

**AUSTRALIAN INDIGENOUS MENTORING EXPERIENCE  
INDIGENOUS CORPORATION  
ABN: 31 081 797 652  
ICN: 7040**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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## DIRECTORS' REPORT

The Board of Directors of Australian Indigenous Mentoring Experience Indigenous Corporation (AIME or the Corporation) submit herewith the annual financial report of the Corporation for the financial year ended 31 December 2016. In order to comply with the provisions of the Corporations (Aboriginal and Torres Strait Islander) Act 2006, the directors' report is as follows:

### Directors

The names of the directors throughout the year and their Board and Sub-committee meeting attendance is as follows:

Name	Position	Board meetings attended	Board meetings held while in office	Audit and Risk meetings attended	Audit and Risk meetings held while in the office
Geoff Lovell	Chair (Until 2 March 2017), Director, Audit & Risk Committee	6	7	4	4
Bronwyn Bancroft	Director	7	7		
Emma Hogan	Director, Audit & Risk Committee	5	7	3	4
Jack Manning-Bancroft	Director, Audit & Risk Committee (Joined 19 Sept 2016)	2	2	1	1
Jason Eades	Director	5	7		
Jeff McMullen	Director	5	7		
Mayrah Sonter	Director, Audit & Risk Committee	7	7	4	4
Paul Chandler	Director	5	7		
Tom Dery	Chair (From 2 March 2017), Director (Joined 19 Sept 2016)	2	2		
Tanisha Stanford	Director (Resigned 3 March 2016)	0	1		

### Information about the Directors

#### Geoff Lovell (Chair until 2 March 2017, Director)

Geoff has developed a professional career as a senior executive and non-executive director with over 20 years experience in real estate, investment management, banking, risk management, corporate governance, management consulting and engineering. He has also had extensive voluntary involvements in for-purpose enterprises in education and Indigenous Australia, and is a member of the Australian Institute of Company Directors.

Geoff is currently the Vice Warden of St Paul's College at the University of Sydney, having previously worked at Macquarie Group Limited (2001-2015) and Lend Lease Corporation (1997-2001). Geoff became a founding Director of AIME in 2008 and has been AIME's Chairman since 2009. Geoff has also served as Chairman of the Investment Committee of the Indigenous Real Estate Investment Trust managed by Indigenous Business Australia (since 2013); as a Member of the Council of St Paul's College (1995-2013, Chairman 2011-13, Bursar 2002-09); as a Member of the Council of Shore School (since 2013); and as a Vice-President of Sydney University Cricket Club (since 1989).

Geoff has First Class Honours Degrees in Engineering from the University of Sydney and in Politics, Philosophy and Economics (PPE) from University of Oxford, where he was the inaugural Bradman Scholar (1990-93).

#### Bronwyn Bancroft (Director)

Bronwyn is a Djanbun clan member of the Bundjalung Nation. In a career spanning over three decades, Bronwyn has participated in hundreds of exhibitions, both solo and group, within Australia and overseas.

Collections that have acquired her work are; National Gallery of Australia, Macquarie University, Art Gallery of New South Wales, Art Gallery of Western Australia, State Library of New South Wales, State Library of Victoria, Australian Museum and Artbank, as well as in overseas collections such as Newark Museum USA, Prime Minister of Turkey, The Kelton Foundation USA, Volkerkunde Museum, Germany and Westpac USA.

Bronwyn has worked as a volunteer at Boomalli Aboriginal Artists Co-operative for the last 7 years as curator/business planner and senior strategist.

Bronwyn currently holds Board positions with Boomalli Aboriginal Artists Co-operative, Commonwealth Bank RAP Committee and the Copyright Agency.

Bronwyn has a Diploma of Visual Arts; two Masters degrees from the University of Sydney, one in Studio Practice and the other in Visual Art. She is currently a Doctoral candidate at the University of Sydney.

#### Emma Hogan (Director)

Emma is an experienced C-Suite executive having worked with iconic Australian brands across hospitality, retail, aviation and more recently within media and entertainment where she has spent the last 9.5 years.

Emma joined Foxtel in 2007, where she sat on the Executive team across the roles of Executive Director – People, Culture & Communications (2007-2015) and Executive Director – Customer Experience (2014-2016). In both roles, Em was responsible for creating and driving strategy, people and performance for over 3000 on-shore, and 2000 off-shore employees, change and transformation, project leadership and operational implementation.

**DIRECTOR'S REPORT (continued)**

**Emma Hogan (Director) (continued)**

Emma holds post graduate qualifications in HR & Business Management, and graduated from Stanford University's Executive Program in 2013. Em is also a non-executive director on the board of The Cantoo Foundation and in 2015, created her own for-purpose foundation; Rainbow Jane.

**Jack Manning-Bancroft (Director) Joined 19 September 2016**

Jack Manning-Bancroft is the CEO and founder of AIME. He is a graduate of The University of Sydney and Stanford University, a published children's book author and a former NSW Young Australian of the Year.

Jack has also received a Human Rights Medal, an Honorary Fellowship from the University of Western Sydney and is the youngest person in Australian history to be awarded an Honorary Doctorate, which he received from the University of South Australia.

**Jason Eades (Director)**

Jason is an Aboriginal man born and raised on Gunnai Country in Eastern Victoria and is an active member of the Aboriginal community both locally and nationally. He has worked and volunteered in a wide range of positions. He is the former CEO of PwC's Indigenous Consulting and former Managing Director of Eades Consulting Group.

Jason draws on 20 years of experience across the community, government and corporate sectors. Jason's career has seen him work in a number of different fields but always with a focus on Indigenous issues. Jason has worked across the health and wellbeing, native title, cultural heritage, economic development and arts sectors.

**Jeff McMullen (Director)**

Journalist, author and film-maker for five decades, Dr Jeff McMullen AM has been a foreign correspondent for Australian Broadcasting Corporation, reporter for Four Corners and Sixty Minutes, anchor of the 33 part issue series on ABC Television, Difference of Opinion and host of forums on National Indigenous Television.

Recent documentaries have focussed on the human rights of the First Peoples, the impact of the NT Intervention and the chronic illness taking many lives. McMullen's film, East Coast Encounter, is now traveling Australia as part of an exhibition by leading artists, poets and historians who explore James Cook's 1770 contact with Aboriginal people and the impact of terra nullius.

As well as serving as a director of AIME and the Engineering Aid Australia Indigenous Summer School program, Jeff worked for fourteen years as Honorary CEO of Ian Thorpe's Fountain for Youth, establishing early learning and the Literacy Backpack program in 22 remote communities. He was a foundation Trustee of the Jimmy Little Foundation.

Jeff has been prominent in the Close the Gap campaign, chairing forums for NACCHO in NSW, Queensland, Western Australia and Victoria, as well as the Northern Territory's first conference focussed on Indigenous suicide prevention. He has worked closely with the Sunrise Health Service Aboriginal Corporation in the Katherine region, developing maternal and infant health programs.

A long term patron of the Merry Maker's Down's Syndrome troupe and Mirabel, the foundation working to support the extended families caring for children who have died from drug overdose, Jeff also contributed to the University of Canberra's Healthpact Center, promoting health and social equality for all Australian children.

In 2006 Jeff was awarded an Order of Australia (AM), for service to journalism and efforts to raise awareness of economic, social and human rights issues in Australia and overseas, as well as service to charity.

Jeff has a Bachelor of Arts from Macquarie University and has received Honorary Doctorates from Central Queensland University (Journalism), Newcastle University (Letters) and Macquarie University (Letters).

**Mayrah Sonter (Director)**

Proud Wiradjuri woman, Mayrah Sonter holds her culture and her early beginnings growing up in inner western Sydney's Redfern, close to her heart. From these beginnings Mayrah has forged a career path supporting and empowering her people at the grassroots community level and on the national stage.

Mayrah co-founded the Aboriginal media, communications and events company 33 Creative taking her passion to 'Engage, Inspire, Empower' a step further, also complementing her experience as an Event Manager for the Deadlys® and her communications specialist roles over 10 years with both private and government organisations.

Mayrah is an experienced and accomplished events producer, TV presenter, radio producer and presenter, journalist, public relations and media specialist.

One of Mayrah's greatest experiences was producing the National Vibe 3on3 Basketball and Hip Hop Challenge events – Vibe 3on3® and the Vibe Alive festivals nationally.

She holds a BA in Communications (Public Communications) from the University of Technology, Sydney and is currently undertaking her Masters in Journalism also at UTS.

Mayrah researched and produced the Logie nominated youth television show Move It Mob Style® and has also worked at the Aboriginal Education and Training Directorate, on the inaugural Nanga Mai Awards to recognise Aboriginal student achievement and as the Indigenous Student Liaison Officer at the Presbyterian Ladies' College, Sydney.

Mayrah's career motivation aligns with her desire to empower First Nations peoples.

## **DIRECTOR'S REPORT (continued)**

### **Paul Chandler (Director)**

Professor Chandler holds a Bachelor of Science (Honours) from Sydney University, a Master of Science in Psychology and a PhD in Education from UNSW. In 1993, he was the inaugural recipient of the Australian Research Council Fellowship in Education. Over the next seven years his work in cognition and learning attracted over \$3 million of research funding from the ARC and industry partners. Professor Chandler completed two terms as Head of School of Education at UNSW before his appointment as Dean of Education at the University of Wollongong in 2007.

In 2008, at a National Press Club event, Professor Chandler was recognised as one of Australia's ten most pre-eminent researchers. In 2009, Professor Chandler was appointed by the Federal Government to the Indigenous Higher Education Advisory Council. Professor Chandler is a past president of the NSW Council of Deans in Education.

In 2013, Professor Chandler was appointed Foundation Director of Early Start and Pro Vice Chancellor (Inclusion & Outreach) at the University of Wollongong.

### **Tom Dery (Current Chair, Director) Joined 19 September 2016**

Tom Dery is currently Worldwide Chairman of M&C Saatchi having successfully set up and developed two other advertising agencies. Intermingled with this entrepreneurial and advisory experience, Tom has worked in senior positions with two major airlines in the Asia-Pacific region, complementing these activities with board representation in tourism and travel related publicly listed companies.

After completing an MBA at Stanford University Tom, with two others, set up a very successful creative agency The Campaign Palace. After selling his interest in this business Tom was appointed Visiting Fellow in Marketing at Monash University.

He was later invited to be the most senior commercial executive of Arisett Transport Industries, which had been acquired by TNT and News Limited, responsible for repositioning Arisett Airlines in the early 80's, deregulation in the early 90's, East West Airlines, Arisett New Zealand, Diners Club and Traveland.

Tom then established Whybin Dery & Partners, which was later sold to DDB (Omnicom Group) and was subsequently appointed Managing Director of their Melbourne business.

On the formation of M&C Saatchi in 1995, Tom was the Founding Partner in Asia-Pacific for the Group and subsequently went on to establish offices in Sydney, Melbourne, Auckland, Wellington, Singapore, Kuala Lumpur, Tokyo, Hong Kong, Shanghai, Beijing, New Delhi, Mumbai and Los Angeles. M&C Saatchi Australia is the largest advertising agency in that market.

From a startup, this business now includes creative services, strategic digital services, digital production facilities, brand development offerings, sponsorship advisory and PR services. Tom has been responsible for providing marketing and communication advice to the US, Australian, New Zealand and Abu Dhabi Governments, particularly with regard to country positioning, tourism and trade development.

In January 2009, Tom was appointed Chairman of M&C Saatchi Worldwide with responsibility for a network of 27 offices.

Tom has contributed to 'not for profit' organisations for nearly 40 years in the Arts, Cancer and Education sectors. He is currently Chairman of the Australian Cancer Research Foundation (since 1996), which has raised and granted nearly AU\$20million to top Australian cancer scientists.

Tom has been awarded an Order of Australia by the Australian government:

"For distinguished service to the not-for-profit sector, particularly to cancer research, through the development of corporate governance structures and major fundraising initiatives, to the performing arts, and to business."

### **Tanisha Stanton (Director) Resigned 3 March 2016**

Tanisha is a descendent of the Kamilaroi people. Having grown up originally in Dubbo, her family moved to Newcastle to increase the educational and sporting opportunities available for Tanisha.

At 15 years of age Tanisha won Most Promising Sports Talent at the 2011 Deadly Awards and featured on the SBS television program Living Black that same year.

She became a member of the Indigenous Women's All Stars rugby league team at 18, playing in the Australian Women's All Stars and was later named in the Australian under-19 Netball Development Squad after captaining NSW at the national championships in Melbourne.

In early 2014 Tanisha joined AIME as a Program Manager on the Sydney Team, delivering program sessions for mentees and mentors on campus at the University of Sydney.

Later in the year she joined the Australian Rugby Union's sevens squad, in pursuit of her long-term goal to wear the green and gold at the Olympics in Rio de Janeiro. At that time Tanisha was one of only two Aboriginal female players to sign a full-time, professional contract with the ARU program.

Tanisha was nominated for a Most Popular New Talent Logie award in 2014 for her role hosting NITV's Barefoot Sunday program, where she covered events such as the Murri Rugby League Carnival in Queensland and the NSW Koori Knockout, as well as previewing the Anthony Mundine v 'Sugar' Shane Mosley fight.

Tanisha continues to work with the National Indigenous Television Network, when her sporting commitments allow.

### **Deborah Kirby-Parsons (Secretary)**

Deborah has been Secretary to the Board since AIME became an Indigenous Corporation with ORIC in 2008. Her involvement with AIME stretches back to 2005 when the AIME program first began and she has worked very closely with the CEO since that time.

Prior to her AIME journey, Deborah provided executive support to the Director and Deputy Director of the Koori Centre at the University of Sydney and was Secretary to the University's Board of Studies (Indigenous Studies) and also its Policy Advisory Group.

Deborah has a BVA and Grad Dip (VisArt) from the University of Sydney.

## **DIRECTOR'S REPORT (continued)**

### **Principal Activities**

AIME is an Indigenous Corporation and a not-for-profit organisation with the objective of using mentoring as a tool to relieve the disadvantage suffered by Aboriginal and Torres Strait Islander people in Australia.

AIME partners university student volunteers in a mentoring relationship with high school students who participate in a structured program that builds capacity and also cultural confidence.

AIME's goals are to improve educational outcomes for student participants and to increase their capabilities for positive post-school pathways into tertiary education, training and employment that can be sustained into the future.

In addition to the impact AIME is having on the high school students in the program, it offers a significant opportunity for university students to gain invaluable experience and knowledge through working with Indigenous high school students in Australia.

### **Operating Results**

The operating surplus of the Corporation for the financial year amounted to \$476,516 (2015: surplus of \$1,144,192). No income tax is payable as the Corporation is exempt from income tax, as it classifies as Not-For-Profit entity with a status of Public Benevolent Institution for income tax purposes.

The 2015 surplus was impacted by the timing of revenue recognition, particularly for various government grant contracts and revenue recognition for donations received. In particular a one-off donation of \$500,000 was received during the 2015 financial year which is to be spent on projects during the 2016-2019 financial years.

### **Review of Operations**

Since the end of the previous financial year, the Corporation has engaged in its principal activity, the results of which are disclosed in the attached financial statements.

### **Subsequent Events**

No matter has arisen since the end of the year that will or may significantly affect the operations of the Corporation, the results of those operations, or the state of affairs of the Corporation in future financial years.

### **Changes in State of Affairs**

There was no significant change in the state of affairs of the Corporation during the financial year.

### **Future Developments**

The Corporation expects to maintain the present status in Australia and will commence working on an international project that will be active from 2017 until 2020.

The Corporation expects to achieve profitable operations in the current financial year.

The Corporation expects its results and expansion to be further underpinned by partnerships with other universities.

### **Environmental Regulations**

The Corporation's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### **Distributions Paid or Recommended**

No distributions were paid or declared since the start of the financial year as the Corporation's Rule Book does not permit payment of distributions.

## DIRECTOR'S REPORT (continued)

### In Kind Support

The Corporation was supported by many organisations offering in-kind support to ensure the success of the mentoring program and AIME as an organisation. The following organisations have donated their time and services to AIME during the course of the financial year:

- Volunteers: University Mentors, Board, Session Guests
- Content Development by Commonwealth Bank Of Australia
- Universities provided Office, IT, Communications & Seminar Rooms;
- Schools provided Transport, Teacher Aid & Learning Centre Facilities;
- Corporate governance through our Board of Directors;
- Audit services by KPMG Sydney;
- Legal services by Baker & McKenzie;
- Staff training: University of Sunshine Coast, Staples
- Consultancy services: Central Queensland University, University of Notre Dame, Optiva
- Flights: Virgin Australia
- Fundraising events: Dom Dom D'Monte, Song Division, Codeswitch, Rhian Miller, Staples
- Staff training - AIME Institute Venue Hire: University of Sydney
- Office furniture and equipment: University of Notre Dame, University of Wollongong, Staples
- Other program support: Qld Dept of Education and Training, University of Sunshine Coast
- Multimedia and internet services: Outdoor Revolution, CommSec, Aarnet
- Program campaigns, development and resources: Song Division, Staples, Academy of interactive Entertainment, Mok Boorreenyn Bagoork, Boomali Gallery, Novotel Wollongong

### Indemnification of Officer or Auditor

#### *Indemnification*

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Company.

#### *Insurance Premiums*

During the financial year the Company has paid insurance premiums of \$3,583 in respect of directors' and officers' liability insurance contracts for the year ended 31 December 2016. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been executive officers of the Company.

### Proceedings on Behalf of the Corporation

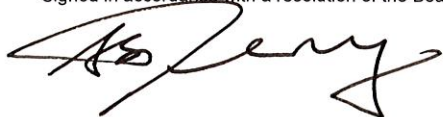
No person has applied for leave of Court to bring proceedings on behalf of the Corporation or intervene in any proceedings to which the Corporation is a party for the purpose of taking responsibility on behalf of the Corporation for all or any part of those proceedings.

The Corporation was not a party to such proceedings during the financial year.

### Lead Auditor's Independence Declaration

A copy of the lead auditor's independence declaration as required under section 339 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006 is set out on page 6.

Signed in accordance with a resolution of the Board of Directors



Tom Dery, Chairman

Signed 22 May 2017, in Sydney.



# Lead Auditor's Independence Declaration under Section 339 of the Corporations (Aboriginal and Torres Strait Islander) Act 2006

To the Directors of Australian Indigenous Mentoring Experience Indigenous  
Corporation

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year  
ended 31 December 2016 there have been:

- i. no contraventions of the auditor independence requirements as set out in the  
*Corporations (Aboriginal and Torres Strait Islander) Act 2006* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Cameron Roan  
Partner  
Sydney  
22 May 2017



**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 \$	2015 \$
Revenue	3	16,056,033	13,007,303
Employee benefit expense		(6,307,542)	(5,545,133)
Depreciation and amortisation expense		(280,506)	(155,222)
Volunteer (in-kind)		(2,318,894)	(1,847,572)
Administration expenses		(144,329)	(243,483)
Travel expenditure		(517,490)	(392,989)
Multimedia and communications		(460,937)	(174,569)
Fundraising expense		(187,284)	(187,838)
Program resources and session expenditure		(4,332,850)	(2,806,597)
Apparel expenses		(229,293)	(85,232)
Other expenses		(800,392)	(424,476)
<b>Surplus before income tax expense</b>		476,516	1,144,192
Income tax expense		-	-
<b>Surplus for the period</b>		476,516	1,144,192
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		476,516	1,144,192

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2016**

	Notes	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	11a	3,951,969	1,566,810
Receivables	12	4,369,324	3,938,330
Inventory		104,961	105,688
Prepayments		62,498	77,963
<b>TOTAL CURRENT ASSETS</b>		<u>8,488,752</u>	<u>5,688,791</u>
<b>NON CURRENT ASSETS</b>			
Property plant & equipment	4	138,163	128,985
Intangibles	5	154,962	253,364
<b>TOTAL NON CURRENT ASSETS</b>		<u>293,125</u>	<u>382,349</u>
<b>TOTAL ASSETS</b>		<u>8,781,877</u>	<u>6,071,140</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	342,024	343,049
Employee entitlements	7	166,939	185,389
Income in advance	8	4,263,092	2,006,938
<b>TOTAL CURRENT LIABILITIES</b>		<u>4,772,055</u>	<u>2,535,376</u>
<b>NON CURRENT LIABILITIES</b>			
Employee entitlements	7	31,120	33,578
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>31,120</u>	<u>33,578</u>
<b>TOTAL LIABILITIES</b>		<u>4,803,175</u>	<u>2,568,954</u>
<b>NET ASSETS</b>		<u>3,978,702</u>	<u>3,502,186</u>
<b>ACCUMULATED SURPLUS</b>		<u>3,978,702</u>	<u>3,502,186</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Retained Earnings \$	Tied Funding Reserve \$	Total \$
<b>Balance at 31 December 2014</b>	2,357,994	-	2,357,994
Surplus attributable to members	1,144,192	-	1,144,192
Other comprehensive income	-	-	-
Transfers to/from reserve	(500,000)	500,000	-
Total comprehensive income for the year	644,192	500,000	1,144,192
<b>Balance at 31 December 2015</b>	<b>3,002,186</b>	<b>500,000</b>	<b>3,502,186</b>
Surplus attributable to members	476,516	-	476,516
Other comprehensive income	-	-	-
Transfers to/from reserve	(49,932)	49,932	-
Total comprehensive income for the year	426,584	49,932	476,516
<b>Balance at 31 December 2016</b>	<b>3,428,770</b>	<b>549,932</b>	<b>3,978,702</b>

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 \$	2015 \$
<b>Cash flows from operating activities:</b>			
Receipts from customers		13,247,613	8,749,942
Payments to suppliers, employees and others		(9,845,289)	(7,737,405)
<b>Net cash provided by operating activities</b>	11b	<u>3,402,324</u>	<u>1,012,537</u>
<b>Cash flows from investing activities:</b>			
Proceeds from sale of property, plant and equipment	4	3,713	1,015
Payment for property, plant, equipment and software	4, 5	(189,357)	(249,041)
Interest received	3	168,479	161,429
Cash invested in term deposits	12	(1,000,000)	-
<b>Net cash used in investing activities</b>		<u>(1,017,165)</u>	<u>(86,597)</u>
<b>Net cash provided by financing activities</b>		-	-
<b>Net increase in cash and cash equivalents held</b>		2,385,159	925,940
<b>Cash and cash equivalents at the beginning of the year</b>		1,566,810	640,870
<b>Cash and cash equivalents at the end of the year</b>	11a	<u>3,951,969</u>	<u>1,566,810</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

**1 REPORTING ENTITY**

This general purpose financial report covers Australian Indigenous Mentoring Experience Indigenous Corporation (AIME or the Corporation) as an individual entity. AIME is a Corporation incorporated and domiciled in Australia under the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

The Corporation's registered office and its principal place of business is as follows:

Gadigal House  
166 George Street  
Redfern NSW

The Corporation's principal activities are as follows:

AIME is an Indigenous Corporation, and a not-for-profit organisation with the objective of providing a six-year Mentoring Program for Indigenous Australian students to access while undertaking their high school studies from Year 7 through to Year 12. AIME partners university student volunteers in a mentoring relationship with high school Indigenous students over the course program. AIME's goals are to see Indigenous students completing Year 12 and transitioning to University, further education and employment at the same rate or higher than their non-Indigenous peers.

Apart from the impact AIME is having on Indigenous high school students, it offers a significant opportunity for Indigenous and non-Indigenous University students to gain invaluable experience working with Indigenous high school students, and offers a great base for University marketing and recruitment with AIME facilitating the development of long-term partnerships between local high schools and the University.

**2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) and the requirements of the Corporations (Aboriginal and Torres Strait Islander) Act 2006.

The financial statements were authorised for issue by the Board of Directors on 22 May 2017.

The following is a summary of the material accounting policies adopted by the Corporation in the preparation of the financial report and have been applied consistently to all periods presented in the financial report. The financial report does not comply with International Financial Reporting Standards (IFRS).

*Basis of measurement*

The financial report has been prepared on the accruals basis and is based on historical cost.

**b. Use of estimates and judgement**

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial report or estimates with a significant risk of material adjustment in the next year.

**c. Income Tax**

The Corporation has been granted an exemption from income tax.

**d. Financial Instruments**

*(i) Non-derivative financial assets*

Financial assets are recognised initially on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument.

The Corporation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Corporation is recognised as a separate asset or liability.

The Corporation has the following non-derivative financial assets: loans and receivables.

*Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Financial Instruments (continued)

(ii) Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument. The Corporation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Corporation classified non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise trade and other payables.

e. Employee Benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid if the Corporation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii) Other long-term benefits

The Corporation's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

f. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The main revenue stream is obtained from the rendering of mentoring program services through partnerships with universities. Revenue is recorded in the year in which the services are performed.

AIME receives revenue by way of cash and online donations from businesses, individuals, foundations and Universities, bequests and other not-for-profit organisations.

(i) Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Corporation will comply with the conditions associated with the grant and are thereafter recognised in profit or loss on a systematic basis. Grants that compensate the Corporation for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised.

(ii) Funding from the Department of Industry, Innovation, Climate Change, Science, Research & Tertiary Education

In accordance with the funding agreement dated 26 June 2013 between the Corporation and the Department of Industry, Innovation, Climate Change, Science, Research & Tertiary Education (DIICSRTE), the Corporation is entitled to receive funding in the form of government grants by satisfying the conditions specified in the funding agreement until 30 June 2016.

The funding is received for the purpose of increasing the scope of the AIME Mentoring Program to include a further 150 students (per site) over the period 30 June 2013 to 30 June 2016 at each respective university (University of South Australia and Curtin University).

Funding from DIICSRTE is subject to strict terms and conditions under the funding agreement itself and availability of funds. Funding is only released upon satisfaction by DIICSRTE that the Corporation has complied with all of the above conditions attached to each payment. Repayment of funds may be required by the Corporation at the end of the Project Period (i.e. 30 June 2016) if the Corporation does not spend the funds in accordance with the funding agreement.

Accordingly, the Corporation recognises these funds as revenue in the statement of profit or loss and other comprehensive income based on the amounts spent in accordance with the funding agreement. Any income received in advance that has not yet been spent in accordance with the funding agreement is treated as deferred revenue and recognised as income in the financial year in which the funding is spent in accordance with the funding agreement.

Where conditions attached to a DIICSRTE grant have been fulfilled but the grant revenue has not been received at reporting date, the amount is recognised as a grant receivable until payment is received from DIICSRTE.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**f. Revenue Recognition (continued)**

*(iii) Funding from the Department of Prime Minister & Cabinet*

In accordance with the funding agreement dated 23 June 2015 and executed variation dated 4 May 2016 (together the 'funding agreement') between the Corporation and the Department of Prime Minister & Cabinet (DPM&C), the Corporation is entitled to receive funding in the form of government grants by satisfying the conditions specified in the funding agreement until 31 December 2017.

The funding per original agreement was received for the purpose of increasing the scope of the AIME Mentoring Program to 800 students across the Gold Coast and South Coast regions (minimum 350 students in each region) over the period 23 June 2015 to 31 December 2017. The executed variation varies the amount of funding received to support 6,000 Indigenous high school students through the AIME Mentoring Program (with a minimum of 1,650 students to participate in the Gold Coast and South Coast regions).

Funding from DPM&C is subject to strict terms and conditions under the funding agreement itself and availability of funds. Funding is only released upon satisfaction by DPM&C that the Corporation has complied with all of the above conditions attached to each payment. Repayment of funds pay be required by the Corporation at the end of the Project Period (i.e. 31 December 2017) if the Corporation does not spend the funds in accordance with the funding agreement.

Accordingly, the Corporation recognises these funds as revenue in the statement of profit or loss and other comprehensive income based on the amounts spent in accordance with the funding agreement. Revenue is recognised in accordance with expenditure under the funding agreement, based on the average cost per student of the AIME program, multiplied by the 6,000 students to which the funding relates multiplied by the percentage of costs covered by the DPM&C funding. The percentage of costs covered by the DPM&C funding is applied as the funding is not sufficient to cover one hundred percent of the cost of supporting 6,000 students through the program and AIME is required to fund the residual costs with other funding sources (primarily university partnerships and corporate sponsorships). The percentage of costs covered by the DPM&C funding is calculated as the DPM&C funding as a percentage of the total cost of supporting 6,000 students through the AIME Mentoring Program over the term of the funding agreement.

Any income in advance that has not yet been spent in accordance with the funding agreement is treated as deferred revenue and recognised as income in the financial year in which the funding is spent in accordance with the funding agreement.

Where conditions attached to a DPM&C grant have been fulfilled but the grant funds have not yet been received at reporting date, the amount is recognised as a grant receivable until payment is received from DPM&C.

*(iv) Other income*

Interest revenue is recognised on a time proportional basis using the effective rate of interest method.

Donations and other revenue is recognised when the right to receive the revenue has been established.

**g. In-kind Support**

The Corporation has recognised and recorded in the financial statements in-kind support provided during the course of the financial year. In-kind donations are recognised when the Corporation obtains control of the contribution, or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the entity and the amount of the contribution can be measured reliably. Total estimated value of goods and services received have been recorded at their fair values through profit or loss as income, whilst recognising for the same amount an asset for goods received in kind or expense for services received in-kind to offset each other.

The following methods have been used in estimating in-kind support provided. See Note 15.

<i>(i) Volunteers</i>	Attendance of Volunteers was recorded at each session throughout 2016. The hours were calculated accordingly to attendance log and hourly rate was calculated at \$51.86 as per ITAS tutor rate.
	Mentor briefing and training hours were also taken into account as per attendance.
<i>(ii) Universities and schools</i>	For University rooms hire we had a value cost of room per hour provided by The University Of Sydney. Sessions can be of 2, 3 or 6hrs. We calculated total of hours used with sessions and multiplied it by room rate value.
	Room hire for staff camp was included and calculated as per the schedule of each staff camp.
	Office rent at university sites was calculated at the same rate as 2015 office rental value, which was \$1,000 per office per month.
	School In-kind support was calculated based on each state's average rates for transport and teacher relief, then multiplied by the number of sessions that this was required for.
<i>(iii) Professional services</i>	In-kind support from professional services is recognised at amounts confirmed with third party suppliers regarding the fair value of the service provided.
<i>(iv) Other in-kind support</i>	For other areas of In-kind support we obtain a third party supplier confirmation regarding the fair value of the service provided.

Other in-kind support has been received by the Corporation during the year, however these amounts are not able to be reliably measured and therefore have not been recognised as in-kind revenue. These amounts relate to Board member time, guest speakers and other contributions received.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**h. Goods and Services Tax**

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. In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

**i. Property, plant and equipment**

*(i) Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the profit or loss.

*(ii) Subsequent costs*

Subsequent expenditure is capitalised only if it is probably that the future economic benefits associated with the expenditure will flow to the Corporation.

*(iii) Depreciation*

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives for the current and comparative years are as follows:

<i>(i) Plant and equipment</i>	2 years
<i>(ii) Furniture &amp; Fixtures</i>	10 years
<i>(iii) Leasehold Improvements</i>	10 years

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

**j. Intangible assets**

*(i) Recognition and measurement*

Intangible assets, principally software, that are acquired or developed by the Corporation and have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses.

*(ii) Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

*(iii) Amortisation*

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. The estimated useful lives for current and comparative periods of other intangible assets is 3 years.

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

**k. Impairment**

*(i) Non-derivative financial assets*

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Corporation on terms that the Corporation would not consider otherwise, indications that a debtor will enter bankruptcy, economic conditions that correlate with defaults.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k. Impairment (continued)

(i) Non-derivative financial assets (continued)

The Corporation considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The Corporation's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l. Tied funding reserves

Tied funding reserves comprise funds received that are tied to particular purposes or locations, as specified by the donor or as identified at the time of a public appeal. They are not available for use in other AIME operations. The Corporation has limited control over the level of Tied Funding Reserves as donors of such funds determine the time period over which such funds are to be spent.

(i) Co-CEO and Program Funding Reserve

The Co-CEO and Program Funding Reserve relates to funds received from Ian Narev in 2015 to be spent on the Co-CEO development program and AIME mentoring program over the period 1 January 2016 until 31 December 2019.

(ii) Global Campaign Funding Reserve

The Global Campaign Funding Reserve relates to donations received in 2016 to be spent on the AIME Global Campaign as specified by the donors or as identified at the time of public appeal. These funds are to be spent on the AIME Global Campaign over the period 1 January 2017 until 31 December 2019.

m. Functional and presentation currency

This financial report is presented in Australian dollars which is also the Corporation's functional currency.

n. New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective to annual periods beginning after 1 January 2016, and have not been applied in preparing these financial statements. Those which may be relevant to the Corporation are set out below. The Corporation does not plan to adopt these standards early.

AASB 9 Financial Instruments (2014)

AASB 9, approved in December 2014, replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018. The Corporation is assessing the potential impact on its financial statements resulting from the application of AASB 9.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**n. New standards and interpretations not yet adopted (continued)**

*AASB 15 Revenue from Contracts with Customers*

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018. The Corporation is assessing the potential impact on its financial statements resulting from the application of AASB 15.

*AASB 16 Leases*

AASB 16 removes all classification of leases as either operating or finance leases – for the lessee, effectively treating all leases as finance leases. Short-term (less than 12 months) and leases of low value assets are exempt from the lease accounting requirements. There are also changes in accounting over the life of the lease. In particular, companies will not recognise a front loaded pattern of expenses for most leases, even when they pay constant rentals.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted for entities that have also adopted AASB 15. The Corporation is assessing the potential impact on its financial statements resulting from the application of AASB 16.

*AASB 1058 Income of Not-for-Profit Entities*

AASB 1058 provides a more comprehensive model for accounting for income of not-for-profit entities for the recognition of income. Under AASB 1058, the timing of income recognition will depend on whether a transaction gives rise to a performance obligation, liability or contribution by owners. It replaces the existing requirements in AASB 1004 Contributions.

AASB 1058 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted for entities that have also adopted AASB 15. The Corporation is assessing the potential impact on its financial statements resulting from the application of AASB 1058.

**o. Financial Risk Management**

*Overview*

The Corporation has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Corporation's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and their management of capital. Further quantitative disclosures are included throughout these financial statements.

*Risk Management Framework*

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Corporation. The Corporation, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

*(i) Credit risk*

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's cash and cash equivalents.

The Corporation's cash and cash equivalents are placed with major financial institutions.

*(ii) Liquidity risk*

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

Typically the Corporation ensures that it has sufficient cash on demand to meet expected operational expenses for a period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

*(iii) Market risk*

Market risk is the risk that changes in market prices, such as interest rates will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

<b>3</b>	<b>REVENUE</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	University partners and school partnerships	2,580,640	3,214,170
	Individual Donations	368,182	625,794
	Family Foundations & Philanthropic Partners	720,024	933,594
	Corporate Partnerships	2,584,388	2,025,537
	Fundraising Campaigns (Incl NHD)	421,238	232,822
	Government Grant	2,613,202	979,789
	Interest received	168,479	161,429
	In-kind support (see note 15)	6,412,597	4,701,541
	Merchandise	171,750	100,162
	Other	15,533	32,465
		<u>16,056,033</u>	<u>13,007,303</u>
<b>4</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Plant and Equipment		
	<b>Cost</b>		
	Balance at 1 January	367,376	261,967
	Additions	86,715	107,846
	Disposal	(25,571)	(2,437)
	Balance at 31 December	<u>428,520</u>	<u>367,376</u>
	<b>Depreciation</b>		
	Balance at 1 January	(238,391)	(195,547)
	Charge for the year	(73,824)	(44,266)
	Disposal	21,858	1,422
	Balance at 31 December	<u>(290,357)</u>	<u>(238,391)</u>
	<b>Carrying Amount</b>		
	At 1 January	<u>128,985</u>	<u>66,419</u>
	At 31 December	<u>138,163</u>	<u>128,985</u>
<b>5</b>	<b>INTANGIBLES</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Software		
	<b>Cost</b>		
	Balance at 1 January	376,820	235,625
	Additions	108,280	141,195
	Disposal	-	-
	Balance at 31 December	<u>485,100</u>	<u>376,820</u>
	<b>Amortisation</b>		
	Balance at 1 January	(123,456)	(12,500)
	Charge for the year	(206,682)	(110,956)
	Disposal	-	-
	Balance at 31 December	<u>(330,138)</u>	<u>(123,456)</u>
	<b>Carrying Amount</b>		
	At 1 January	<u>253,364</u>	<u>223,125</u>
	At 31 December	<u>154,962</u>	<u>253,364</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)

<b>6</b>	<b>TRADE AND OTHER PAYABLES</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	<b>CURRENT</b>		
	Trade creditors	60,811	73,185
	Goods and services tax payable	-	20,566
	Superannuation payable	77,685	93,050
	PAYG payable	83,680	66,251
	Other payables	119,848	89,997
		<u>342,024</u>	<u>343,049</u>
<b>7</b>	<b>EMPLOYEE BENEFITS</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	<b>CURRENT</b>		
	Liability for annual leave	119,911	161,988
	Liability for long service leave	47,028	23,401
		<u>166,939</u>	<u>185,389</u>
	<b>NON CURRENT</b>		
	Liability for long service leave	31,120	33,578
		<u>198,059</u>	<u>218,967</u>
<b>8</b>	<b>INCOME IN ADVANCE</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Government grants	3,292,927	31,129
	Corporate, universities & philanthropic partners	863,165	1,650,809
	School partnership fees	107,000	325,000
		<u>4,263,092</u>	<u>2,006,938</u>
<b>9</b>	<b>AUDITOR'S REMUNERATION</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
	Audit of financial report	39,500	38,260
	Other services	5,000	5,000
		<u>44,500</u>	<u>43,260</u>

**10 EVENTS AFTER THE BALANCE SHEET DATE**

There have been no events subsequent to balance date which would have a material effect on the Corporation's financial statements at 31 December 2016.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**11 CASH AND CASH EQUIVALENTS**

**(a) Reconciliation of cash flow and cash equivalents**

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	3,891,534	1,560,784
Donations account	60,435	6,026
	<u>3,951,969</u>	<u>1,566,810</u>

Cash at bank and receivables on deposit (refer to Note 12) include \$3,292,927 of committed funds under the Prime Minister & Cabinet Funding Agreements. These funds are to be spent on Programs during 2017. This amount has been recorded as deferred income at 31 December 2016 - see Note 8.

**(b) Reconciliation of cash flow from operating activities with surplus from ordinary activities**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Surplus for the year	476,516	1,144,192
Non-operating interest	(168,479)	(161,429)
Depreciation expense & amortisation	280,506	155,222
Goods received in-kind	(5,638)	-
<b>(Increase)/decrease in assets</b>		
Trade and other receivables	569,006	(613,057)
Inventory	727	(55,344)
Prepayments	15,467	7,845
<b>Increase/(decrease) in liabilities</b>		
Trade creditors and other receivables	(1,026)	102,715
Employee entitlements	(20,909)	28,160
Income in advance	<u>2,256,154</u>	<u>404,233</u>
<b>Net cash provided by operating activities</b>	<u>3,402,324</u>	<u>1,012,537</u>

**12 RECEIVABLES**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Other receivables on deposit	3,550,000	2,550,000
Goods and services tax receivable	10,569	-
Sponsorship and other receivables	<u>808,755</u>	<u>1,388,330</u>
	<u>4,369,324</u>	<u>3,938,330</u>

**13 FINANCIAL INSTRUMENTS**

**(a) Financial risk management policies and objectives**

The Corporation holds cash and cash equivalents; the main purpose of this financial instrument is to provide funding to the various programs run by the Corporation. Other financial instruments include receivables and trade and other payables.

The Corporation is exposed to credit and interest rate risks from its cash and cash equivalents and is exposed to liquidity risk from its trade and other payables.

The Corporation does not have significant credit risk from its receivables as at 31 December 2016 or 31 December 2015.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**NOTE 13: FINANCIAL INSTRUMENTS (continued)**

**(b) Risk exposures and responses**

*Interest rate risk*

The Corporation's risk exposure to changes in market interest rates relates entirely to its cash and cash equivalents and receivables, which are deposited at floating rates. The Corporation has not entered into any contracts to mitigate this risk. Due to the low effective interest rate received on at call deposits and interest income forming 1.0% of the Corporation's revenue for the year (2015: 1.2%), any changes in interest rates will have little impact on the Corporation's financial position or performance.

*At the reporting date the interest rate profile of the Corporation's interest-bearing financial instruments was:*

	2016 \$	2015 \$
<i>Variable rate instruments</i>		
Cash and cash equivalents	3,951,969	1,566,810
Other receivables on deposit	3,550,000	2,550,000
	<u>7,501,969</u>	<u>4,116,810</u>

*Cash Flow sensitivity analysis for variable rate instruments*

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) its surplus by \$75,020 (2015: \$41,168). The analysis is performed on the same basis for 2016.

*Liquidity risk*

The following are contractual maturities of financial liabilities:

	Note	Carrying amount \$	Contractual cash flows \$	6 months or less \$	6-12 months \$	1-2 years \$	2-5 years \$	More than 5 years \$
<b>31 December 2016</b>								
Trade and other payables	6	342,024	342,024	342,024	-	-	-	-
		<u>342,024</u>	<u>342,024</u>	<u>342,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>31 December 2015</b>								
Trade and other payables	6	343,049	343,049	343,049	-	-	-	-
		<u>343,049</u>	<u>343,049</u>	<u>343,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**14 RELATED PARTY TRANSACTIONS**

The following were key management personnel (KMP) of the Company during the reporting period and unless otherwise indicated were KMP for the entire period.

**Non-executive directors**

- Geoff Lovell
- Bronwyn Bancroft
- Paul Chandler
- Jeff McMullen
- Jason Eades
- Mayrah Sonter
- Emma Hogan
- Tom Dery (joined September 2016)
- Tanisha Stanton (resigned March 2016)

**Executive directors**

- Jack Manning-Bancroft - Executive Director from September 2016 and Chief Executive Officer

**Executives**

- Jessica Timmins – Chief Operating Officer (resigned December 2016)
- Adam Linforth - Director of Finance and Partnering (resigned April 2016)
- Helen Caldwell - Director of Partnering (from 2016)
- Elsa Sosa - Director of Finance (from 2016)

**(a) Directors' fees**

The Corporation does not remunerate its directors for their role. No director is entitled to any compensation for their services as a director during the financial year (2015: \$nil). However, Jack Manning-Bancroft was remunerated for his role as CEO in his capacity as an employee. This amount is included within key management personnel remuneration below.

**(b) Transactions with related parties**

During 2016 there were the following related party transactions:

- The Corporation paid First National Real Estate the amount of \$6,933 for the rent of an office site located in Byron Bay. This office is owned by Bronwyn Bancroft. Tenancy at this office was from September 2016 until March 2017.
- The Corporation paid Designer Aboriginals Pty Ltd the amount of \$2,500 for fit out of the Byron Bay office. Bronwyn Bancroft is a director of Designer Aboriginals Pty Ltd.
- The Corporation paid \$300,000 to M&C Saatchi for project development work on AIME's Global Campaign. This project will be completed in 2017 by M&C Saatchi. This commitment was made prior to Tom Dery, acting Chairman at M&C Saatchi, becoming an AIME Board Director. This fee was not taken directly by M&C Saatchi, but was used for payment to a production team in France to create the film for the Global Campaign. M&C Saatchi are an in-kind partner of the Corporation and the value of in-kind contributions from M&C Saatchi and other parties will be quantified and disclosed in the 2017 Financial Report upon completion of the project..
- The Corporation received services in-kind from Bronwyn Bancroft in connection with art gallery venue space provided at no cost and program campaign support. These in-kind contributions have been included in in-kind support within Note 15 for a total value of \$3,000.

**(c) Key management personnel remuneration**

Key management personnel includes the Executive Directors and Executives as listed above. The key management personnel compensation included in 'employee benefit expense' is as follows:

	2016	2015
	\$	\$
Short-term employee benefits	541,024	374,426
Post-employment benefits	43,508	31,023
	<u>584,532</u>	<u>405,449</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**15 IN-KIND SUPPORT**

The following is a breakdown of the estimated fair value of in-kind support provided to AIME during the course of the financial year:

	2016 \$	2015 \$
<b>VOLUNTEERS</b>		
- Volunteers: University Mentors, and Professional Mentors	2,318,894	1,847,572
<b>UNIVERSITIES AND SCHOOLS</b>		
- Universities provided office space, IT, communications and seminar rooms	619,069	813,678
- Schools provided transport, teacher aid & learning centre facilities	3,066,510	1,575,752
<b>PROFESSIONAL SERVICES</b>		
- Program campaigns, development and resources: Song Division, Staples, Academy of interactive Entertainment, Mok Boorreenyn Bagoork, Boomali Gallery, Novotel Wollongong	54,493	34,625
- Multimedia and internet services: Outdoor Revolution, CommSec, Aarnet	84,450	76,256
- Audit services by KPMG Sydney	44,500	43,260
- Legal services and meeting rooms: Baker & McKenzie	46,579	70,112
- Staff training: University of Sunshine Coast, Staples	5,792	56,738
- Consultancy services: Central Queensland University, University of Notre Dame, Optiva	18,200	-
<b>OTHER IN KIND</b>		
- Gala ball event : Bell Shakespeare, Bronwyn Bancroft, Coca-Cola, Foxtel, Insurance Australia Group, Jurlique, NSW Waratahs, Song Division, Staples Australia Pty Ltd, Virgin Australia, Foxtel	-	78,107
- Virgin Australia: Flights	75,285	56,100
- Fundraising events: Dom D'Monte, Song Division, Codeswitch, Rhian Miller, Staples	16,706	-
- Staff training - AIME Institute Venue Hire: University of Sydney	33,360	8,909
- Session Expenses - Catering : University of Notre Dame, University of Sunshine Coast, Novotel Wollongong	19,421	-
- Office furniture and equipment: University of Notre Dame, University of Wollongong, Staples	5,638	16,000
- Other site office support:	3,700	-
- Other program support: Commonwealth Bank, Song Division, Shoalhaven City Council	-	24,432
	<b>6,412,597</b>	<b>4,701,541</b>

The estimated monetary value of the in-kind support provided to AIME during 2016 and 2015 financial years has been recognised as income and equivalent expense (for in-kind services) or asset (for in-kind goods). Refer to Note 2(g) for accounting policy.

Other in-kind support has been received by the Corporation during the year, however these amounts are not able to be reliably measured and therefore have not been recognised as in-kind revenue. These amounts relate to Board member time, guest speakers and other contributions received.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

**16 FUNDRAISING APPEALS CONDUCTED DURING THE FINANCIAL YEAR**

Fundraising appeals conducted during the financial year ending 31 December 2016 included mail appeals, telephone appeals and various other sundry fundraising projects and general receiving of indirectly solicited donations and bequests.

In accordance with section 20 of the Charitable Fundraising (NSW) Act 1991, monies received in the course of fundraising appeals are applied according to the objects or purposes of the appeal net of proper and appropriate expenses. Fundraising activities have been categorised into two streams as either core or global fundraising as outlined below:

- AIME CORE fundraising appeals relate to fundraising events and campaigns held in Australia to raise funds for the core Mentoring Program for Indigenous Australian students across Australia.
- AIME GLOBAL fundraising appeals relate to fundraising events and campaigns held in Australia and overseas to raise funds for the global initiative commencing in 2017.

At the end of the year the Corporation has a nil surplus as all funds were donated to the mentoring program or transferred to the tied funding reserve (2015: nil surplus).

	2016 \$	2015 \$
<b>(a) Result of fundraising appeals</b>		
Gross proceeds from AIME CORE fundraising appeals	471,912	845,595
Gross proceeds from sale of AIME apparel	171,750	100,161
Less: direct fundraising costs	(171,752)	(187,836)
Less: direct apparel costs	(158,351)	(66,420)
Net surplus - public fundraising appeals	313,559	691,498
Less: Fundraising costs	-	-
Net surplus - government and corporate	313,559	691,498
Sale of goods and services	-	-
Interest income	-	-
Total other income	-	-
<b>Total revenue net of direct fundraising costs</b>	<b>313,559</b>	<b>691,498</b>
<b>Application of net surplus obtained from fundraising appeals</b>		
Funds spent on delivering indigenous mentoring experience program	(313,559)	(691,498)
<b>Net Surplus</b>	<b>-</b>	<b>-</b>
 Gross proceeds from AIME GLOBAL fundraising appeals	 286,406	 -
Less: Direct fundraising costs	(86,474)	-
<b>Net surplus - public fundraising appeals</b>	<b>199,932</b>	<b>-</b>
Less: Fundraising costs	-	-
Net surplus - government and corporate	199,932	-
Sale of goods and services	-	-
Interest income	-	-
Total other income	-	-
<b>Total revenue net of direct fundraising costs</b>	<b>199,932</b>	<b>-</b>
<b>Application of net surplus obtained from fundraising appeals</b>		
Funds spent on AIME's Global Campaign	-	-
Transferred to tied funding reserve	(199,932)	-
<b>Net Surplus</b>	<b>-</b>	<b>-</b>

**17 Tied funding reserve**

See accounting policy in Note 2(l) for tied funding reserve accounting policy and description of the reserves.

	Co-CEO and Program Funding Reserve \$	Global Campaign Funding Reserve \$	Total Tied Funding Reserve \$
Opening balance of reserve at 1 January 2015	-	-	-
Donations to the reserve during the financial year	500,000	-	500,000
Spending of the reserve funding during the financial year	-	-	-
<b>Closing balance of the reserve at 31 December 2015</b>	<b>500,000</b>	<b>-</b>	<b>500,000</b>
 Opening balance of reserve at 1 January 2016	 500,000	 -	 500,000
Donations to the reserve during the financial year	-	199,932	199,932
Spending of the reserve funding during the financial year	(150,000)	-	(150,000)
<b>Closing balance of the reserve at 31 December 2016</b>	<b>350,000</b>	<b>199,932</b>	<b>549,932</b>

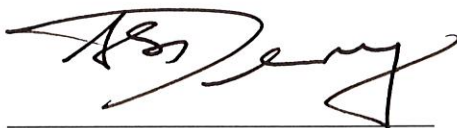
#### DIRECTORS' DECLARATION

The Board of Directors have determined that Australian Indigenous Mentoring Experience Indigenous Corporation is a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the Board of Directors:

- (a) there is reasonable ground to believe that the Corporation will be able to pay its debts when they become due and payable.
- (b) the financial statements and notes are in accordance with the Corporations (Aboriginal and Torres Strait Islander) Regulations 2007 (CATSI Regulations), including:
  - (i) compliance with Australian Accounting Standards.
  - (ii) providing a true and fair view of the financial position of Australian Indigenous Mentoring Experience Indigenous Corporation as at 31 December 2016 and its performance for the year ended that date.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:




Tom Dery, Chairman

Signed      May 2017

**DECLARATION BY EXECUTIVE OFFICER  
FOR THE YEAR ENDED 31 DECEMBER 2016**

I, Jack Manning-Bancroft, Chief Executive Officer of Australian Indigenous Mentoring Experience Indigenous Corporation declare:

- (a) the financial report gives a true and fair view of all income and expenditure of the Australian Indigenous Mentoring Experience Indigenous Corporation with respect to fundraising appeal activities for the financial year ended 31 December 2016;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 31 December 2016;
- (c) the provisions of the *Charitable Fundraising Act 1991 and Regulations* and the conditions attached to the authority have been complied with for the financial year ended 31 December 2016; and
- (d) the internal controls exercised by the Australian Indigenous Mentoring Experience Indigenous Corporation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Jack Manning - Bancroft, Chief Executive Officer

Signed 22 May 2017



# Independent Auditor's Report

To the members of Australian Indigenous Mentoring Experience Indigenous Corporation

## Report on the audit of the Financial Report

### Opinion

We have audited the **Financial Report** of Australian Indigenous Mentoring Experience Indigenous Corporation (the Corporation).

In our opinion, the accompanying Financial Report of the Corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, including:

- (i) giving a true and fair view of the Corporation's financial position as at 31 December 2016 and of its financial performance for the year ended on that date; and
- (ii) complying with *Australian Accounting Standards* and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007*.

The **Financial Report** comprises:

- (i) Statement of financial position as at 31 December 2016
- (ii) Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- (iii) Notes including a summary of significant accounting policies
- (iv) Directors' Declaration
- (v) Declaration by Executive Officer in respect of fundraising appeals of the Corporation.

### Basis for opinion

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

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

We are independent of the Corporation in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

# Independent Auditor's Report (continued)

To the members of Australian Indigenous Mentoring Experience Indigenous Corporation (continued)

## Other Information

Other Information is financial and non-financial information in Australian Indigenous Mentoring Experience Indigenous Corporation's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. This Other Information includes the 2016 Annual Report and the Directors' Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- (i) preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations (Aboriginal and Torres Strait Islander) Act 2006.
- (ii) preparing the Financial Report in accordance with Section 24(2) of the Charitable Fundraising (NSW) Act 1991 and Regulations.
- (iii) implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- (iv) assessing the Corporation's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

# Independent Auditor's Report (continued)

To the members of Australian Indigenous Mentoring Experience Indigenous Corporation (continued)

## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

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

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

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

Undertaking an audit in accordance with *Australian Auditing Standards*, means exercising professional judgment and maintaining professional skepticism.

Our responsibilities include:

- (i) Identifying and assessing the risks of material misstatement of the Financial Report, whether due to fraud or error.
- (ii) Designing and performing audit procedures responsive to those risks, and obtaining 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. This is because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (iii) Obtaining an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances. This is not for the purpose of expressing an opinion on its effectiveness.
- (iv) Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors committee members.
- (v) Concluding on the appropriateness of the Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation'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 Corporation to cease to continue as a going concern.
- (vi) Evaluating 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

# Independent Auditor's Report (continued)

To the members of Australian Indigenous Mentoring Experience Indigenous Corporation (continued)

## Auditor's responsibilities for the audit of the Financial Report (continued)

In addition we have:

- (i) Obtained an understanding of the internal control structure for fundraising appeal activities.
- (ii) Examined on a test basis of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Acts and Regulations.

We have not audited on a continuous basis the accounting records relied upon for reporting on fundraising appeal activities. These do not necessarily reflect accounting adjustments after the event or normal year-end financial adjustments required for the preparation of Financial Report such as accruals, prepayments, provisioning and valuations.

## Report on other legal and regulatory requirements

### Opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- (i) the Financial Report gives a true and fair view of the Corporation's financial result of fundraising appeal activities for the financial year ended 31 December 2016;
- (ii) the Financial Report has been properly drawn up, and the associated records have been properly kept for the period from 1 January 2016 to 31 December 2016, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- (iii) money received as a result of fundraising appeal activities conducted during the period from 1 January 2016 to 31 December 2016 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- (iv) there are reasonable grounds to believe that Australian Indigenous Mentoring Experience Indigenous Corporation will be able to pay its debts as and when they fall due.



KPMG



Cameron Roan  
Partner  
Sydney  
22 May 2017