



# **Annual Financial Report**

**Beacon Foundation**

**ABN 42 129 090 464**

**31 December 2023**



# Directors' Report

## Beacon Foundation

For the year ended 31 December 2023

The Directors present their report together with the general purpose financial report of Beacon Foundation (the Company) for the year ended 31 December 2023 and the auditors' report thereon.

### DIRECTORS

The Directors in office at any time during or since the end of the financial year to the date of this report are:

Director Name	Term
Scott Harris	Director for whole year
Jane Hewitt	Director for whole year
Jeremy Bolt	Director for whole year
Nikki Blundell Dawson	Director for whole year
Carl Harris	Director for whole year
Kirsty Bloore	Director for whole year
Rosemary Conn	Director since 13 May 2024

**Scott Harris** - Director since January 2008. Scott Harris has held the position of Chief Executive with Beacon since 1999. Prior to joining Beacon, Scott had a successful career in sales and management in Tasmania and Victoria. In July 2007, Scott was awarded a scholarship for excellence in social venture, leadership and management to attend Harvard Business School.

**Jane Hewitt** - Director and member of the Audit & Risk Committee since March 2014, and Chairperson since November 2017. Jane has over 30 years' experience in real estate development and asset management. She founded UniLodge in 1996 and pioneered the corporatisation and professional development and management of student accommodation facilities in Australia and New Zealand.

Jane has worked with Social Ventures Australia, and currently serves as a Non-Executive Director on the Board of Mirvac and the National Housing Finance Investment Corporation.

**Jeremy David Bolt** - Director since November 2017 and member of the Audit & Risk Committee since November 2021. Jeremy's experience includes Deloitte, as a technology and strategy consulting partner, various start-ups and CEO of various entities within Onmicom. Jeremy is currently with Old Bull Health, a health start-up, as an Executive Director.

**Nikki Dawson** - Director since July 2018. Nikki was born in Sydney's western suburbs and after time in Hong Kong as a teenager, she finished her schooling at Everton Park State High in Brisbane (a former Beacon school). Nikki has a B.Econ (Hons) from the University of Queensland and an MBA from the AGSM in Sydney. Nikki's career has been in professional services, including time with CS First Boston, McKinsey & Company, and currently with Egon Zehnder, where she has been for over 20 years. Nikki worked pro bono with Beacon for eight years before joining the Board. She is also the CEO of The Katrina Dawson Foundation, a non-profit focused on 'finding, funding [education] and mentoring inspiring young women'.

**Carl Harris** - Director and Chair of the Audit & Risk Committee since July 2021. Carl is a partner at global professional services firm Deloitte. He has over 31 years of experience in internal and external audits and has been a partner at Deloitte for over 17 years. Carl is a registered company auditor and chartered accountant.

Carl was the Deloitte Tasmania Managing Partner from 2013 to 2021 before stepping down from the role to enable him to focus on other areas – including pursuing a passion of his, which is assisting, in any way he can, in enhancing education outcomes in Tasmania.

Carl has a strong history with Beacon, working with them since his return to Tasmania in 2012 as a speaker and mentor.

**Kirsty Bloore** - Director since October 2022, Kirsty is a strategic, data-led insights professional with extensive skills translating data, analytics, strategy and trends to help brands build engagement and understand how to make their brands more valuable to consumers.

Kirsty has a strong track record leading, and managing high performance teams and extensive experience working with senior leadership teams to formulate short and longer-term strategic plans. Kirsty is an experienced professional having worked with Spark Foundry, strategic consulting agencies (Q5, Pollinate and FiftyFive5), ViacomCBS, Fairfax Media, Macquarie Bank and also serving on the board of Nickelodeon Australia.

**Rosemary Conn** - Director since May 2024. Rosemary is an experienced CEO and Board Director, having worked extensively in both the not-for-profit and management consulting sectors. As the inaugural CEO of Schools Plus, she built a team to raise over \$60 million in eight years to impact disadvantaged children's lives. She has a passion for social justice and has worked with NFPs, corporations, and the community through roles at the Beacon Foundation, Good2Give Australia and Deloitte. Rosemary is delighted to be part of the Beacon Foundation community again as a Director.

Rosemary's achievements include being recognised in the Australian Financial Review's '100 Women of Influence' and The CEO Magazine's 2022 Not for Profit Leaders of the Year.

# Directors' Report

## Beacon Foundation

For the year ended 31 December 2023

### DIRECTORS' MEETINGS

During the year ended 31 December 2023, 5 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Scott Harris	5	3
Jane Hewitt	5	5
Jeremy Bolt	5	5
Nikki Blundell Dawson	5	5
Carl Harris	5	4
Kirsty Bloore	5	5
Rosemary Conn	0	0

### REVIEW OF OPERATIONS

The surplus of the Company was \$262,798 (2022: surplus of \$820,043). The Company is exempt from income tax in Australia in accordance with Division 50 of the Income Tax Assessment Act 1997.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are focused on working with schools, their communities, businesses and industry nationally, to deliver programs and initiatives designed to expand the career pathways for the young people who need it most.

### SHORT AND MEDIUM TERM OBJECTIVES

Since the commencement of our current strategic cycle on 1 January 2022 we have continued to consolidate our operations and focus on operational and process efficiencies, with the ultimate aim of achieving greater impact. 2023 saw the pilot of our multi-engagement program in Tasmania, and the expansion of our Work Based Learning Services project into all regions in Tasmania. In line with our strategic plan the Company has the following objectives for the remainder of this strategic cycle out to December 2024:

1. Delivery of the remaining pilot programs for the multi-engagement program in Tasmania in Terms 1 & 2 of 2024, with plans for a national pilot in due course.
2. Continued delivery of our Work Based Learning Services across all regions in Tasmania, including development of a recommended model for this work for 2024 and beyond.
3. Execution of our Advocacy and Communications & Marketing strategy with the aim of enhancing and overcoming barriers in career readiness of Australian Year 9-12 students.
4. Execution of our Fundraising strategy to allow the continued delivery of programs and services across Australia.

### MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member, irrespective of class, is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the Company. At 31 December 2023 the number of members was 6 (2022: 6).

### EVENTS SUBSEQUENT TO BALANCE DATE

There has been no matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

# Directors' Report

Beacon Foundation

For the year ended 31 December 2023

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## LIKELY DEVELOPMENTS

The Company intends to continue to develop its operations in the future within the principal activities as disclosed in this report.

## ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

## INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Company has paid insurance premiums in respect of Directors' and Officers' liability. The insured persons under those policies are defined as all the Directors named in this Report, executive officers and any employees who may be deemed to be officers (for the purposes of the *Corporations Act 2001*), the company secretary and former Directors and Officers. The terms of the insurance policy prohibit disclosure of the total amount of the premiums and the nature of the liabilities covered.


The Company has not provided any indemnification from any claims by third parties to the Auditors.

## LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SUBDIVISION 60-C OF THE AUSTRALIAN CHARITIES NOT-FOR-PROFITS COMMISSION ACT 2012

The lead auditor's independence declaration is set out on page 4 and forms part of the Directors' Report for the period ended 31 December 2023.

Dated at Hobart, this 23rd day of May 2024.

Signed in accordance with a resolution of Directors:

  
.....  
Jane Hewitt  
Chairperson

  
.....  
Scott Harris  
Director



Auditor's Independence Declaration under subdivision 60-C  
section 60-40 of Australian Charities and Not-for-profits  
Commission Act 2012

To the Directors of Beacon Foundation

I declare that, to the best of my knowledge and belief, in relation to the audit of Beacon Foundation for the financial year ended 31 December 2023 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Sascha Adams

*Partner*

Hobart

23 May 2024

# Statement of Comprehensive Income

## Beacon Foundation

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue from sponsorships, grants and fees		3,168,315	3,105,576
Donations - individuals		29,709	154,140
Finance income - interest		196,838	69,643
Other income	2	27,468	2,588
<b>Total revenue and other income</b>		<b>3,422,331</b>	<b>3,331,947</b>
Administration costs		179,937	279,747
Consultant and contractor fees		149,726	39,504
Depreciation & Amortisation	3	144,131	86,971
Interest on lease		14,710	6,457
Personnel costs	4	2,510,810	1,993,472
Program costs		21,625	14,221
Travel and accommodation		138,593	91,533
<b>Total expenses</b>		<b>3,159,532</b>	<b>2,511,904</b>
<b>Accumulated (Deficit) / Surplus for the period attributable to the members</b>		262,798	820,043
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>262,798</b>	<b>820,043</b>

# Statement of Financial Position

Beacon Foundation  
As at 31 December 2023

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents	5	5,052,497	5,159,840
Trade and other receivables	6	147,065	110,353
Finance income - interest receivable		43,532	37,168
<b>Total current assets</b>		<b>5,243,094</b>	<b>5,307,361</b>
<b>Non-current assets</b>			
Plant & equipment	7	83,020	44,784
Intangible assets	8	165,267	44,412
Right of use asset	9	172,727	220,293
<b>Total non-current assets</b>		<b>421,015</b>	<b>309,490</b>
<b>TOTAL ASSETS</b>		<b>5,664,109</b>	<b>5,616,850</b>
<b>Current liabilities</b>			
Trade and other payables	10	80,856	141,059
Unearned revenue		393,721	456,041
Contract & other liabilities	11	-	103,584
Employee benefits	12	221,623	190,117
Lease liability	9	45,725	39,653
<b>Total current liabilities</b>		<b>741,924</b>	<b>930,454</b>
<b>Non-current liabilities</b>			
Employee benefits	12	45,606	26,782
Lease liability	9	142,302	188,136
<b>Total non-current liabilities</b>		<b>187,908</b>	<b>214,919</b>
<b>TOTAL LIABILITIES</b>		<b>929,832</b>	<b>1,145,373</b>
<b>NET ASSETS</b>		<b>4,734,276</b>	<b>4,471,477</b>
<b>Equity</b>			
Accumulated surplus		4,734,276	4,471,477
<b>TOTAL EQUITY</b>		<b>4,734,276</b>	<b>4,471,477</b>

# Statement of Changes in Equity

Beacon Foundation

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
<hr/>			
<b>Accumulated (Deficit) / Surplus</b>			
Opening balance at 1 January		4,471,477	3,651,434
(Deficit) / Surplus for the period		262,798	820,043
<b>Closing balance at 31 December</b>		<u>4,734,276</u>	<u>4,471,477</u>
<b>Total Equity</b>		<u>4,734,276</u>	<u>4,471,477</u>



# Statement of Cash Flows

## Beacon Foundation

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Cash receipts in the course of operations		3,180,234	5,061,136
Cash payments in the course of operations		(3,086,368)	(3,183,265)
Interest received		190,474	32,475
<b>Net cash (used in) / provided by operating activities</b>	13	<b>284,341</b>	<b>1,910,347</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(81,992)	(13,102)
Proceeds from sale of property, plant and equipment		40,500	-
Cash payments from investing activities		(103,584)	(37,800)
Payment for intangible assets		(191,892)	-
<b>Net cash (used in) / provided by investing activities</b>		<b>(336,967)</b>	<b>(50,902)</b>
<b>Cash flows from financing activities</b>			
Repayment of leasing liabilities		(40,006)	(49,728)
Interest paid		(14,710)	(6,457)
<b>Net cash used in financing activities</b>		<b>(54,716)</b>	<b>(56,185)</b>
<b>Net (decrease) / increase in cash held</b>		<b>(107,343)</b>	<b>1,803,260</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>		<b>5,159,840</b>	<b>3,356,580</b>
<b>Cash and cash equivalents at the end of the financial period</b>	5	<b>5,052,497</b>	<b>5,159,840</b>

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

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### 1. Statement of material accounting policies

Beacon Foundation is a Company limited by guarantee incorporated and domiciled in Australia. The address of the Company's registered office is 40 Molle Street, Hobart, Tasmania, 7000. The Company is primarily involved in working with Schools nationally to develop and implement programs to help inspire and motivate students to either stay in school and increase their educational engagement and attainment or choose a positive pathway that enables successful transition to employment, further education or training.

The following material accounting policies have been adopted in the preparation and presentation of the financial report.

#### (a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures. In the prior year the financial statements were special purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 (Cth). There was no impact on the recognition and measurement of amounts recognised on the statements of financial position, comprehensive income and cash flows of the Company as a result of the change in the basis of preparation.

These financial statements were authorised for issue by the Company's directors on 23 May 2024.

#### (b) Basis of preparation

The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is presented in Australian dollars, which is the Company's functional currency. The financial report is prepared on the historical cost basis except where stated, it does not take into account changing money values or current valuations of non-current assets.

The preparation of a financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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

Judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are revenue recognition - sponsorships grants & fees - refer note 1(c).

#### (c) Revenue recognition

##### *Revenue from Contracts*

Where AASB15 applies to a transaction, sponsorships, fees and grants are recorded as revenue to the extent that the Company has satisfied its performance obligations under the contract.

##### *Revenue from Grants & Donations*

AASB1058 applies when the Company acquires an asset (including cash) where the consideration to acquire said asset is either nil or significantly less than its fair value, principally to enable the Company to further its objectives. An assessment is first undertaken to determine whether AASB15 applies to a transaction, or part of a transaction. If AASB15 is assessed as not being applicable, AASB1058 applies. Revenue is recognised under AASB1058 on receipt, except where a grant is received to enable acquisition of non-financial assets in which case it is recognised in accordance with AASB 1058 para.15.

#### (d) Lease payments

Payments made under leases are apportioned between principal repayments and interest component.

#### (e) Finance income and expenses

Finance income comprises interest income on funds invested and is recognised in the statement of comprehensive income using the effective interest method.

Finance expenses comprises interest expense on lease and is recognised in the statement of comprehensive income using the incremental borrowing rate.

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

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### 1. Statement of material accounting policies (continued)

#### (f) Receivables

Trade and other receivables are stated at their amortised cost less impairment losses. The carrying amounts of the Company's receivables are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of the Company's receivables carried at amortised cost are calculated at the present value of future cash flows, however, these cash flows are not discounted where the receivables have a short duration. Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. All receivables are individually assessed for impairment. An impairment loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

#### (g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits and are carried at face value of the amounts deposited with financial institutions.

#### (h) Income Tax

The Foundation is exempt from Income Tax in accordance with section 50-50 of the *Income Tax Assessment Act 1997*.

#### (i) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

#### (j) Trade and other payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 14 day terms.

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

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### 1. Statement of material accounting policies (continued)

#### (k) Property, plant & equipment

##### *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

##### *Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred.

##### *Depreciation*

Depreciation is recognised in the statement of comprehensive income on a diminishing value or straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

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

- Office equipment (owned) 2 - 15 years
- Motor vehicles (owned) 8 years

Residual values, useful lives and depreciation methods are reviewed at each reporting date.

##### *Leased assets*

AASB 16 changes how the Company accounts for leases previously classified as operating leases under AASB 17, which were off balance sheet. Applying AASB 16, the Company:

- Recognises right-of-use of assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;
- Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss;
- Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cashflows. Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB 136.

#### (l) Employee benefits

##### *Short-term and long-term employee benefits*

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave in the period the related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long-term employee benefits are measured as their present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

#### (m) Comparative amounts

Comparative figures have been adjusted to conform to changes in the presentation for the current financial year where required.

#### (n) Unearned revenue

Unearned revenue consists of funding received under a contract with a customer to the extent that the Company has not yet satisfied its performance obligations under the contract to enable the revenue to be recognised.

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

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### 1. Statement of material accounting policies (continued)

#### (o) Internally generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Any revenue received in relation to intangible assets is assessed in accordance with AASB15 or AASB 1058 as applicable.

During the current and previous periods Beacon Foundation had invested in an Enterprise Management System (EMS) utilising the Salesforce platform. Given the implementation methodology employed and the structures established the intangible asset is to be amortised on a straight-line basis over its estimated useful life of 5 years.

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

	2023	2022	
	\$	\$	
<b>2 Other income</b>			
Gain on sale of assets	22,272	977	
Other	5,196	1,611	
	<u>27,468</u>	<u>2,588</u>	
<b>3 Depreciation &amp; Amortisation</b>			
Motor vehicles	9,667	5,122	
Plant and equipment	15,861	17,636	
Lease - 40 Molle St	47,566	48,978	
Intangibles	71,037	15,235	
	<u>144,131</u>	<u>86,971</u>	
<b>4 Personnel costs</b>			
Salaries	2,177,277	1,737,165	
Superannuation	249,627	187,339	
Workers compensation insurance	16,704	15,139	
Other costs (incl. training and development and release of leave accruals)	67,202	53,828	
	<u>2,510,810</u>	<u>1,993,472</u>	
<b>5 Cash and cash equivalents</b>			
CBA Business Cheque Account	158,697	459,840	
CBA Cash Deposit Account	4,893,799	4,700,000	
Cash and cash equivalents used in the statement of cash flows	<u>5,052,497</u>	<u>5,159,840</u>	
<b>6 Trade and other receivables</b>			
<b>Current</b>			
Accrued Revenue	90,093	31,717	
Trade receivables	21,320	7,260	
Prepayments	35,652	70,976	
Other receivables	-	400	
	<u>147,065</u>	<u>110,353</u>	
<b>7 Plant and equipment</b>			
	Plant & Equipment	Motor Vehicles	Total
Opening balance as at 1 January 2023			
Gross carrying amount	290,265	40,973	331,238
Accumulated depreciation	(268,409)	(18,045)	(286,454)
Net carrying amount at 1 January 2023	<u>21,856</u>	<u>22,928</u>	<u>44,784</u>
Additions	22,806	59,186	81,992
Disposals	-	(18,228)	(18,228)
Depreciation	(15,861)	(9,667)	(25,528)
Net carrying amount at 31 December 2023	<u>28,800</u>	<u>54,220</u>	<u>83,020</u>
Gross carrying amount	308,759	59,186	367,945
Accumulated depreciation	(279,959)	(4,966)	(284,925)
Net carrying amount at 31 December 2023	<u>28,800</u>	<u>54,220</u>	<u>83,020</u>

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>8 Intangibles</b>		
Opening balance as at 1 January 2023		
Gross carrying amount	76,177	76,177
Accumulated amortisation	(31,765)	(16,529)
Net carrying amount at 1 January 2023	<u>44,412</u>	<u>59,648</u>
Additions	191,892	-
Disposals	-	-
Amortisation	(71,037)	(15,235)
Net carrying amount at 31 December 2023	<u>165,267</u>	<u>44,412</u>
Gross carrying amount	268,069	76,177
Accumulated amortisation	(102,802)	(31,765)
Net carrying amount at 31 December 2023	<u>165,267</u>	<u>44,412</u>
<b>9 Right of use asset</b>		
Lease - 40 Molle Street	478,789	478,789
Accumulated depreciation	(306,062)	(258,496)
	<u>172,727</u>	<u>220,293</u>
<b>Lease liability</b>		
Lease - 40 Molle Street		
Current	45,725	39,653
Non-current	142,302	188,136
	<u>188,027</u>	<u>227,790</u>
The company leases office premises on a lease of 5 years. Information about leases for which the company is a lessee is presented below:		
<i>i. Right of use assets</i>		
	Land & Buildings	Land & Buildings
Balance at 1 January 2023	220,293	38,426
Additions to right of use assets	-	256,617
Modification to right of use assets*	-	(25,771)
Depreciation charge for the year	(47,566)	(48,978)
Balance at 31 December 2023	<u>172,727</u>	<u>220,293</u>
<i>ii. Amounts recognised in profit and loss</i>		
Expenses relating to short-term leases and leases of low value assets that are not recognised as right-of-use assets.	16,604	6,370
<i>iii. Extension options</i>		
Some property leases contain extension options exercisable by the Company. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. Where reasonable certainty of extension exists this is included in the lease value		
<i>iv. Future lease payments</i>		
The total of future lease payments (including those lease payments that are not included in the measurement of the lease liability, e.g. for short-term leases and leases of low-value items) are disclosed for each of the following periods.		
Less than one year	103,151	67,165
One to five years	169,064	223,715
	<u>272,215</u>	<u>290,880</u>

# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>10 Trade and other payables</b>		
<b>Current</b>		
GST owing	11,709	7,746
PAYG withholding	47,159	35,143
Trade payables and accruals	21,988	98,170
	<u>80,856</u>	<u>141,059</u>
<b>11 Contract and other liabilities</b>		
EMS grant	103,584	211,974
Funds utilised as at end of year	(103,584)	(108,390)
	<u>-</u>	<u>103,584</u>
<b>12 Employee benefits</b>		
<b>Current</b>		
Accrued wages	18,756	13,463
Annual leave	123,257	94,930
Long service leave provision	56,312	65,793
Superannuation Payable	23,298	15,931
	<u>221,623</u>	<u>190,117</u>
<b>Non-Current</b>		
Long service leave provision	45,606	26,782
	<u>45,606</u>	<u>26,782</u>
<b>13 Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of operating surplus / (deficit) to net cash flows from operating activities</b>		
Operating (deficit) / surplus	262,798	820,043
Add / (Less) non cash and non-operating items		
Lease Liability	54,716	56,185
Depreciation & Amortisation	144,131	86,971
(Profit) / Loss on sale of property, plant and equipment	(22,272)	-
Changes in assets and liabilities		
(Decrease) / Increase in trade and other payables	(60,203)	10,980
Decrease / (Increase) in Right of Use Asset	-	(230,846)
(Decreased) / Increase in Lease Liability	(39,762)	179,110
(Increase) / Decrease in trade and other receivables	(43,077)	1,012,868
Increase / (Decrease) in employee benefits provisions	50,330	(6,538)
(Decrease) / Increase in unearned revenue	(62,321)	(18,426)
Net cash flow from operating activities	<u>284,341</u>	<u>1,910,347</u>

## 14 Goods in kind

Beacon Foundation has received goods in kind from corporate partners, which have not been recognised in this financial report. Goods in kind received during the year ended 31 December 2023 consist of advertising, video conferencing equipment and pro bono legal support to the approximate value of \$210,562 (2022: \$47,501).



# Notes to the Financial Statements

## Beacon Foundation

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>15 Auditors' remuneration</b>		
Audit Services		
Amounts for audit and review of financial reports	-	-
	-	-

The auditor of Beacon Foundation is KPMG, who provide their services on a pro-bono basis to the Company (2022: KPMG)

## 16 Capital Commitments

a. Beacon Foundation does not have any capital expenditure commitments contracted for as at 31 December 2023.

### b. Leases

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

Applying AASB 16, for all leases, Beacon Foundation:

- Recognises right-of-use of assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;
- Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss;
- Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cashflows.

Lease incentives (e.g rent-free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities where under AASB 117 they resulted into the recognition of a lease incentive, amortised as a reduction of rental expenses generally on a straight-line basis.

Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB136.

For short-term leases (lease term of 12 months or less) and leases of low-value assets Beacon Foundation has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. These expenses are presented within 'other expenses' in profit or loss.

## 17 Events After the Balance Sheet Date

Beacon Foundation entered into a lease arrangement for office premises in Launceston commencing January 2024. The right of use asset and lease liability pertaining to this lease will be reflected in the 2024 Financial Statements. There have been no other matters or circumstances occurring subsequent to the end of the financial year that have significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## 18 Key Management Personnel compensation

Total key management personnel compensation	706,255	655,685
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Key Management Personnel consists of the non-Executive Directors of the Company (not remunerated), Executive Director (S. Harris - remunerated in his capacity as Chief Executive Officer) and 3 other Executives responsible for the management and strategic direction of the Company (2022: 3).

# Directors' Declaration

## Beacon Foundation

### For the year ended 31 December 2023

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In the opinion of the Directors of Beacon Foundation:

- (a) the Company is not a reporting entity;
- (b) the financial statements and notes, set out on pages 5 to 16, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the financial position of the Company as at 31 December 2023 and of its performance, as represented by the results of its operations and its cash flows, for the 12 month period ended on that date in accordance with the statement of compliance and basis of preparation described in Note 1; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1, and the *Australian Charities and Not-for-Profits Commission Regulation 2013*; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Hobart, this 23rd day of May 2024.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.



.....  
Jane Hewitt  
Chairperson



.....  
Scott Harris  
Chief Executive Officer



# Independent Auditor's Report

To the Members of Beacon Foundation

## Opinion

We have audited the **Financial Report** of Beacon Foundation (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with with Division 60 of the Australian Charities and Not-for-profits Commission (ACNC) Act 2012, including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the year ended on that date; and
- ii. complying with *Australian Accounting Standards* and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR).

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2023
- ii. Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- iii. Notes including material accounting policies.
- iv. Directors' Declaration.

## Basis for opinion

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

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

We are independent of the Company in accordance with the *ACNC Act 2012* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Other Information

Other Information is financial and non-financial information in Beacon Foundation's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not



express an audit opinion or any form of assurance conclusion thereon.

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

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

### Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures Framework* and the *ACNC Act 2012 and ACNCR*.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- iii. Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

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

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

We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Company's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. Conclude on the appropriateness of the Directors' use of the going concern basis of



accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Company to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the registered Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

Sascha Adams

*Partner*

Hobart

23 May 2024