



Australian
Rural Leadership
Foundation

ANNUAL REPORT 2018-2019



OUTSTANDING RURAL AND REGIONAL LEADERSHIP



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Australian Rural Leadership Foundation Limited
ABN 80 056 874 787

Patron-in-Chief General the Honourable Sir Peter Cosgrove AK
 AC (Mil) CVO MC (Retd)

Patrons Mr Tim Fairfax AC, Professor Colleen Hayward
 AM and Mr Andrew Robb AO

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MISSION: TO DEVELOP AND PROMOTE LEADERSHIP





The Board and staff of the ARLF, under the leadership of Chief Executive Matt Linnegar, remain steadfast in our belief that a strong regional Australia is important to the future of our nation and that success is dependent on effective and collaborative future-focussed leadership. Our approach and our efforts over the past year have been underpinned by this belief.

In 2018-19 we fulfilled our mission to develop and promote leadership by providing 14 high-quality programs delivered to 270 participants from every state and territory across the nation. These included participants in well-established programs such as the Australian Rural Leadership Program (ARLP), the Agribusiness Leadership Program, TRAIL for emerging leaders and more recent programs such as the Milparanga Program which is designed to develop and support leadership for Aboriginal and Torres Strait Islander people.

The diversity of our programs was matched by the diversity of participants who reflect the sectors, industries, occupations and demography of rural and regional Australia.

A highlight each year is the graduation of the latest cohort to complete the 15-month ARLP. In October 2018 our Patron-in-Chief, Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK AC (Mil) CVO MC (Retd) and Her Excellency Lady Cosgrove presented certificates to the graduating group.

Each year at the ARLP Graduation Ceremony we also invite a leader to present the John Allwright Memorial Address. This year, ARLF Network and alumni member, Elsie Seriat OAM shared her inspiring leadership story from the Torres Strait Islands, to the Indigenous Marathon Foundation and now to motivating others to lead.

As a not for profit which is not underpinned by a corpus or fund, and does not receive recurrent funding from government, the ARLF has been very effective over the past year in attracting funding in the form of scholarship sponsorships in addition to support from a small, but generous, number of committed philanthropists and foundations. Our initiatives to develop leaders who can work effectively to ensure a resilient future for the communities, organisations and industries of rural, regional and remote Australia would not be possible without their generous support.

In the coming year, we will call upon our supporters to help us ensure that rural Australia can effectively influence and respond to change. We need a network of informed leaders, home-grown in a variety of sectors, to give voice and contribute to solving our regions' contemporary issues and opportunities. It is envisaged that our future direction will embrace our many networks, raise awareness about our mission and showcase the value of investing in leadership.

My final thanks are to my fellow Directors: Sylvia Admans, Anna Carr, Ian Crook, Rob Dulhunty, Melissa Fletcher and Rick Sawers and to Matt and his team for their contribution to this year's achievements.

I am honoured to be Chair of the ARLF and, with a positive financial position, am excited about what the future holds. On behalf of the Board, I am very proud to present our Annual Report for 2018-19.

MICHAEL CARROLL

Chair



Arriving at the Australian Rural Leadership Foundation five years ago, I had a vision to expand our footprint across the depth and breadth of Australia. In 2018-19 we have continued to work towards that vision by capitalising on our strengths, increasing the leadership development programs we offer, committing resources to our alumni network and to our efforts to build a culture of fundraising.

This year we welcomed 226 new graduates into our alumni network with alumni now numbering more than 1,500. This ever-growing community of supportive, courageous leaders is one of our greatest assets.

For the first time in the ARLF's 27-year history the number of short-program graduates outnumbered graduates from our flagship program, the Australian Rural Leadership Program (ARLP), testimony to our increasingly diverse program offering.

Thanks to the generous support of the corporate sector and donors we were able to offer 35 ARLP applicants a place on Course 26 commencing in July 2019. This level of support for scholarships is unprecedented. Many of our funding partners have supported scholarships for more than two decades. We are truly grateful for their investment in rural and regional Australia.

Our ability to deliver effective leadership initiatives and extend our reach and influence was bolstered this year when we secured funding from the Commonwealth Department of Infrastructure, Transport, Cities and Regional Development to develop and deliver a pilot Leadership for Our Regions program in 2019-20. We will be collaborating with the Regional Australia Institute to deliver place-based programs in two locations with a focus on developing those with economic influence in their region. There will be 24 scholarships available for residents contributing to the economic success of the region.

Our presence in Indo-Asia continues through the international component of the ARLP. Cohort 25 were the last group of participants to visit Indonesia. Next year marks the start of a new destination for the 14-day session when Cohort 26 will travel to Vietnam. Over the past five years, we have established a deep relationship with Indonesia, engaging with leaders and developing strong links between our two countries. The ARLF's ambition to leave a legacy in Indonesia is currently in development alongside in-country partners with the aim of supporting and developing their own rural leadership community.

One of our strategic priorities is to foster an engaged and supportive network. Graduating from our programs is just the

beginning of a program graduate's journey with the ARLF. With the appointment in 2018 of a dedicated alumni engagement staff member, we have examined ways we can improve our support for our alumni looking to create opportunities for them to network, participate in ongoing professional and personal development, and to benefit from life-long connections to inspiring and competent leaders.

An enthusiasm and willingness to support the ARLF through volunteer activities is a hallmark of our alumni community and this past year saw many giving of their time to participate in ARLP interview panels and speak at program sessions. The commitment of a small number of our alumni also extended to donating to our Alumni Scholarship Appeal. Their belief in the importance of giving back saw the creation of the first Alumni Scholarship which was awarded to ARLP Cohort 25 participant, Yola Bakker.

This past year we worked to create opportunities for partnerships, new business and funding. There was an increased focus on diversifying the ARLF's revenue sources, most notably with the development of a three-year fundraising strategy. The goal of the strategy is to seek philanthropic support from individuals and foundations towards the ARLF's operations and long-term sustainability.

Our achievements over the past year would not have been possible without the support of our Board and the outstanding work of the entire team at ARLF and our Associates, all of whom are connected to enacting the values the ARLF applies to its work. In 2018-19 we welcomed new team members Anna Bewley, David Brouwer, Graeme Hincksman, Vivienne Johnson, Laura Kingi and Kellie Sydlarczuk, and farewelled Monique Brouwer, Kate Drain, Gemma Gordon and Michelle Wickson.

The ARLF has been producing courageous and ethical leaders since 1992 – this is something that we know how to do both effectively and efficiently. Over the next 12 months we will turn our attention to broadening the ARLF's impact on regional Australia by creating more opportunities for national engagement and interaction on complex issues.

Concept testing is underway for an initiative which will see the creation of a Centre for Regional Leadership which will bring together some of the nation's best regional leaders to collaboratively address challenges facing rural Australia. This will be achieved by harnessing the power of our alumni and other rural and regional leaders and organisations to bring social and economic value to the regions.

The Centre for Regional Leadership reflects an ambition to expand our exclusive focus on leadership development programs to one that also includes online leadership resources and Leadership Action Forums. The forums will address issues affecting regional Australia by broadening dialogue with relevant stakeholders including alumni, government, corporations, other rural, regional and remote bodies, peak bodies, rural research and development corporations, funders and supporters.

As we celebrate the achievements of 2018-19 and look toward the future, we are very excited about continuing to build cross-sectoral leadership capabilities, offering life-long learning opportunities for alumni and partnering with mission-aligned organisations for the greater good of rural and regional Australia.

MATT LINNEGAR
Chief Executive



OUR BOARD

MR MICHAEL CARROLL

MS SYLVIA ADMANS

DR ANNA CARR

MR IAN CROOK

MR ROB DULHUNTY

MS MELISSA FLETCHER-COVILL

MR RICK SAWERS

STAFF

CHIEF EXECUTIVE AND COMPANY SECRETARY - Matt Linnegar

DIRECTOR: LEADERSHIP PROGRAMS - Graeme Hincksman (Charlie Morrice to February 2019)

DIRECTOR: PARTNERSHIPS - Philippa Woodhill

MANAGER: COMMUNICATIONS - Anna Bewley (Monique Brouwer to March 2019)

MANAGER: FINANCE - David Brouwer (Michelle Wickson to February 2019)

MANAGER: PARTNERSHIPS - Matilda Ferguson (Gemma Gordon to September 2018)

MANAGER: LEADERSHIP PROGRAMS - Scott Gorringe

MANAGER: LEADERSHIP PROGRAMS - Andrea Hogg

DEVELOPMENT MANAGER, PHILANTHROPY - Vivienne Johnson

MANAGER: LEADERSHIP PROGRAMS - Charlie Morrice

MANAGER: LEADERSHIP PROGRAMS - Graham Smith

COORDINATOR: LEADERSHIP PROGRAMS - Jacqui Bond

COORDINATOR: LEADERSHIP PROGRAMS - Naomi Browne

COORDINATOR: MILPARANGA ENGAGEMENT - Laura Kingi

COORDINATOR: LEADERSHIP PROGRAMS - Amanda Ryall

COORDINATOR: ALUMNI ENGAGEMENT - Kellie Sydlarczuk

BUSINESS SUPPORT OFFICER - Kate Drain (to January 2019)

DATA SERVICES OFFICER - Fiona Humphris

BOOKKEEPER - Stacey Pyke

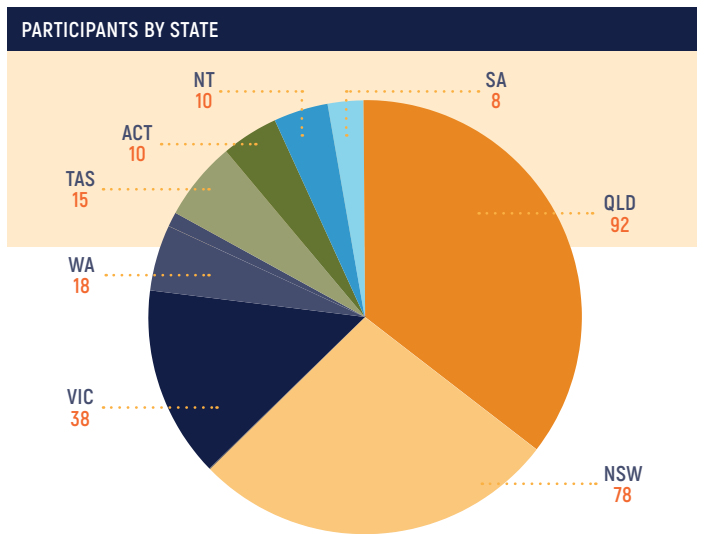
DEVELOPING LEADERSHIP

For 27 years the ARLF has developed and delivered world-class experiential and immersive leadership development programs. Our programs are designed within the rural and regional context and engage participants in opportunities and issues that are critical to Australia. They provide interaction with key people in industry, business, government and community on a regional, national and international stage.

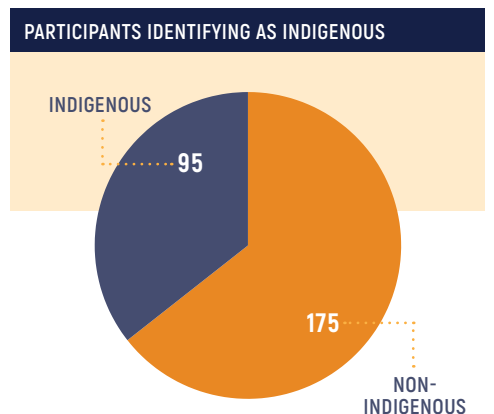
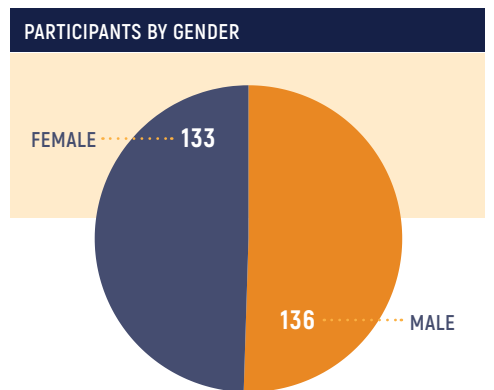
Our programs challenge participants to build upon their leadership capabilities, challenge their assumptions, consider diverse views and develop networks critical to effective leadership. As well as the flagship, Australian Rural Leadership Program, we provide a range of tailored programs for specific groups and industries.

The ARLF continues to explore new ways of providing rich learning experiences for our participants. This year new opportunities have included:

- participants engaging with the creative arts to be challenged and reflect;
- immersing leaders in context with industry leaders;
- new outdoor experiential sites in North Queensland, Bruny Island Tasmania, Mid North Coast NSW, SW Western Australia; and
- place-based program development and delivery.



2018 - 2019 PROGRAMS	PARTICIPANTS
Australian Agribusiness Leadership Program	16
Australian Rural Leadership Program C24	33
Australian Rural Leadership Program C25	29
Forestry & Wood Products Australia Future Leaders 2019: NSW/QLD	16
Forestry & Wood Products Australia Future Leaders 2019: TAS	15
Forestry & Wood Products Australia Future Leaders 2019: VIC	14
Milparanga 4.1: Perth	13
Milparanga 4.2: Darwin	17
Milparanga 5.1: Shepparton	13
Milparanga 5.2: Perth	13
Milparanga 6.1: Canberra	15
National Farmers' Federation Leadership Program 2018	8
Rice Industry Foundations of Leadership Program	19
Rimfire Introduction to Leadership Program 2018	12
Torres Strait Women's Leadership Program 2018	8
Torres Strait Youth Leadership Program 2019	8
TRAIL 2018	13
TRAIL 2019a	8
TOTAL	270



AUSTRALIAN RURAL LEADERSHIP PROGRAM

The Australian Rural Leadership Program (ARLP) is a 15-month program which immerses a group of diverse participants in a five-session, challenge-based experience across Australia and Asia. In July 2018, 30 selected participants met in the Kimberley WA, to take their place as part of the 25th cohort of this program.

Traversing the nation and beyond provided many opportunities for the cohort to form solid bonds that enhance their cross-sectoral and cross-community engagement in the future.

“ The ability to connect with like-minded people who provided a safe space to try new tactics in leadership and building relationships has already positively impacted life at home and at work, ”

Amanda Johnston, sponsored by CBH Group.



“ I thought the ARLP was going to be the same sort of leadership program I had done previously – but it was not. I found the whole ARLP process confronting yet very empowering and liberating, ”

Dale Chapman, sponsored by the Australian Government Department of Prime Minister and Cabinet.



“ The ARLP has helped to develop a leadership skill set that I will utilise in my career in regional, rural and remote health. I aim to build on my ARLP experience and my new networks to help achieve meaningful outcomes for the communities in which I serve, ”

Alex Dunn, sponsored by Prime Super.





Supporting the early development of leadership capability within industry and communities of rural and regional Australia has been the focus of TRAIL for just over 10 years. This year, 21 leaders across two program intakes participated in the eight-day program in Canberra and surrounds.

Continuing our valued relationship with Outward Bound Australia, participants were treated to the beauty and challenge of Namadgi

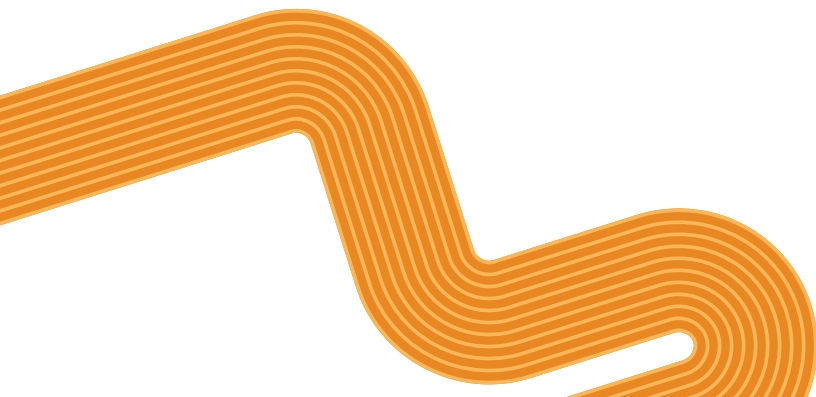
National Park as the setting for interactive activities to understand individual and team behaviour, how to give meaningful feedback to others, how to adapt to situations which are complex and changing and how to develop a culture of trust.

Participants met a range of national and regional presenters and undertook a case study of a regional centre to delve into a greater awareness of leadership in context.



“ I would strongly recommend this program to any up and coming leaders in all industries, such an amazing experience. ”
 Stevie Lee

“ This program gave me the skills and tools to forge a better leadership path for myself and others going forward. ”
 Sam White





In 2019, the 4th Australian Agribusiness Leadership Program was held over two sessions in Launceston, TAS and Orange, NSW. The program is designed to explore collaborative leadership approaches where individuals test their own assumptions, break down silo approaches to working, form networks and challenge people to look beyond their own interests, above their day to day and ask, "What does the agriculture sector as a whole look like, what does my role look like and how can we work together in the interest of the sector?"

The immersive program challenges participants to reflect upon and understand self and others, test and develop the courage to act and influence others on a shared path and to engage constructively for the whole sector.

“ Networks are priceless, I wish to maintain the connections that I have formed on the program. ”

Blake Taylor, sponsored by the Northern Territory Department

“ I can take back many things that will truly help me in all aspects of my career. ”

Joanne Macdonald, sponsored by Canegrowers

A diverse group from across the sector, participants engaged with large agricultural corporations and family businesses to discuss leadership frameworks, succession planning and current opportunities within the sector and region. Participants also shared time with prominent agribusiness leaders to understand their approach, perspective and challenge their thinking.

The program culminated with a presentation to ARLF funding partners, participants’ employers and alumni about the connections formed, lessons learned and their increased capacity to lead and influence change within rural and regional Australia.

“ This is the fourth year of the Agribusiness Leadership Program, and I am thrilled at the commitment of the agribusiness industry to invest in its future leaders. I’m also amazed at the participants – they are a great crop of leaders which makes an ideal environment for development to occur. ”

Matt Linnegar, Chief Executive ARLF



MILPARANGA



Now in its third year, Milparanga, ARLF's National Aboriginal and Torres Strait Islander Leadership Program is led by ARLF Fellow Scott Gorringer. The 11-day, two-session program was conducted twice this year. Each program is held in a location which holds significance in terms of leadership to Indigenous Australians. The theme of the individual, the location, their story and achievement is at the heart of each program design.

Milparanga focuses on personal growth, cultural expression and the power of collaborative thinking to create more meaningful opportunities for indigenous people in the future. Milparanga provides a platform for Aboriginal and/or Torres Strait Islander people to engage in powerful and authentic conversations within a supportive space, to challenge their assumptions, consider diverse perspectives and lead future dialogue in their home, workplace and community.

“The Milparanga program has given me the fortitude and courage to acknowledge my own abilities for personal future development. It has opened my mind, my heart and my hands to opportunities to be connected to a deadly group across Australia.”

Rodney Harrison

“The program changed my whole outlook on life. The doors have just opened for me. And I want to take it further and learn as much as I can to help the community as well as my own people.”

Jenny Brooker



CLIENT PROGRAMS

TORRES STRAIT WOMEN'S LEADERSHIP PROGRAM

Nine women leaders of the Torres Strait graduated from the Torres Strait Women's Leadership Program in November 2018 on Thursday Island. Now in its sixth year, this program is a partnership with the Torres Strait Regional Authority to increase the role of women in decision-making opportunities for the region. ARLF Associate and Fellow Michelle Deshong worked alongside Manager, Leadership Programs, Andrea Hogg to deliver this long standing three-session program from the Northern Peninsula region to Canberra and back to Thursday Island.



TORRES STRAIT YOUNG LEADERS PROGRAM

The Torres Strait Young Leaders Program took place in Canberra in February 2019 this year with eight participants who represented the many islands of the Torres Strait. The core areas of the program focus on developing self-awareness, making decisions, recognising the contributions of others, establishing trust and transparency in groups, having important conversations, planning and implementing ideas as well as taking care of personal wellbeing. There is also an emphasis on understanding the political process in Australia and different levels of government.



NATIONAL FARMERS' FEDERATION TOWARDS 2030 LEADERSHIP PROGRAM

Eight participants took part in the program over two sessions in September and October 2018. The National Farmers' Federation worked in partnership with the ARLF to develop a program for leaders who are passionate about the future of agriculture in Australia and who want to work collaboratively to contribute to the objectives of the 2030 Agricultural Roadmap.

This group brought considerable energy, vision and creativity to the initiative they presented to the National Farmers' Federation at the completion of the program and were congratulated on their commitment to increasing awareness of the role of primary producers in Australia. The program design included sessions on developing key communications skills, critical thinking, influence and negotiation. There was also a focus on developing ongoing peer relationships within the sector and leading in ethical ways to address future challenges within the Australian farming industry.



RICE INDUSTRY LEADERSHIP PROGRAM

Ricegrowers Association of Australia has commissioned this program over many years to develop strong and effective industry leaders to ensure the economic, environmental and innovation outcomes of the industry. The Rice Industry Foundations of Leadership Program was delivered to a diverse group of 19 participants in two sessions in the beautiful Riverina region of NSW.

There is a significant and growing number of alumni members of the ARLF living and working in this region who provide valuable contributions as guest speakers and collaborators in this program.

The future of the industry and region, social licence, ethics, environmental pressures, leadership vision and self-awareness were key components of this program. Participants presented to invited guests at the culmination of the program on a range of initiatives they believe will make a contribution to the region in the future.



REGIONAL FORESTRY COLLABORATIVE LEADERSHIP PROGRAM

Forest and Wood Products Australia (FWPA) contracted the ARLF to deliver the For Our Future, the Regional Forestry Collaborative Leadership Program which focussed on Developing tomorrow's leaders – people with the knowledge and skills to collaborative drive the future. This long-standing goal of the FWPA has focussed on supporting industry participants to develop their capability to step up and participate in all aspects of industry leadership.

Some 46 industry leaders participated across three Australian regions. Starting in the regions, the first session encouraged local networks and collaboration before all groups joined in a session together in Canberra. This session brought the three regions together to understand the national perspective, explore shared opportunities and broaden their networks with industry leaders.



'INTRODUCTION TO LEADERSHIP': AN INITIATIVE OF RIMFIRE AND HORTICULTURE INNOVATION AUSTRALIA

Recent horticulture graduates participated in a range of experiences to develop confidence and broaden their understanding of their industry. The five-day program utilised the creative arts as a learning tool to explore leading teams and understanding self, using adaptive solutions, thinking creatively, using voice as a tool for influence and change.



ARLF ASSOCIATES

For many years the ARLF has engaged alumni and others to assist us in delivering leadership development programs and initiatives. As we broaden and deepen our impact across rural and regional Australia we are looking to formalise this contribution made by a range of people (other than ARLF staff) to be known as Associates.

This diverse and capable group of leadership and regional development practitioners will assist us in challenging current practice, creation of new material and experiences and responding to the opportunities the ARLF is equipped to engage in.

To manage the diversity of opportunity being presented, we will engage with Associates and create other alliances. These relationships with the ARLF will foster and generate new and exciting initiatives, research and programs.

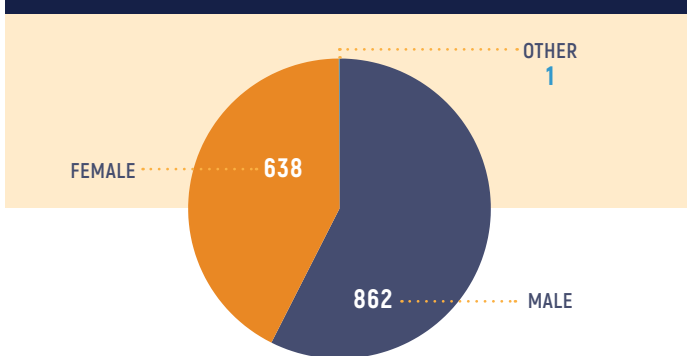
In February 2019 we convened a group of those who have worked with us already to assist in developing a structure and terms of reference that would be mutually beneficial and serve our shared commitment to rural and regional Australia.

ALUMNI OVERVIEW

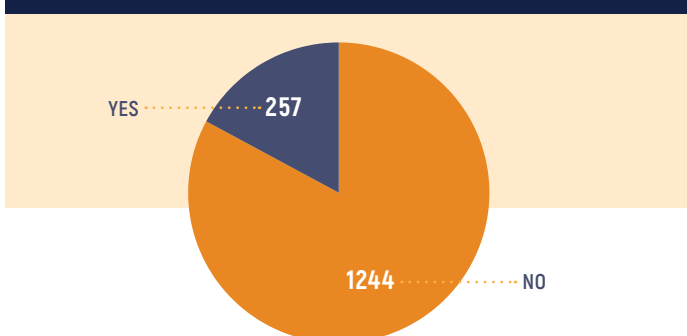
Our alumni network is one of our most valuable resources. The Alumni Engagement Strategy aims to deepen our connections with the alumni community and wider network to actively engage, support and enrich individual and collective leadership opportunities.

Our alumni include ARLF Fellows, Honorary Fellows and all short-course program graduates. During this year, the number of total short course program graduates exceeded the number of ARLF Fellows. This is a milestone worth noting as we diversify our program offering to better support rural and regional Australia.

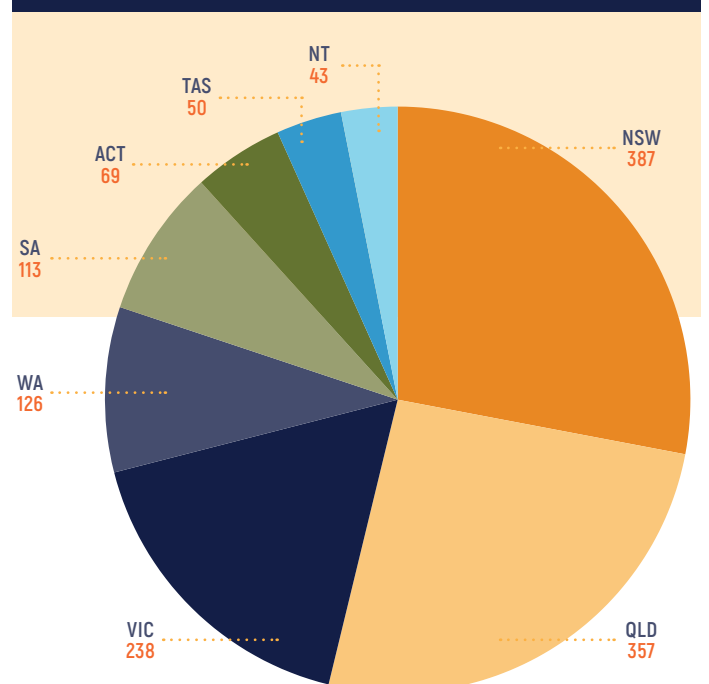
GRADUATES BY GENDER



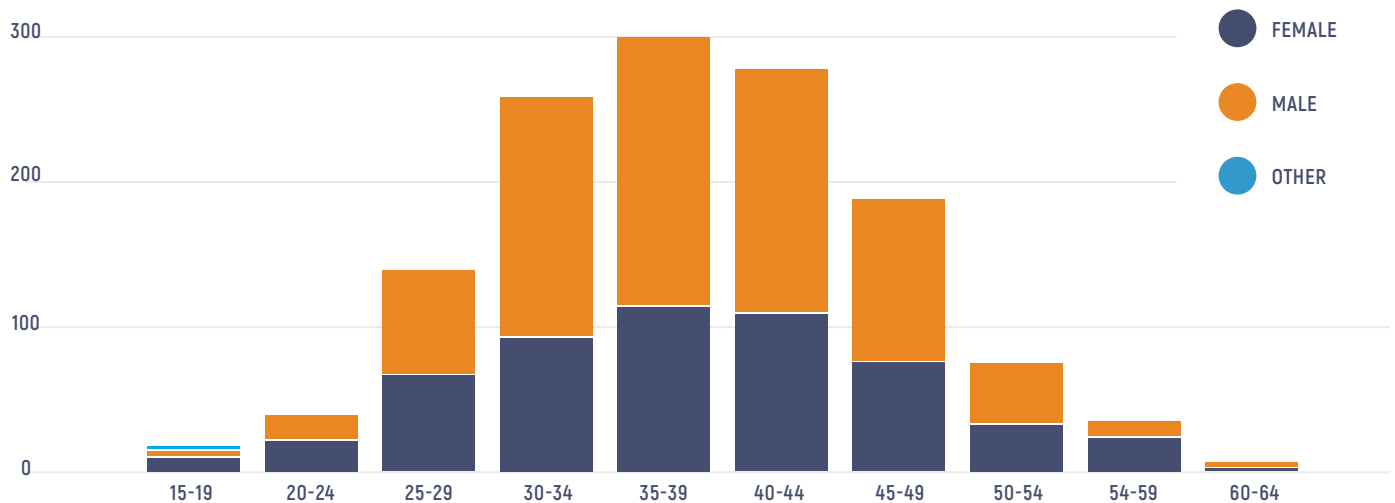
GRADUATES IDENTIFYING AS INDIGENOUS



GRADUATES BY STATE



GRADUATES BY AGE (AT COMMENCEMENT) AND GENDER



The ARLF Alumni Network continued to be involved in activities and programs in 2018-2019. The ARLF has an expectation that our graduates will give back - to support work of the ARLF, to lead in their industry and community and to broadly serve the greater good of rural and regional Australia.

Alumni involvement is varied and included:

- assisting with program design;
- facilitating sessions;
- assisting to recruit and select program participants;
- participation in our programs as guest speakers and panellists;
- providing advice on a range of leadership topics and development opportunities;
- meeting with program participants; and
- acting as mentors for ARLF participants and graduates.

GRADUATE LOCATIONS



KITCHEN TABLES

Last year Chief Executive, Matt Linnegar, travelled to 10 locations around the country for a round of kitchen table meetings to talk about the future of the ARLF and to test support for The Centre for Regional Leadership. Around 100 Alumni participated across Australia in Townsville QLD, Dubbo NSW, Gunnedah NSW, Toowoomba QLD, Bungendore NSW, Hahndorf SA, Perth WA, Beechworth VIC, Launceston TAS and Thursday Island QLD.

DELIVER - LEADERSHIP IN ACTION

As an extension of the Regional Dialogues held in 2017-18 funded by the Australian Government Department of Infrastructure and Regional Development, the ARLF was engaged to survey the current Regional Development Australia (RDA) Chairs and Deputy Chairs. Subsequently, the ARLF hosted a leadership webinar focussed on 'difficult conversations' for the RDA network. The survey report was used by the Department to guide their future investment in leadership capability development for the RDAs.

Moving forward, the ARLF is dedicated to building upon our networks, knowledge, history and leadership impact.

The Centre for Regional Leadership (the Centre), an initiative of the ARLF, will contribute to our vision comprehensively and will provide deeper social benefits to rural, regional and remote Australia (and the broader Asia and Indo Pacific region). It is a logical strengthening of our mission, extending from developing and promoting leadership to facilitating and demonstrating leadership.

The ARLF has a longstanding commitment to rural and regional Australia, which is grounded in the belief that people have the inherent capacity to solve their own problems and that social transformation is within the reach of all sectors and communities.

The creation of the Centre reflects an ambition to expand our exclusive focus on leadership development programs, to one that also includes:

- leadership resources (an online collaboration resource); and
- leadership action forums which address issues affecting regional Australia by broadening dialogue with relevant stakeholders: alumni; government; corporate sector; other rural, regional and remote bodies (e.g. Regional Australia Institute); peak bodies; rural research and development corporations; funders and supporters.

The concept of a virtual Centre for Regional Leadership was the result of extensive consultation with our alumni, partners and wider community. The three focus areas are complementary and in part will formalise and strengthen existing activity and action.

A Centre for Regional Leadership plays an important role in governments, business and civil societies. It is a way to share ideas, develop best practices and effective strategies for meeting the organisation, industries, communities, policymakers and the public at large. It brings a diversity of rural, regional and remote experience, culture and views which is authentic, ethical and a mirror to robust discussions.

In the year ahead we look forward to engaging with our alumni, partners and other individuals and organisations that share our commitment for rural regional and remote Australia.

Centre for Regional Leadership

Stronger leadership for rural, regional and remote Australia



Leadership Programs

Experience. Reflect. Develop. Influence.

- Driven by our philosophy
- Experiential people-focused
- Core and bespoke programs
- Cross-sector, cross-community and Australia wide
- International Connections



Leadership Excellence

Support and resources for regional leadership development.

- Research, development and evaluation
- Lifelong learning for alumni
- Collaborative and ideas exchange
- Alumni and beyond
- Building networks



Leadership Action

Regional Leaders. Real Conversations.
For the greater good of Australia.

- Access to diverse views from real leaders
- Candid conversations
- Focus on challenges, opportunities and ideas
- Purpose for greater good

ALUMNI INITIATIVES AND ACHIEVEMENTS

A snapshot of some of the amazing work our Alumni have done in 2018 - 2019.



LANAH - YOLA BAKKER

Profit-for-purpose organisation that seeks to create people solutions to place problems.



LYN FRENCH - QUEENSLAND VOLUNTEER OF THE YEAR 2019

Founder of AHVISE - a remote educational support program for Australian children.



WAVERLY STANLEY - AWARDED MEMBER OF THE ORDER OF AUSTRALIA

Significant service to the Indigenous community through educational support.



HOLLY LUDEMAN - THE SHEEP COLLECTIVE

A collaboration of exporters, importers, industry bodies and producers within the sheep sector.



CAROLINE RHODES - GPSA EMERGING LEADERS PROGRAM

Leadership development program for future leaders within the grains industry.



REBEL BLACK - JUDGES CHOICE AWARD FOR WOMEN IN TECH 2019

Redefining business opportunities and connections for rural women.



EDWINA SHARROCK - TELSTRA NSW SMALL BUSINESS WOMAN OF THE YEAR 2019

Founder of Birth Beat - an online provider of childbirth education, antenatal classes and baby first aid.

IMPACT OF PROGRAMS ON PARTICIPANTS

The ARLF makes a real difference in people's lives. It impacts families, small business, corporates, communities and industry.



“ Leadership programs are a dime in a dozen and most will give you a brief insight into some of the things that good leadership can deliver. The ARLF is different because it is a completely immersive experience that hits you like a ton of bricks and pushes you to the limit of your psychological and physiological abilities. ”

Lisa Dwyer – Dairy farmer, Non-Executive Director for the Murray Goulburn Cooperative Co and Australian Livestock Corporation.

“ The program taught me not to sweat the small stuff. It gives you opportunities to work on yourself without any distractions and this leads to some really powerful moments of realisation and growth. ”

Helen Jenkins – Biosecurity Liaison Officer, Northern Australia, for Animal Health Australia.



“ I've always been very results-driven, and used to working with smaller teams, where it's been somewhat easier to get your message across. Within the ARLF, it certainly throws people together who are totally unlike you—from different places and with different ways of thinking. The way different people perceive you can come as a bit of a shock. You certainly become more self-aware. ”

Dave Young, Sheep farmer.

“ One of the things that was most useful was the recognition that we really need to tackle this from a range of different places to help strengthen Aboriginal and Torres Strait Islander communities. Not just support them, but uphold them and create an environment where we value them and place at our heart and our core, Indigenous Australia. ”

Jacinta Elston, Vice Chancellor at Monash University



“ Going through the program, I was able to make many diverse and genuine connections with people. These connections have proved very powerful in my role at SunPork and as I continue to face both expected and unexpected challenges within the pork industry. Valuing the power of relationships is critical to being part of a progressive and sustainable industry. ”

Rhys Collins, Executive General Manager at SunPork Fresh Foods.

EVENTS

GALA DINNER

A successful ARLF Gala Dinner was held on 18 October 2018. The Welcome Address at the cocktail function was delivered by Deputy Prime Minister, The Hon Michael McCormack MP – Leader of the Nationals and Minister for Infrastructure, Transport and Regional Development. The annual event is a culmination of a week-long focus on regional, rural and remote Australia in Canberra.

The ARLF Gala Dinner is the premier event on the ARLF calendar. The night was jointly emceed by Leigh Radford, ARLF Honorary Fellow and former ABC Radio presenter and Hannah Wandel, CEO, Country to Canberra.

The evening celebrated the graduating cohort of Course 24 and included an initiative presentation from their time on the ARLP. Brianna Casey, Fellow and current CEO of Foodbank, also shared her own reflection of the ARLP and the impact it continues to have for her.

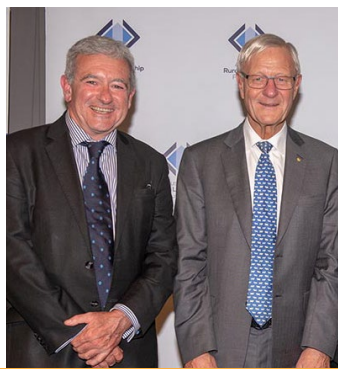
The 2018 ARLF Gala Dinner brought together an audience of 240 attendees, including program participants and their guests, ARLF alumni, Board members, corporate sponsors, government representatives and philanthropic supporters.

The ARLF is very grateful to the event sponsors: Elders, Prime Super, Telstra and Torres Strait Regional Authority.



2018 JOHN ALLWRIGHT MEMORIAL ADDRESS

The 2018 John Allwright Memorial Address was presented during the ARLF - Course 24 graduation ceremony by TRAIL graduate Elsie Seriat OAM. Elsie shared her personal leadership story about believing in herself, not giving up and inspiring others to take on the next challenge.



OUR SUPPORTERS



Over the past 12 months the ARLF has been supported by generous and far-sighted individuals and organisations committed to investment in rural, regional and remote Australia's advancement and resilience. These supporters are united in two beliefs: that a strong regional Australia is important to the future of the nation; and, that success is dependent on effective and collaborative future-focused leadership.

As a not for profit, this generosity has enabled us to continue to help regional Australia, its people, industries and communities meet their challenges and aspirations for the future. To these committed individuals and organisations, we say thank you.

Philanthropic support from a number of foundations for leadership program scholarships has seen people who would not otherwise be able to participate in our programs do so. We acknowledge and thank the following foundations for providing scholarships in 2019-20: Tim Fairfax Family Foundation, Thyne Reid Foundation, and the Gardiner Foundation.

Additional three-year funding from the Thyne Reid Foundation in support of the successful Milparanga program will contribute to its long-term sustainability. We also welcomed the support of The John B. Foundation whose gift will establish a scholarship, the The John B. Foundation Innovation in Agriculture Scholarship, to be awarded annually over the next five years.



Recognising the importance of giving back to the ARLF, donations from alumni contributed to the inaugural Alumni Scholarship which was awarded to ARLP Course 25 participant, Yola Bakker. We were also fortunate to receive in-kind support from a number of corporations including Prime Super, Tanarra Philanthropic Advisors and KPMG. Their contribution of facilities and services has increased our capacity to realise our mission.

Benefactors John and Myriam Wylie made a significant major gift to develop the ARLF's alumni and fundraising programs. Their gift came at a critical stage of the ARLF's history with the Board's decision to invest in these two areas with the creation of the new role of Development Manager, Philanthropy and a reintroduction of the Alumni Network position.

The ARLF's fundraising capacity was further strengthened with the establishment of the Fundraising and Investment Committee, a sub-committee of the Board, and the appointment of Sylvia Admans to the Board. Sylvia has worked in the philanthropic sector since 1991 and is a former CEO of the Foundation for Rural & Regional Renewal and the RE Ross Trust.

Over the next three years fundraising efforts will be directed towards securing support for open scholarships, and funding for new programs and initiatives. To achieve this will require a redoubling of effort to renew the support of past donors and benefactors as well as attracting new sources of support in the wider community.



OUR PARTNERS

The solid performance of the ARLF over 27 years is made possible through our generous and committed funding partnerships. Many of these organisations, corporates and government departments have been working with us for over two decades through the provision of scholarships on the Australian Rural Leadership Program.

This year we welcomed new ARLP partners Indigenous Land and Sea Corporation, CBRE Group and Macquarie Pastoral. Their commitment has ensured the ARLP due to commence July 2019 will be at capacity for the first time ever, 35 scholarships - 35 participants!

The demand for leadership development from and for rural and regional Australia has increasingly been for short and bespoke programs. As the diversity of our programs and initiatives broadens so too does the reach, nature and impact of the ARLF's contribution.

We are proud of our portfolio of partners who share our vision and commitment to outstanding leadership for rural and regional Australia.

OUR PARTNERS

Agriculture Victoria

Agrifutures

AuctionsPlus

Auscott Limited

Australia Council for the Arts

Australian Government Department of Agriculture and Water Resources

Australian Government Department of Health

Australian Government Department of Infrastructure, Transport, Cities and Regional Development

Australian Live Export Corporation

Australian Lot Feeders' Association

Australian Meat Processor Corporation

Australian Pork Limited

Australian Wool Innovation

CANEGROWERS

CBRE

Consolidated Pastoral Company

Cooperative Bulk Handling Ltd

Cotton Australia

Cotton Research and Development Corporation

Elders Limited

Fisheries Research and Development Corporation

Fletcher International Exports

Forest & Wood Products Australia

Gardiner Dairy Foundation

Goat Industry Council of Australia

Grains Research and Development Corporation

Indigenous Land and Sea Corporation

James Cook University

The John B. Foundation

Macquarie Pastoral

Meat & Livestock Australia

Monash University

My Pathway

National Australia Bank

National Farmers' Federation

National Indigenous Australians Agency

National Irrigators' Council

NSW Department of Primary Industries

NSW Local Land Services

NT Department of Primary Industries

NuFarm

Prime Super

Regional Australia Institute

Ricegrowers Association of Australia Inc

RimFire Resources

Soil Conservation Service

Strawberries Australia

Syngenta Australia

Telstra

Thyne Reid Foundation

Tim Fairfax Family Foundation

Torres Strait Regional Authority

Westpac Banking Corporation

Wine Australia

Woolworths Limited

DONORS

JACQUI CANNON

JOHN AND MYRIAM WYLIE FOUNDATION

TIM FERRARO

RITA & STEPHAN HENGGELER

HELEN LAMONT

MATT LINNEGAR



BOARD MEMBERS



MICHAEL CARROLL - CHAIR

Michael Carroll was appointed Chair of the Australian Rural Leadership Foundation in March 2016, and he first joined the Foundation Board in November 2015. He has more than 25 years' experience in food and agribusiness with current directorships including Select Harvests, Paraway Pastoral Company, Rural Funds Management, Viridis Ag and Elders. Mike is also a member of the Marcus Oldham Agricultural College Foundation. Former board roles include Sunny Queen, Tassal, Warrnambool Cheese & Butter, Queensland Sugar, Rural Finance Corporation, the Australian Farm Institute, Meat and Livestock Australia and the Geoffrey Gardiner Dairy Foundation.

Mike held senior positions at the National Australia Bank and Monsanto Agricultural Products. His family has been involved in farming for over 140 years, and Mike has a property in western Victoria. Mike holds a Bachelor of Agricultural Science from La Trobe University and a Master of Business Administration from Melbourne University Business School. He completed the Advanced Management Program at Harvard Business School, Boston and is a Fellow of the Australian Institute of Company Directors.



MS SYLVIA ADMANS

Sylvia has over 40 years' professional experience, working across government, not for profit, and commercial sectors. The past 20 years was spent in the philanthropic sector where she was the CEO of the R E Ross Trust and CEO of the Foundation for Rural & Regional Renewal (FRRR) where she established the Foundation in Bendigo. She has made a significant contribution to place-based and community philanthropy.

Sylvia hails from Yetman in Northern NSW, is a qualified librarian, a graduate of the Australian Rural Leadership Program, a Fellow of the Australian Rural Leadership Foundation, a Churchill Fellow and holds a Diploma from the Institute of Company Directors. She is a Director of the Inner North Community Foundation.



DR ANNA CARR

Fellow of ARLP Course 20, Dr Anna Carr was elected to the ARLF Board in 2015. Anna is a consultant and facilitator of futures for society, technology and environment. Previously Anna has worked for government, academia and the community sector. Anna is from Allanooka in WA and has a PhD in resource management and environmental stewardship.



MR IAN CROOK

Ian Crook joined the Foundation Board in 2013, bringing experience in agriculture, research and marketing. Ian holds a Bachelor of Agricultural Science from Sydney University and a Masters in Agriculture from the University of Melbourne and is a Graduate of the Officer Training Unit Scheyville. He has held a range of leadership roles in the crop protection industry in Australia and overseas and most recently spent 10 years with agrochemical company Arista LifeScience as Australasian Regional Manager. Ian completed the Australian Rural Leadership Program in 2000 as a part of Course 6, and is now working part time and for charity.



MR ROB DULHUNTY

Rob Dulhunty joined the Foundation Board in 2015. He brings extensive experience in leadership and advisory roles in the regional space. Since 2011, Rob has been Chair of Landcare New South Wales, and is Manager at Nant Pastoral Co Pty Ltd. Rob's Landcare roots extend back to his roles as Vice-Chairman and a Founding member of Landcare NSW, from 2006 to 2011. He is also a member of the NSW Office of Environment and Heritage Ministerial Roundtable, in an advisory role to the Minister for the Environment.

MS MELISSA FLETCHER -COVILL

Melissa is a Kamilaroi woman from Moree now residing in Dubbo in NSW and is graduate from Course 18 of the Australian Rural Leadership Program. Melissa is the CEO of Fletcher International Exports Pty. Ltd as well as an owner of a small business with outlets in Brisbane and Dubbo. Melissa has previously served as a Director of the Albany Port Authority, General Manager of Fletcher International, WA and as Indigenous Liaison at St Patrick's Senior College in Mackay, Qld.



MR RICK SAWERS

Rick Sawers joined the Board in 2016. He is an experienced company director in financial services and trade and leadership sectors contributing strong business, risk management, strategic, human resource and system capabilities.

Rick has considerable experience leading very large, heavily regulated and international businesses. He has held a range of senior executive roles, including as Group Treasurer for ANZ and Group Executive and Group Treasurer for NAB.

Rick is a Non-Executive Director for the Export Finance and Insurance Corporation (EFIC), and has held the role of Non-Executive Chairman of the US Great Western Bancorporation. He has experience with diverse board positions with a range of international banks as well as the Australian Financial Markets Association.





LIMITED ABN 80 056 874 787

The Directors of the Australian Rural Leadership Foundation Limited present their report for the financial year ended 30 June 2019.

Directors

The directors of the Australian Rural Leadership Foundation during the 2019 financial year were:

Mr Michael Carroll (Chairman)	Ms Sylvia Admans (appointed 10 May 2019)
Dr Anna Carr	Mr Ian Crook
Mr Robert Dulhunty	Ms Melissa Fletcher
Mr Rob Hadler (retired 2 Nov 2018)	Mr Rick Sawers
Ms Andrea Staines (resigned 17 Dec 2018)	

Directors have been in office since the start of the financial year to the date of this report unless otherwise noted.

Directors' benefits

During the financial year and to the date of this report, no director has received, or become entitled to receive, a benefit by way of a contract made by the Foundation with the director, or with a firm of which a director is a member or with an entity in which a director has a substantial interest (other than potential or perceived benefit as disclosed in note 13 (c) related part transactions).

Principal activities

The principal activity of the Foundation during the 2019 financial year was the development and delivery of programs that support and develop leadership in, and for rural Australia including:

- Australian Rural Leadership Program
- Milparanga Aboriginal and Torres Strait Islander Leadership Program
- TRAIL for emerging leaders
- Australian Agribusiness Leadership Program
- client-specific courses for particular groups or industries; and
- strengthening the Australian Rural Leadership Foundation's network of graduates and members.

Short-term and long-term objectives

In June 2015, the Foundation developed a strategic plan for the 2015-2018 period. It was decided during the March 2018 planning session that the current strategic plan would continue through to June 2020 and be expanded through the pursuit and proof of concept testing of the Centre for Regional Leadership.

The Foundation's short-term objectives are:

To develop outstanding regional and rural leaders for the greater good, no matter where they live or work by:

- Becoming synonymous with successful leadership development
- Establishing an engaged and supportive network
- Creating greater awareness of the Foundation
- Creating opportunities for partnerships, new business and funding
- Living its values (socially responsible, ethically-based, effective and constructive, responsive to context, values diversity, consensus builder).

The Foundation's long-term objective is to:

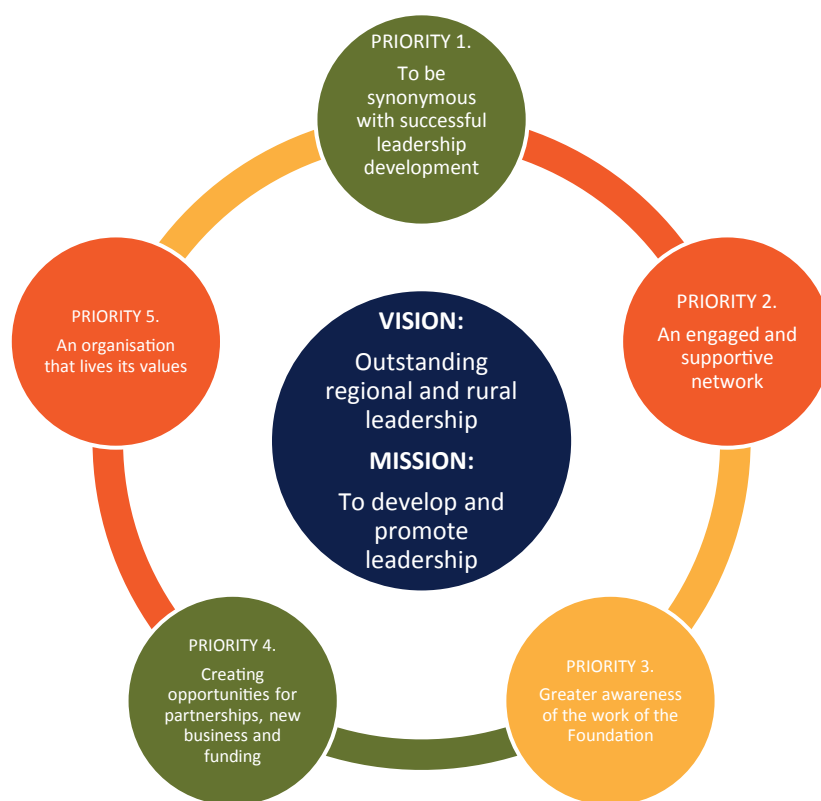
- Develop and promote leadership.

Strategies

To achieve its stated objectives, the Foundation has adopted the following strategies:

- Design, deliver and evaluate leadership development initiatives based on the Foundation's core principles
- Contribute to leadership theory and practice
- Increase our influence as a leader amongst leadership organisations for regional, rural and remote Australia
- Extend our reach beyond our border
- Actively supporting our network in tackling individual and collective leadership challenges and opportunities for the greater good of regional, rural and remote Australia and more broadly within the region
- Create opportunities for our network to connect with each other and the Foundation
- Build greater awareness of the work of the Foundation; raise the Foundation's profile through all forms of media; create opportunities to showcase the work of the Foundation; and encourage participants, the alumni and Foundation partners to highlight the work of the Foundation
- Create opportunities for partnerships, new business and new funding by engaging with like-minded organisations for mutual benefit; leveraging our networks; approaching new markets; and capitalising on the Foundation's deductible gift recipient status
- Maintain an organisation that lives its values through a commitment from staff and Board; ensure sound governance and financial management principles and invest in professional and personal development.
- Conduct proof of concept testing for the Centre for Regional Leadership with the addition of Leadership Action fora and building Leadership Excellence including a leadership resource hub.
- Diversify income streams including;
 - the creation of new leadership development programs that meet our mission and;
 - the creation of a dedicated fundraising arm of the organisation including the recruitment of new staff.

Priorities – ARLF Strategic Plan 2015 - 2020



The Foundation has continued to focus on the following priorities in 2019:

Priority one involves delivering effective leadership development initiatives; contributing to leadership theory and practice and extending our reach and influence to diverse partners and locations.

Priority two involves interacting with our network as they lead in regional, rural and remote Australia. This includes facilitating ways for our alumni to collaborate with each other and the ARLF, while encouraging reciprocal support from our leaders.

Priority three involves multiple strategies to raise the profile of the ARLF, its work and alumni, and in turn building financial support, new business and applicant interest.

Priority four involves securing strategic partnerships and pursuing new market opportunities. Revenue growth will result from diversified stakeholders and new approaches to fundraising.

Priority five involves a team of staff and Board, committed to enacting the values the ARLF applies to its work.

Information on Directors

During the year the following people served on the board

<p>Mr Michael Carroll, Chairperson <i>BAgric MBA FAICD</i> Joined the board 4 March 2016.</p>	<p>Ms Sylvia Admans <i>BA Grad Dip Lib Grad Dip Executive Management FARLF GAICD</i> Joined the board 10 May 2019</p>
<p>Dr Anna Carr <i>BA (Hons); MAES, PhD, FARLF, GAICD</i> Joined the board 18 November 2015</p>	<p>Mr Ian Crook, Chair of Audit and Risk Committee (from Jan 19) <i>BAGSc MScAgr FARLF GAICD</i> Joined the board 15 November 2013.</p>
<p>Mr Robert Dulhunty, Chair of Fundraising Committee Joined the board 18 November 2015</p>	<p>Ms Melissa Fletcher <i>FARLF</i> Joined the board 17 November 2017</p>
<p>Mr Robert Hadler <i>BEC MBA (Finance), FAICD</i> Joined the board 28 June 2013 Retired 2 November 2018</p>	<p>Mr Rick Sawers, Chair of Nominations Committee <i>Dip Inter Trade MA</i> Joined the board 4 March 2016</p>
<p>Ms Andrea Staines, Chair of Audit and Risk Committee <i>BEC MBA (Finance), FAICD</i> Joined the board 4 March 2016 Resigned 17 December 2018</p>	

Meetings of Directors

During the year, the Foundation held seven Board meetings, four Audit and Risk Committee meetings, two Nominations Committee meetings and two Fundraising Committee meetings. Directors attended meetings as follows:

DIRECTOR	BOARD MEETINGS	AUDIT AND RISK COMMITTEE *	NOMINATIONS COMMITTEE	FUNDRAISING COMMITTEE
Ms Sylvia Admans	0 (1)	-	-	-
Dr Anna Carr	6 (7)	-	2 (2)	1 (2)
Mr Michael Carroll	6 (7)	-	2 (2)	-
Mr Ian Crook	7 (7)	4 (4)	-	2 (2)
Mr Robert Dulhunty	6 (7)	-	2 (2)	2 (2)
Ms Melissa Fletcher	6 (7)	-	-	1 (1)
Mr Rob Hadler	3 (3)	-	-	1 (1)
Mr Rick Sawers	6 (7)	4 (4)	2 (2)	-
Ms Andrea Staines	3 (3)	2 (2)	-	-
Mr Alex Ramsey* Independent Member	-	4 (4)	-	-

The figure in brackets indicates the number of meetings held during the 2019 financial year.

Operating results

The deficit for the financial year was \$92,157 (2018: \$245,852 surplus). This deficit result was due to a deliberate strategy, led by the Board, to lay the foundations for the Centre for Regional Leadership including a dedicated fundraising effort.

Review of operations

A detailed review of operations is provided in the Chief Executive's Report.

Changes in the state of affairs

During the year, Members approved a amendments to the current Constitution that changes the terms of casually appointed directors and increase the number of consecutive terms an ARLF director is permitted to serve.

In the opinion of the directors, there were no other significant changes during the reporting period in the state of the affairs of the Foundation, other than those disclosed in this report and the accounts.

Subsequent events

Directors are not aware of any matter or circumstance since the end of the financial year that have significantly affected the Foundation's affairs.

Indemnification and insurance of directors and officers

During the financial year, the Foundation has paid premiums insuring all the directors and officers of the Foundation against costs incurred in defending proceedings for conduct involving a contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of the insurance contract premiums paid was \$5,805 excluding GST.

Future developments and results

In March 2019, directors and management formalised the concept of the Centre for Regional Leadership. The Centre concept was developed as it reflects our determination to increase the ARLF's impact beyond its current focus of leadership development only, to one that includes leadership excellence and leadership action.

The Centre will contribute to our vision more fulsomely and will provide deeper social benefits to rural, regional and remote Australia (and the broader Asia and Indo Pacific region). It is a logical strengthening of our mission, extending from developing and promoting leadership to facilitating and demonstrating leadership.

The Centre will help to ensure the long-term sustainability of the ARLF through effective leveraging of our assets (alumni, relationships, reputation and intellectual property). The Foundation has work closely with our alumni and broader network in the 2019 year to further develop the framework for the Centre. The directors are confident that the continued operations of the Foundation plus the introduction of the Centre will meet the expectations of members, program participants, investors and supporters.

Company details

The Foundation is a public company limited by guarantee. If the Foundation is wound up, the constitution states that each member and each member who ceased to be a member in the preceding year is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Foundation. At 30 June 2019 the number of members was 801 (2018:769).

Auditor independence

A copy of the auditor's independence declaration as required by the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this report.

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



Mr Michael Carroll, *Chairman*



Mr Ian Crook, *Audit and Risk Committee*

DATE: 11 October 2019

Australian Rural Leadership Foundation Limited

Directors Declaration

In the Directors' opinion:


- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Foundation's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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



Mr Michael Carroll, *Chairman*

DATE: 11 October 2019



Mr Ian Crook, *Audit and Risk Committee*

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Australian Rural Leadership Foundation Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature of 'RSM' in black ink.

RSM Australia Partners

A handwritten signature of 'Ged Stenhouse' in black ink.

Ged Stenhouse
Partner

Canberra, Australian Capital Territory
Dated: 14 October 2019

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

RSM Australia Partners

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www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT

To the Members of Australian Rural Leadership Foundation Limited

Opinion

We have audited the financial report of Australian Rural Leadership Foundation Limited, which comprises the statement of financial position as at 30 June 2019, Statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the financial report of Australian Rural Leadership Foundation Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards- Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Australian Rural Leadership Foundation Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Australian Rural Leadership Foundation Limited's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

THE POWER OF BEING UNDERSTOOD

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The Directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards- Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing Australian Rural Leadership Foundation Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Australian Rural Leadership Foundation Limited or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'RSM'.

RSM Australia Partners

A handwritten signature in black ink that reads 'Ged Stenhouse'.

Ged Stenhouse
Partner

Canberra, Australian Capital Territory
Dated: 14 October 2019

Australian Rural Leadership Foundation Limited
Statement of profit and loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue from ordinary activities	2	4,159,317	3,653,242
Course costs	3	(2,420,222)	(2,031,209)
Staffing costs		(1,485,501)	(1,074,031)
Core administrative costs		(251,452)	(215,081)
Occupancy costs	3	(67,924)	(62,121)
Capital Fund Raising Campaign		-	(2,963)
Depreciation and amortisation	3	(26,375)	(21,985)
Surplus/(deficit) before income tax		(92,157)	245,852
Other comprehensive income		-	-
Surplus/(deficit) attributable to members of the Foundation		(92,157)	245,852

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Rural Leadership Foundation Limited
Statement of financial position
As at 30 June 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	2,130,277	1,273,326
Receivables	5	237,300	837,197
Investments	6	1,753,373	1,888,576
Other current assets	7	291,004	250,555
TOTAL CURRENT ASSETS		4,411,954	4,249,654
NON-CURRENT ASSETS			
Plant and equipment	8	43,571	52,590
TOTAL NON-CURRENT ASSETS		43,571	52,590
TOTAL ASSETS		4,455,525	4,302,244
CURRENT LIABILITIES			
Payables	9	379,608	353,708
Provisions current	10	185,233	134,932
Unearned revenue	11	1,922,878	1,945,332
Other	12	9,359	9,359
TOTAL CURRENT LIABILITIES		2,497,078	2,443,331
NON-CURRENT LIABILITIES			
Provisions non current	10	28,347	18,408
Unearned revenue	11	405,870	224,118
TOTAL NON-CURRENT LIABILITIES		434,217	242,526
TOTAL LIABILITIES		2,931,295	2,685,857
NET ASSETS		1,524,230	1,616,387
EQUITY			
Reserves		1,524,230	1,616,387
TOTAL EQUITY		1,524,230	1,616,387

The above statement of financial position should be read in conjunction with the accompanying notes

Australian Rural Leadership Foundation Limited
Statement of cash flows
For the year ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Course fees and sponsorships received	4,643,204	2,522,469
Interest received	68,269	63,809
Other receipts	207,039	203,816
Payments for operations and conduct of courses	<u>(4,179,408)</u>	<u>(3,307,513)</u>
Net cash generated from/(used in) operating activities	16(b) <u>739,104</u>	<u>(517,419)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of furniture and equipment	(17,356)	(14,657)
Proceeds from/ (payments for) term deposits & debentures	<u>135,203</u>	<u>(3,169)</u>
Net cash generated from/(used in) investing activities	<u>117,847</u>	<u>(17,826)</u>
Net movement in cash and cash equivalents	856,951	(535,245)
Cash at beginning of financial year	<u>1,273,326</u>	<u>1,808,571</u>
Cash at end of financial year	4 <u><u>2,130,277</u></u>	<u><u>1,273,326</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Summary of significant accounting policies

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

a. New or amended Accounting Standards and Interpretations adopted

The Foundation has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no impact on opening balances.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the foundation. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

b. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

c. Critical accounting judgements, estimates and assumptions

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates and judgements assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Foundation.

Key judgement – Deferral of revenue and revenue recognition

i) Australian Rural Leadership Program

Payments made prior to the commencement of a course and course scholarships are deferred and recognised as income received in advance when received. On commencement of a course, outstanding scholarships are recognised as course receivables and unearned revenue. Revenue is then recognised progressively as course expenses are incurred over the completion of each course.

ii) Short Courses

Payments made prior to the commencement of a course and course scholarships are deferred and recognised as income received in advance when received. On commencement of a course, outstanding fees are recognised as course receivables and unearned revenue. Revenue is then recognised progressively as course expenses are incurred over the completion of each course.

iii) Grant Revenue

Grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year for the purpose of the grant. Grant monies that have been received or are receivable but have not been expended at balance date, including interest thereon where required under the terms of the grant, are recognised as Unexpended grants in Unearned Revenue.

d. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in these financial statements.

Note 1. Summary of significant accounting policies (continued)

e. 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.

f. New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-to-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expenses to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Foundation will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the Foundation.

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 1004 Contributions and clarifies the treatment of the receipt of income by not-for-profit entities. Income received where there is an associated performance obligation should be recognised in line with the principles of AASB 15, whereas donations with no future obligation may be recognised immediately. In cases where assets or services that were received below market value, such assets or services should be recognised at fair value. When an entity receives volunteer services and can reliably measure the fair value of those services, the entity may elect to recognise the services as an asset (provided the relevant asset recognition criteria are met) or an expense. Local governments, government departments, general government sectors (GGSS) and whole of governments are required to recognise volunteer services if they would have been purchased if not provided voluntarily and the fair value of those services can be measured reliably. The Foundation will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the Foundation.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. The Foundation will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the Foundation.

Note 2: Revenue

Operating activities:

Course revenues	3,884,009	3,385,617
Donations	11,995	8,890
Network membership fees and events	195,044	194,926
Interest	68,269	63,809
	<u>4,159,317</u>	<u>3,653,242</u>

Accounting policy

Course liabilities and assets, revenues and expenses

Unearned revenue - Courses

Prior to the commencement of a course, course scholarships are deferred and recognised as income received in advance when received. On commencement of a course, outstanding scholarships are recognised as course receivables and unearned revenue when invoiced. Course scholarships are generally invoiced on commencement of the course however in some instances scholarships are progressively invoiced in instalments over the term of the course.

Course fees are set at a level necessary to meet the direct course costs and to contribute to the core administrative costs associated with the course. Consequently, course revenue is progressively recognised in the statement of profit or loss and other comprehensive income as follows: (i) for course costs, revenue is recognised for direct course costs incurred in respect of sessions; and (ii) for the contribution to core administrative costs, progressively over the term of the course (including the selection period prior to the commencement of a course) in accordance with the stage of completion of each course.

Prepaid Course Costs

Direct course costs incurred prior to the commencement of a course are recognised as prepaid course costs (other current assets).

Provision for Course Make-Up Costs

A provision is recognised by transfer from course unearned revenue (note 11) to provision for course make-ups (note 10) for the estimated direct course costs associated with a missed session where a participant is unable to attend a course session and is eligible to attend a future course session in order to complete the course curriculum.

Course revenues and expenses are recognised in the statement of profit or loss and other comprehensive income progressively over the period of the course as detailed above.

Other revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets.

Reciprocal grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year or the purpose of the grant. The balance of grants unspent at year end are recognised as a liability.

Non-reciprocal contributions are recognised as revenue in the year received or receivable.

Network membership fees are recognised when billed which is generally in four instalments over the term of a course. Network events income and expenses are recognised as revenue and expense when the event is held.

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

Note 3: Surplus for the Year

(a) Expenses

Depreciation and amortisation of non-current assets	<u>26,375</u>	<u>21,985</u>
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Rental expense on operating leases:

Minimum lease payments	<u>67,924</u>	<u>62,121</u>
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(b) Course revenues

Australian Rural Leadership Program (ARLP)	1,711,924	1,771,759
Short Courses	<u>2,221,298</u>	<u>1,613,858</u>
	<u>3,933,222</u>	<u>3,385,617</u>

(c) Course costs

Australian Rural Leadership Program (ARLP)	1,076,106	831,164
Short Courses	<u>1,632,190</u>	<u>1,200,045</u>
	<u>2,708,296</u>	<u>2,031,209</u>

Note 4: Cash and cash equivalents

Cash on hand and at bank	<u>2,130,277</u>	<u>1,273,326</u>
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Accounting policy

Cash and cash equivalents include cash on hand and in banks, in deposits at call and investments in money market instruments convertible to cash within 45 days.

Note 5: Receivables

Australian Rural Leadership Program:

Scholarships and membership fees for Course 24	3,300	80,220
Scholarships and membership fees for Course 25	74,800	301,400
Scholarships and membership fees for Course 26	23,401	55,000
Scholarships and membership fees for Course 27	-	55,000
Scholarships and membership fees for Course 28	-	55,000
Gala sponsorship	62,720	60,850
Milparanga	30,585	71,170
Other Course Receivables:		
Short Courses	21,450	135,171
	<u>216,255</u>	<u>813,811</u>
Other receivables	6,083	166
Provision for bad debts	(10,120)	-
Interest Receivable	25,082	23,220
	<u>237,300</u>	<u>837,197</u>

Current receivables are receivable within 30 days. \$65,120 of receivables were overdue by 90 days or more under approved payment plans or other arrangements (2018: \$84,620). All receivables have been assessed for impairment and an allowance for impairment was considered necessary at 30 June 2019 (2018: Allowance for impairment was \$Nil).

Accounting policy

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

Note 6: Investments

Fixed term deposits	<u>1,753,373</u>	<u>1,888,576</u>
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Accounting policy

Financial instruments are initially measured at fair value on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out above. All financial instruments are recognised at amortised cost.

Note 7: Other current assets

Prepaid ARLP and short course costs	261,190	219,520
Prepaid insurance	28,271	31,035
Prepaid other expenses	1,544	-
	<u>291,004</u>	<u>250,555</u>

Note 8: Plant and equipment

Furniture, plant and equipment – at cost	157,707	141,686
Accumulated depreciation	(114,136)	(89,096)
	<u>43,571</u>	<u>52,590</u>

(a) Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current and previous financial years

	Furniture, plant and equipment
Opening Balance	52,590
Additions	18,071
Disposals	(715)
Depreciation and amortisation expense	(26,375)
Closing Balance	<u>43,571</u>

Accounting Policy

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by the Foundation to ensure it is not in excess of the remaining service potential of these assets.

Depreciation is charged at the following rates:

Furniture, plant and equipment	5 - 10 years
Computer hardware and software	3 - 4 years, and
Office renovations	5 years

Impairment

At each reporting date, the Foundation reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. As a not-for-profit entity, value in use for the Foundation, according to AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. No impairment indicators were present at 30 June 2019.

Note 9: Payables

Unsecured liabilities:

Creditors and accrued expenses	255,647	187,006
GST payable	123,961	166,702
	<u>379,608</u>	<u>353,708</u>

Accounting Policy

These amounts represent liabilities for goods and services provided to the Foundation 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 are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 10: Provisions

CURRENT

Employee benefits: annual leave	88,491	61,292
Employee benefits: long service leave	3,648	1,956
Course make-up costs	52,015	27,684
Staff bonuses	41,079	44,000
Total Current Provisions	185,233	134,932

NON-CURRENT

Employee benefits: long service leave	28,347	18,408
Total Non-Current Provisions	28,347	18,408

(a) Movement in Provisions

Provision for Course Make-Up Costs

Opening Balance	27,684	18,980
plus: Amounts transferred from courses for missed sessions	52,015	27,684
less: Amounts transferred to courses for make-up sessions	(27,684)	(18,980)
Closing balance	52,015	27,684

(b) Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave vesting is based upon historical data. The measurement and recognition criteria are discussed below.

Accounting Policy

Short-term employee benefits

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

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

Other long-term employee benefits

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

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the Company receive defined contribution superannuation entitlements, for which the Company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employee's defined contributions entitlements are recognised as an expense when they become payable. The Company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting

Note 10: Provisions (continued)

Accounting Policy (continued)

period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Company's statement of financial position.

Provision for Course Make-Up Costs

A provision is recognised by transfer from course unearned revenue (note 11) to provision for course make-ups (note 10) for the estimated direct course costs associated with a missed session where a participant is unable to attend a course session and is eligible to attend a future course session in order to complete the course curriculum.

Note 11: Unearned revenue

CURRENT

Core Course revenue	1,356,839	1,696,632
Other grants and short courses	566,039	248,700
Total current unearned revenue	<u>1,922,878</u>	<u>1,945,332</u>

NON-CURRENT

Core Course revenue	405,870	224,118
Total non-current unearned revenue	<u>405,870</u>	<u>224,118</u>

Note 12: Other Current Liabilities

Program Participant's Welfare Fund	<u>9,359</u>	<u>9,359</u>
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The Participant's Welfare Fund has been established to provide financial assistance to those participants of the Foundation's programs who have difficulty in meeting some of the financial costs of the program.

Note 13: Related Party Disclosures

(a) Details of Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

(i) Directors of Australian Rural Leadership Foundation Limited

Mr M Carroll (Chairperson)	Mr R Sawers
Dr A Carr	Mr R Hadler - retired 2 November 2018
	Ms A Staines - resigned 17 December 2018
Mr I Crook	
Mr R Dulhunty	Ms S Admans - appointed 10 May 2019
Ms M Fletcher	

(ii) Executives

Mr M Linnegar (CE)	Mr C Morrice
Ms P Woodhill	Ms M Wickson
Mr G Hinckman	Mr D Brouwer

Total Compensation	<u>666,784</u>	<u>706,481</u>
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(c) Transactions with Director related entities

Director	Name of related entity	Current year transactions and balances (including GST)
Mr Michael Carroll	Elders, non executive director	Project income (\$27,500) Sponsorship revenue (\$44,000)
Ms Melissa Fletcher	Australian Meat Processer Corporation, non executive director	Scholarships revenue - ARLP Course 26 (\$110,000) Project income (\$52,800)

Note 14: Commitments

The Foundation is committed to the following expenditure in respect of a contractual commitments receivable or payable.

	2019 \$ Receivable	2019 \$ Payable	2019 \$ Receivable/ (Payable)
Within one year:			
ARLP	862,045	26,920	835,125
Short courses	644,550	71,005	573,545
Other	-	43,959	(43,959)
	<u>1,506,595</u>	<u>141,884</u>	<u>1,364,711</u>
Within 1-5 years:			
ARLP	1,075,000	-	1,075,000
Short courses	19,000	-	19,000
Other	-	10,724	(10,724)
	<u>1,094,000</u>	<u>10,724</u>	<u>1,083,276</u>
Total for 2019	<u><u>2,600,595</u></u>	<u><u>152,608</u></u>	<u><u>2,447,987</u></u>

Note 15: foundation details

The Foundation is a public foundation limited by guarantee. If the Foundation is wound up, the constitution states that each member and each member who ceased to be a member in the preceding year is required to contribute a maximum of \$10 each towards meeting any outstanding's and obligations of the Foundation. At 30 June 2019 the number of members was 769 (2018: 769).

The registered office and principal place of business of the foundation is: 1st Floor, Forest Industries House, 24 Napier Close, Deakin ACT 2600.

	2019 \$	2018 \$
Note 16: Cash flow information		
<i>Reconciliation of net cash relating to operating activities to net surplus</i>		
Surplus (deficit) for the year	(92,157)	245,852
Non-cash flows in operating surplus:		
Depreciation and amortisation	(26,375)	(21,985)
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	599,897	(683,549)
(Increase)/Decrease in other current assets	(40,449)	37,427
Increase/(Decrease) in trade and other payables	25,900	(35,359)
Increase/(Decrease) in unearned revenue	212,048	(135,629)
Increase/(Decrease) in provisions	60,240	75,824
Net cash received from/(used in) operating activities	<u><u>739,104</u></u>	<u><u>(517,419)</u></u>

Note 17: Subsequent Events

The Directors are not aware of any matter or circumstance that has arisen since the balance date that has significantly affected the state of affairs of the Foundation.

Note 18: Financial Risk Management

The Foundation's principal financial instruments comprise cash at bank, receivables, investments and accounts payable. These financial instruments arise from the operations of the Foundation.

The carrying amount for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets		
Cash and cash equivalents	2,130,277	1,273,326
Fixed term deposits	1,753,373	1,888,576
Receivables	237,300	837,197
Total Financial Assets	<u>4,120,950</u>	<u>3,999,099</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Payables	379,608	353,708
Total Financial Liabilities	<u>379,608</u>	<u>353,708</u>