060 to provide not-for-profit entities with optional relief from presenting comparative information in the notes to the financial statements where the entity did not disclose the comparable information in its most recent previous general purpose financial statements. This relief is available for not-for-profit entities transitioning from either Tier 1: Australian Accounting Standards or Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements to Tier 2: Australian Accounting Standards – Simplified Disclosures for a reporting period prior to the entity's mandatory application of AASB 1060.

Impact:

It is determined that when these amendments are first adopted for the year ending 30 June 2022, there will be no material impact on the financial statements.

vi) AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-2 amends the following Australian Accounting Standards effective from 01 January 2023:

- AASB 7 Financial Instruments: Disclosures (August 2015);
- AASB 101 Presentation of Financial Statements (July 2015);
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors (August 2015); and
- AASB 134 Interim Financial Reporting (August 2015).

The Standard also makes amendments to AASB Practice Statement 2 Making Materiality Judgements (December 2017). These amendments arise from the issuance by the International Accounting Standards Board (IASB) in February 2021 of the following International Financial Reporting Standards:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2); and
- Definition of Accounting Estimates (Amendments to IAS 8).

Impact:

It is determined that when these amendments are first adopted for the year ending 30 June 2024, there will be no material impact on the financial statements of the Foundation.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

b) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When an accounting policy is applied retrospectively, a retrospective restatement is made or items are reclassified in the financial statements, a statement of financial position as at the beginning of the earliest comparative period will be presented.

c) Property, Plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and Impairment losses.

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Property, plant and equipment that have been contributed at no cost or for nominal cost are valued and recognized at the fair value of the asset at the date it is acquired.

d) Depreciation

The depreciable amount of all fixed assets except leasehold improvements are depreciated on a straight-line basis over the asset's useful life to the Foundation commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	*Depreciation Rate*
Furniture, fixtures and fittings	33%
Office Equipment	33%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The carrying amount of property, plant and equipment is reviewed annually by management to ensure it is not In excess of the recoverable amount from these assets.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

e) Financial Instrument

Recognition and de-recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. Subsequent to initial recognition these instruments are measured as set out below.

A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transactions costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at fair value through profit or loss (FVTPL);
- Financial assets at amortized cost;
- Debt Instruments at fair value through other comprehensive income (FVTOCI); and
- Equity Instruments at FVTOCI

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income and finance expenses, except for impairment of trade receivables which is presented within other expenses.

Impairment of financial assets

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

e) Impairment

At each reporting date, the Trustee Company's directors review the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. As a not-for-profit entity, value in use, according to AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is expended to the statement of comprehensive income.

f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value.

g) Employee benefits

Short-term employee benefits

Provision is made for the Foundation's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Foundation's obligations for short-term employee benefits such as wages, salaries and sick leave are recognized as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Foundation classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Foundation's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligations is recognized in profit or loss classified under employee benefits expense.

The Foundation's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Foundation does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the Foundation receive defined contribution superannuation entitlements, for which the Foundation pays the fixed superannuation guarantee contribution (9.5% of the employee's average ordinary salary in 2021) to the employee's superannuation fund of choice. All contributions in respect of employee's defined contributions entitlements are recognized as an expense when they become payable. The Foundation's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. AU obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Foundation's statement of financial position.

h) Provisions

Provisions are recognized when the Foundation 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 are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of comprehensive income.

i) Trade and other 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 reporting period which remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k) Revenue and other income

The Foundation recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Foundation and specific criteria have been met for each of the Foundation's activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognized and the amount ultimately received is interest revenue.

l) Grant revenue

Grant revenue is recognized in the statement of comprehensive income when the Foundation obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Foundation and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Foundation incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognized in the statement of financial position as a liability (unearned revenue) until the service has been delivered to the contributor, otherwise the grant is recognized as income on receipt.

m) Monetary Donations

Donations and bequests are recognized as revenue when received.

n) Non-monetary donations

The Foundation receives non-monetary donations from host organizations throughout the year. These donations are valued based on their nature and value in the marketplace and are recorded as non-monetary donation revenue and expenditure.

p) Interest revenue

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).

q) Trade and other receivables

Trade and other receivables include amounts from members as well as amounts receivable from funding organizations. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

r) Goods and services tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognized as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows 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.

s) Income tax

The Trustee Company is exempt from income tax under division 50-8 of the Income Tax Assessment Act 1997 and the Foundation has deductible gift recipient status under Subdivision 30-BA of the Income Tax Assessment Act 1997.

t) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognized in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

u) Critical accounting estimates and judgments

The Trustee Company's directors evaluate estimates and judgements 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 trust.

Key estimates:

The Trustee Company's directors assess impairment at each reporting date by evaluating conditions specific to the Foundation that may lead to impairment of assets. Should an impairment exist, the determination of the recoverable amount of the asset may require incorporation of a number of key estimates. No impairment indicators were present at 30 June 2021.

Liability for long service leave

The liability for long service leave has been estimated using present value techniques. This takes into account expected salary increases, attrition and future discount rates.

Note 2: Net results from ordinary activities

	2021	2020
Net result has been determined after:		
(a) **Expenses**		
Depreciation	4,251	3,459
Rent expense on operating lease	(546)	49,006
(b) **Auditors' remuneration**		
Auditing the financial report	-	-
Other services	414	1,711

Note 3: Cash and cash equivalents

	2021	2020
Cash on hand	-	-
Cash at bank – PNG Kina	1,566	1,572
Deposits at call (encumbered)	19,800	9,048
Cash at bank	217,831	40,092
	239,197	**50,712**

Note 4: Trade and other receivables

	2021	2020
Trade receivables	49,500	3,150
Receivable – Australian Business Volunteers Ltd	122	127
	49,622	**3,277**

Note 5: Other assets

	2021	2020
Prepayments	2,650	-
Deposit - Castlereagh Street	4,950	-
	7,600	-

Note 6: Property, plant, equipment

	2021	2020
Furniture, fixtures and fittings at cost	4,082	4,082
Accumulated depreciation	(4,082)	(4,082)
	-	-
IT Systems	2,155	2,155
Accumulated depreciation	(2,155)	(2,155)
	-	-
Office Equipment - at cost	129,243	114,483
Accumulated depreciation	(114,919)	(110,668)
Total Property, Plant and Equipment	**14,324**	**3,815**

Movement in carrying amounts

	2021	2020
Opening balance of office equipment at cost	3,815	7,274
Additions	14,760	-
Depreciations	(4,251)	(3,459)
	14,324	**3,815**

Note 7: Right of Use Liability - Current

	2021	2020
Right of Use Asset	**107,620**	-

Note 8: Trade and other payables

	2021	2020
Current		
Unsecured liabilities		
Trade and other payables	13,082	16,968
Credit Card Payables	7,524	690
Accrued expenses	3,560	5,650
Current tax liability (overseas)	(4,059)	(4,059)
GST	67,051	(10,179)
Payable - ABV Ltd (unearned revenue)	213,000	65,771
Other employee benefits payable	-	1,926
	300,158	76,767

Note 9: - Right of Use Liability

	2021	2020
Current		
Right of Use Liability - Current	56,449	-
Non-Current		
Right of Use Liability - Non-Current	51,171	-

Note 10: Unearned revenue

	2021	2020
Income in advance	58,650	23,200

Note 11: Provisions

	2021	2020
Current		
Annual leave	34,753	21,466
Long service leave (vested)	-	-
	34,753	21,466
Non-current		
Long service leave (non-vested)	-	-

Note 12: Leasing commitments

Operating lease contracted for but not capitalized in the financial statements payable - minimum lease payments:

	2021	2020
No later than one year	59,400	-
Later than one year but less than 5 years	56,356	-
	115,756	-

These amounts are inclusive of GST

Note 13: Cash flow information

(a) *Reconciliation of net cash relating to operating activities to operating result*

	2021	2020
Operating deficit	(19,187)	(79,185)
Non-cash flows in operating result		
Depreciation	4,251	3,459
Changes in assets and liabilities		
Trade and other receivables	(46,346)	28,347
Other current assets	(2,650)	11,506
Trade and other payable	223,390	37,837
Unearned revenue	35,450	(15,323)
Provisions	13,287	(56,366)
Net cash relating to operating activities	**208,195**	**(69,725)**

(b) *Non-cash transactions*

There were no transactions involving non-cash consideration during the financial year.

Note 14: Key management personnel

The Foundation has only one Key Management Personnel, CEO Liz Mackinlay

	2021	2020
Total remunerations has been:	227,802	168,672

Note 15: Related Party Transactions

Receivable from Australian Business Volunteer Limited as at 30 June 2021 is $122

There are no other related parties transactions. Transactions with directors relate to reimbursement of travel costs and accommodation and are on normal terms and conditions no more favorable than those available to other parties.

Note 16: Subsequent Events

There have been no subsequent events that impact the financial statements at 30 June 2021.

Note 17: Economic Dependency

At 30 June 2021 the Foundation is not economically dependent on any one partner.

Note 18: Foundation Details

The registered office of and principal place of business of the Company is: Suite 4, Level 1, 17 Castlereagh Street, Sydney, NSW 2000.

Note 19: Going Concern

The financial operations of the Foundation during the year resulted with a deficit of $19,187; resulting in a net liability position of $82,814 at year end.

Given the success of the Foundation to secure new contracts and project engagements, the board has assessed the financial position of the Foundation to be healthy and viable to enable its continuity for the foreseeable future. As a result, the financial reports are prepared under the assumption of the going concern principle.

Note 20: Financial Risk Management

(a) Financial Risk Management Policies

The Foundation's principal financial Instruments comprise cash at bank, receivables, and trade payables. These financial instruments arise from operations of the foundation.

The Foundation does not have any derivative instruments at 30 June 2021. It is, and has been throughout the period under review, the Foundation's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Foundation's financial instruments are interest rate risk, liquidity risk, credit risk and foreign exchange risk. The policies for managing each of these risks are summarized below.

Interest Rate Risk

The Foundation's exposure to market risk for changes in interest rates relates primarily to the Foundation's holdings of cash and cash equivalents. The Foundation's policy is to manage its interest income through regularly reviewing the interest rate being received on cash and cash equivalents and comparing this return to the market.

Credit Risk

The Foundation does not provide credit. With respect to credit risk arising from the other financial assets of the Foundation, which comprise cash and cash equivalents, the Foundation's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these assets.

The Foundation does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Foundation. The Foundation manages credit risk by maintaining cash deposits with established financial institutions.

Liquidity Risk

The Foundation has no external funding or facilities in place. The Foundation manages its cash balance to ensure that it has sufficient cash and cash equivalent holdings to meet all short, medium and long term requirements.

Foreign Exchange Risk

Exposure to foreign exchange risk may result in the fair value of future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Foundation holds financial instruments which are other than the AUD functional currency of the Foundation.

The Foundation also receives foreign currency through a bank account held by the Trustee, ABV Limited, holding PNG Kina, valued at AUD 1,572 as at balance date all of which was held on behalf of the Foundation.

(b) Net Fair Values

The net fair value of financial assets and liabilities approximates the values shown in the statement of financial position and notes thereto.

Note 21: Contingent Liabilities

There are no contingent liabilities the Foundation is liable to as at 30 June 2021.

Cash not available for use:

- A total of $19,800 security deposit is held in relation with a premise lease.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Australian Business Volunteers Limited, The Trustee Company for the AESOP Foundation, the Directors declare that:

1) The financial statements and notes present fairly the Foundation's financial position as at 30 June 2021 and its performance for the year ended on that date in accordance with Australian Accounting Standards and the requirements of the Australian Charities and Not-for-Profits Commission Act 2012; and

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.

For and behalf of the Board of Australian Business Volunteers Limited,

	John Edwards John Edwards (Oct 29, 2021 10:24 GMT+11)
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Director MARK EPPER	Director John Edwards
Date: 28 October 2021	Date: Oct 29, 2021