

Indigenous Literacy Foundation Ltd

ABN: 45 146 631 843

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

INDIGENOUS LITERACY FOUNDATION LTD
ABN: 45 146 631 843

Index to the Financial Report

Directors' Report	1
Auditor's Independence Declaration	3
Statement of 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	15
Independent Auditor's Report	16

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

Directors' Report for the Year End 31 December 2018

The directors present their report, together with the financial statements on the company for the year ended 31 December 2018.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Patricia Genat	
Fraser Cargill	(Resigned 31/12/18)
Sharon Galleguillos	(Resigned 31/12/18)
James Kellow	
Anna Low	
Glen Miller	
Mark Rubbo	
Leitha Assan	(Appointed 11/12/17)
Louise Sherwin-Stark	(Appointed 03/07/18)

Objectives

Our vision is Equity of Opportunity for all Aboriginal and Torres Strait Islander children living in remote and isolated regions in Australia.

We deliver this through 3 core literacy based education programs. These programs provide essential resources for children and community to learn to read, build a culture of literacy, develop writing and reading skills and help to preserve language and culture.

In addition to our literacy based programs, ILF plays an important advocacy role, raising awareness in the broader Australian community.

Strategy for achieving the objectives

The Indigenous Literacy Foundation conducts three core programs in remote Indigenous communities around Australia.

- *Book Buzz* is an early literacy based program that aims to build preliteracy skills in babies, toddlers and preschool children. Working in partnership with playgroups and healthcare centres, it provides books and resources, with a focus on home language.
- *Book Supply* provides culturally appropriate, new books and literacy resources to schools, libraries, crèches, women's groups and services organisations, in more than 250 remote communities across Australia.
- *Community Literacy Projects* are book-based projects that the Foundation conducts and/or funds in and for remote communities. The Foundation works in partnership with communities to publish books in their first language as well as with publishers, ambassadors, authors and illustrators who help run workshops and build skills. It also brings students from remote communities to capital cities to run book-based workshops such as the Create Initiative with Tiwi College.

Principle activities

During the financial year the principle continuing activities of the company were to supply books and literacy resources; to provide early literacy Book Buzz resources and to fund and support community literacy projects in remote and isolated Aboriginal and Torres Strait Island communities across Australia.

The fundraising activities of the company have been critical in providing much needed revenue to run all three programs.

Performance measures

The company measures its performance against its strategic aims set for the year. These include: annual fundraising targets or revenue; and core program goals such as the numbers of books delivered to communities; number of communities reached; number of book projects published.

Information on directors

Patricia Genat (Chair)

Patricia is owner and Director of ALS Library Services and sits on the Management Committee of the Australian Booksellers Association. Patricia has 15 years management experience within the Australian and New Zealand book industry including publishing, distribution, online services and printing.

Fraser Cargill

Fraser is a graduate from the Australian Institute of Company Directors and works as a Senior Consultant with EduWorld; an education market research and strategic consulting business. Prior to that, Fraser performed in several senior executive roles for Pearson. He was a member of Pearson's Asia Pacific Board from 2010- 2013 involved in overseeing all aspects of this \$500 million plus business.

Anna Low

Anna Low has been a book seller for more than 20 years. Since 2007, she has been the owner of the Potts Point Bookshop in Sydney which won the 2016 Bookseller of the Year Award. Anna has contributed in many ways to the book industry. These include the Australian Publishing Association Design Awards, the Australian Booksellers Association Kids Reading Guide, and most notably, sat as a judge on the Miles Franklin Award from 2012 to 2014.

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

Directors' Report for the Year End 31 December 2018 (Continued)

Sharon Galleguillos

Sharon is Lecturer and Course Convenor of Indigenous Education at the University of Sydney. She has served on the Fred Hollows Foundation and PETA Boards and served on the Advisory Committee of the Books in Homes Australia Program

Mark Rubbo

Mark Rubbo, Managing Director of Readings, is a past president of the Australian Booksellers Association and was founding chair of the Melbourne Writers Festival. He also established the Readings Foundation, which contributes to literacy and cultural projects; and instigated two writing prizes for new writing and children writing.

James Kellow

James became CEO of HarperCollins Australia and New Zealand in 2012 having worked in a number of senior sales and marketing positions with Reed International Books, Penguin, Simon & Schuster and Fourth Estate. James is a member of the Board of Directors for the Australian Publishers Association and convenor of the Trade Publishers Committee.

Glen Miller

Glen Miller is a descendant of the Butchella people of the Fraser coast, which includes Maryborough-Hervey Bay and the Fraser Island region. For over 20 years, Glen had a diverse career working to help preserve Aboriginal culture, plus working across education, local government and in tourism. He brings a unique set of management skills and knowledge to the Board. He is an active member of many Aboriginal organisations. He also founded and is President of Butchella Men's Business Aboriginal Association Inc.

Louise Sherwin-Stark

Louise Sherwin-Stark is currently CEO of Hachette Australia & New Zealand and is passionate about promoting the benefits of reading to all Australians. She held a variety of sales and marketing roles in the UK before returning home to take up senior roles at Hachette, Bloomsbury and Google, in a publishing career spanning 25 years.

Leitha Assan

Leitha Assan is a Badhu ipikaz (woman) from the Torres Strait who is passionate about maintaining Indigenous culture and art. Her experience involves working with communities within delivering cultural maintenance programs and projects that sustain, maintains and develops culture, language, art and heritage as well as supporting economic initiative through them. She is most passionate about supporting language preservation and education systems in her communities and was a key member of the Torres Strait Traditional Languages Advisory Committee that had been instrumental in the development of the Torres Strait Languages Plan and Charter.

Meetings of directors

The number of meetings of the company's Board of Directors and of each board committee held during the year ended 31 December 2018, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Patricia Genat	4	5
Fraser Cargill (Resigned 31/12/18)	4	5
Sharon Galleguillos (Resigned 31/12/18)	5	5
James Kellow	5	5
Anna Low	5	5
Glen Miller	5	5
Mark Rubbo	4	5
Leitha Assan (Appointed 11/12/2017)	3	5
Louise Sherwin-Stark (Appointed 3/7/2018)	3	3

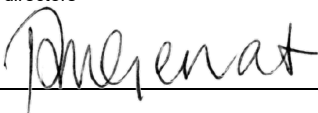
Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001 and the Charitable Fundraising Act 1991.

On behalf of the directors



Patricia Genat
Chair

Signed this 30th day of April 2019, in Sydney.

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
INDIGENOUS LITERACY FOUNDATION LTD**

We hereby declare, that to the best of our knowledge and belief, during the financial year ended 31 December 2018 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Auditor:

_____Justin Woods

Address:

Level 5, 179 Elizabeth Street, SYDNEY

Dated this

day of

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 \$	2017 \$
CONTINUING OPERATIONS			
Book Sales		55,727	39,530
Donations	3	2,226,810	1,869,684
Fundraisers		57,682	81,004
Grant Revenue	4	196,000	41,500
Interest Received		20,263	18,706
Other Income	5	48,520	39,024
		2,605,003	2,089,448
Administration and Operating Costs		495,210	379,487
Fundraising Costs		273,396	203,702
Project Costs	7	1,769,884	1,211,137
		2,538,490	1,794,326
SURPLUS/(DEFICIT) FROM OPERATIONS		66,513	295,122
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		66,513	295,122

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Notes	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	8	1,432,740	1,243,969
Trade Receivables and Other Receivables	9	131,433	170,895
Inventory	19	637,686	620,309
Prepayments		4,315	4,059
TOTAL CURRENT ASSETS		2,206,173	2,039,231
NON CURRENT ASSETS			
Plant & Equipment	10	45,075	14,959
TOTAL NON CURRENT ASSETS		45,075	14,959
TOTAL ASSETS		2,251,249	2,054,190
CURRENT LIABILITIES			
Trade Payables and Other Payables	11	224,296	123,842
Employee Entitlements	18	70,122	27,671
TOTAL CURRENT LIABILITIES		294,417	151,513
NON-CURRENT LIABILITIES			
Long service leave entitlements	20	10,638	22,997
TOTAL NON-CURRENT LIABILITIES		10,638	22,997
TOTAL LIABILITIES		305,056	174,510
NET ASSETS		1,946,193	1,879,680
EQUITY			
Retained earnings	13	1,946,193	1,879,680

INDIGENOUS LITERACY FOUNDATION LTD
ABN: 45 146 631 843

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Retained Earnings \$	Total Equity \$
Balance at 1 January 2017	1,584,558	1,584,558
Total comprehensive income for the year	295,122	295,122
Balance at 31 December 2017	1,879,680	1,879,680
Total comprehensive income for the year	66,513	66,513
Balance at 31 December 2018	1,946,193	1,946,193

INDIGENOUS LITERACY FOUNDATION LTD
ABN: 45 146 631 843

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities:			
Receipts from funders, donors and customers		2,584,743	2,004,422
Payments to suppliers and employees		(2,373,866)	(2,184,076)
Interest received (net)		20,263	18,706
Net cash provided (used) by operating activities	12	<u><u>231,140</u></u>	<u><u>(160,948)</u></u>
Cash flows from investing activities:			
Payments for plant & equipment		(42,366)	(1,050)
Net cash used in investing activities		<u><u>(42,366)</u></u>	<u><u>(1,050)</u></u>
Net increase (decrease) in cash and cash equivalents held		188,773	(161,997)
Cash at the beginning of the year		1,243,966	1,405,963
Cash and cash equivalents at the end of the year	8	<u><u>1,432,739</u></u>	<u><u>1,243,966</u></u>

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 1. Significant accounting policies

Basis of preparation

The Indigenous Literacy Foundation ("ILF") is a Not-for-Profit entity. These general purpose financial statements have been prepared in accordance with Australian Accounting Standards using reduced disclosure requirements and interpretations issued by the Australian Accounting Standards Board ('AASB'), the Charitable Fundraising Act 1991 and associated regulations, the Corporations Act 2001, the Australian Charities and Not-for-Profit Commission Act 2012 and the Australian Charities and Not-for-Profits Commission Regulation 2013.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Comparatives

Comparative figures are consistent with the 2017 financial statements.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The significant Standard adopted during the year was *AASB 9 Financial Instruments*. This standard adopts an expected credit loss model in determining doubtful trade receivables. Adoption of this Accounting Standard did not have any material impact on the financial performance or position of the company.

New Standards & Interpretations Not Yet Adopted

The following standards, amendments or interpretations have been issued but not yet adopted:

AASB 15 Revenue requires revenue to be recognised when a change in control of goods occurs rather than the current model of recognising revenue when risks and rewards are transferred. Revenue from the rendering of services is recognised in accordance with the performance obligations of the contract. Adoption of the Standard is not expected to result in any material change. The Standard is effective 1 January 2019 for Not-for-Profit entities.

AASB 16 Leases requires Lessees to recognise operating leases 'on balance sheet'. On adoption of this standard a Right to Occupy intangible asset and corresponding lease liability will be recognised on the Balance Sheet for future contracted lease payments. The Standard is effective from 1 January 2019.

AASB 1058 Income of Not-for-Profit Entities requires revenue to be shown at fair value where an entity receives a benefit or asset at less than fair value in the course of meeting its objectives. Adoption of the Standard is not expected to have a material impact. The Standard is effective 1 January 2019.

AASB 2018-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities provides guidance on the implementation of AASB 9 and AASB 15 and is effective 1 January 2019.

Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied throughout the year presented, unless otherwise stated.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations

Donations are recognised when a pledge is made that is expected to be collected within 30 days.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 1. Significant accounting policies (continued)

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventory

Inventories are valued at cost on a first in, first out basis.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and Equipment	7 years
Computer and Software	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Goods and Services Tax ("GST") and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 2. Critical accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgments and estimates will seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and definite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 3. Donations	2018	2017
	\$	\$
Donations - Booksellers	87,601	98,850
Donations - Business/Corporate/Community	643,904	484,138
Donations - Individual & Other	978,230	853,998
Donations - Publishers	243,706	156,079
Donations - School / Library	273,370	276,618
	<u>2,226,810</u>	<u>1,869,684</u>

Note 4. Grant Revenue	2018	2017
	\$	\$
Grants- Other	196,000	41,500
	<u>196,000</u>	<u>41,500</u>

Note 5. Other Income	2018	2017
	\$	\$
Royalties Received from the Pamela Lofts Bequest	41,115	38,152
Other/Sundry Income	7,405	872
	<u>48,520</u>	<u>39,024</u>

The foundation has been the recipient of the copyright of the non-illustrative works of Pamela Lofts, to be used in accordance with conditions established in her Estate. The Board has decided to invest part of the income received each year and allow the Fund to increase so it can continue through the periods in which royalty income is expected to reduce. A separate bank account has been established for this purpose. The Fund is being used for a writing mentoring program for students from remote areas of Central Australia.

Note 6. Operating Costs	2018	2017
	\$	\$
Depreciation	12,250	6,176
Occupancy Expenses	53,016	45,749
Employee Remuneration Related to Administration	242,163	203,137
Other Expenses	187,782	124,425
	<u>495,210</u>	<u>379,487</u>

Note 7. Project Costs	2018	2017
	\$	\$
Book Buzz	360,063	209,043
Book Supply	870,201	585,994
CLP	279,608	243,269
Field Trips	260,013	172,831
	<u>1,769,884</u>	<u>1,211,137</u>

Note 8. Cash and cash equivalents	2018	2017
	\$	\$
Cash at Bank	622,181	549,066
Cash at Bank for Special Purpose	215,954	203,587
Cash at Deposit	593,134	490,000
Cash on Hand	297	297
Other	1,173	1,018
	<u>1,432,740</u>	<u>1,243,969</u>

Note 9. Trade receivables and other receivables	2018	2017
	\$	\$
Trade Debtors	12,855	72,918
Accrued Income	1,513	2,842
Provision for Doubtful Debt	-	-
GST Receivables	90,458	82,839
Bonds & Deposits	12,352	12,152
Other	14,255	145
	<u>131,433</u>	<u>170,895</u>

The average credit period on sales of goods and rendering of services is 60 days.
No interest is charged on the trade receivables.

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**Note 10. Plant and Equipment**

	Computer Software at Cost \$	Furniture and Fittings	Plant & Equipment at \$	Total \$
Cost				
Balance at end of prior year	19,591	10,614	12,892	43,097
Additions	-	5,767	36,599	42,366
Disposals/write off of assets	(19,591)	-	-	(19,591)
Balance at end of current year	-	16,381	49,492	65,872
Accumulated Depreciation				
Balance at end of prior year	19,591	3,249	5,298	28,138
Depreciation for the year	-	4,251	7,999	12,250
Accumulated depreciation on disposals	(19,591)	-	-	(19,591)
Balance at end of current year	-	7,500	13,297	20,797
Net Book Value				
Balance at the start of the current year	-	7,365	7,594	7,365
Balance at the end of the current year	-	8,881	36,194	45,075
				-

Note 11. Trade payables and other payables

	2018 \$	2017 \$
Current Liabilities		
Trade Creditors	168,254	95,209
Accrued Expenses	11,430	17,209
Other Current Liabilities	44,612	11,425
	<u>224,296</u>	<u>123,842</u>

The average credit period on purchases is 30 days.
No interest is charged on the trade payables.

Note 12. Reconciliation of surplus to cash flow from operations

	2018 \$	2017 \$
Surplus or Deficit	66,513	295,124
Adjustments for:		
Depreciation and Amortisation	12,250	6,176
Changes in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	39,463	(66,320)
(Increase)/decrease in inventory	(17,377)	(13,546)
(Increase)/decrease in prepayments	(254)	(478,670)
Increase/(decrease) in trade and other payables	100,454	88,123
Increase/(decrease) in employee entitlements	42,451	4,274
Increase/(decrease) in provision for long service leave	(12,358)	3,891
Net cash from operating activities	<u>231,141</u>	<u>(160,948)</u>

Note 13. Retained earnings

	2018 \$	2017 \$
Retained earnings and the beginning of the year	1,879,680	1,584,558
Surplus after income tax expense for the year	66,513	295,123
Retained earnings and the end of the year	<u>1,946,193</u>	<u>1,879,680</u>

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**Note 14. Related party disclosures***(a) Directors' Compensation*

No income was paid or payable or otherwise made available, to directors in connection with the management of affairs of the company.

(b) Key Management Personnel Compensation

The remuneration of Key Management Personnel is as follows:

	2018	2017
	\$	\$
Short-term benefits	316,423	201,709
Post-employment benefits	32,737	21,788
Total Benefits	<u>349,160</u>	<u>223,497</u>

(c) Key management personnel during the year ended 31 December 2018 consists of the Executive Director and Senior Management Team

No other transactions with related parties occurred during the year.

Note 15. Remuneration of auditors

	2018	2017
	\$	\$
During the financial year the following fees were paid or payable for services provided by Accounting Firm Camphin Boston Chartered Accountants, the auditor of the company, and its related practices:		
Audit services - Camphin Boston Chartered Accountants		
Audit of the financial report	5,162	5,000
Preparation of Financial Report	2,000	2,000
	<u>7,162</u>	<u>7,000</u>

Note 16. Contingent liabilities

The company had no contingent liabilities as at 31 December 2018.

Note 17. Commitments for expenditure

The Company leases its head office premises under a non-cancellable operating lease expiring 3 years from 1 August 2016.

Commitments in relation to operating leases contracted for the reporting date but not recognised as liabilities payable:

	2018	2017
	\$	\$
Within one year	20,552	39,524
Later than one year but not later than five years	-	19,762
	<u>20,552</u>	<u>59,286</u>

Note 18. Employee Entitlements

	2018	2017
	\$	\$
Current:		
Annual Leave	28,657	21,862
Long Service Leave	25,908	
Superannuation Payable	15,556	5,809
	<u>70,122</u>	<u>27,671</u>

Note 19. Inventory

	2018	2017
	\$	\$
At cost:		
Finished Goods - Merchandise	13,486	4,865
Finished Goods - Books	17,532	18,483
Finished Goods - Book Supply	606,668	596,960
	<u>637,686</u>	<u>620,309</u>

Note 20. Long Service Leave

	2018	2017
	\$	\$
Provision for:		
Long Service Leave	10,638	22,997
	<u>10,638</u>	<u>22,997</u>

INDIGENOUS LITERACY FOUNDATION LTD

ABN: 45 146 631 843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Note 21. Members Guarantee

The Company 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 \$10 each towards meeting any outstanding obligations of the entity.

Note 22. Events occurring after the reporting date

No matter or circumstances has arisen since 31 December 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 23. Company Information

The Indigenous Literacy Foundation
ACN: 146 631 843

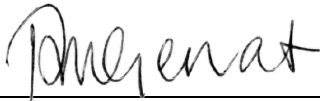
The registered office and principle place of business is Suite 65 / 330 Wattle St Ultimo NSW 2007

Directors' Declaration

In the directors' opinion:

- a. the attached financial statements and notes thereto comply with the Corporations Act 2001, including:
 - i. giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards-Reduced Disclosure Requirements and the Corporations Regulations 2001; and
- b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- c. the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-Profit Commission Act 2012.

Declared in Sydney on behalf of the Board of Directors.

A handwritten signature in black ink, appearing to read "Patricia Genat", is written over a horizontal line.

Patricia Genat
Chairperson

Dated this 30th day of April 2019