



Melbourne High School Foundation Ltd
Annual Report 2017



Melbourne High Foundation Ltd

CONTENTS

	Page
President's Report	2
Financial Report	7
Auditor's Report	23



**MELBOURNE HIGH SCHOOL FOUNDATION LTD.
ABN 82 125 199 457**

**PRESIDENT'S REPORT
FOR YEAR ENDING 31st DECEMBER 2017**

INTRODUCTION AND MISSION

The Melbourne High School Foundation is the fundraising arm of Melbourne High School. The Foundation enables Melbourne High School to provide a variety of non-Government funded academic, sporting, cultural and wellbeing programs that ensure a rich all-encompassing education for all students regardless of their family circumstances.

Through its four distinct trusts, the Foundation provides unique opportunities for donors, including parents, past students, businesses and philanthropists to support the education and wellbeing of past, present and future students and staff.

GOVERNANCE STRUCTURE

The achievement of the aims of the Foundation rests on the governance structure comprising board members and committees which collectively:

- determine policy and direction
- create and implement plans to raise funds
- process donations
- allocate funds in conjunction with the School
- oversee four trusts:
 - The MHS Arts & Cultural Trust
 - The MHS Scholarship Trust
 - The MHS General Trust
 - The Melbourne High School Foundation Health Promotion Trust.

DIRECTORS AND OFFICERS

The following directors served during the year:

- John Wertheimer (President)
- Mark Taft (Vice-President & School Council Nominee)
- Michael Hills (Secretary)
- Noel Moloney (Treasurer and Public Officer)
- Simon Evans (Building Advisor)
- Jeremy Ludowyke (School Principal)
- Sam Theodore (MHSOBA Nominee)

Directors' meetings have been held monthly throughout the year.

In 2017, Wendy Brooks Consulting provides strategic fundraising advice and secretariat support for the Foundation.

THE MELBOURNE HIGH SCHOOL ANNUAL APPEAL

The MHS Annual Appeal is an important source of income and is well supported by the alumni and our community of old boys. We are delighted with the strong support generated by the 2017 Appeal for a range of important activities, including the full renovation of our two classrooms. The amounts raised are listed below.

ANNUAL APPEAL		2017(\$)
MHS	PROJECT 669	\$2,732
MHS	CASTLE ON HILL	\$51,774
FOUND	SCHOLARSHIP. TRUST	\$44,387
FOUND	ARTS & CULTURE - PIANO	\$20,841
FOUND	ARTS & CULTURE - GENERAL	\$4,887
MHS	LIBRARY FUND	\$1,237
FOUND	HEALTH PROMOTION TRUST	\$9,378
MHS	ROWING CENTRE	\$7,311
MHS	HEALTH PROMOTION CENTRE	\$1,537
TOTAL		\$144,084

In its second year online, the Foundation's website has seen an increase in traffic viewing our projects, news and activities. We invite all members of the community to visit www.mhsfoundation.org.au to keep updated on achievements and ways to become involved with Melbourne High School. The Foundation will be updating its website in 2018.

THE MELBOURNE HIGH SCHOOL BEQUEST SOCIETY

Over the years, past students have chosen to recognise the Melbourne High School's integral part in their development, growth and success by leaving a gift to the school in their Will. This very special support continues to play a vital part in the success of Melbourne High School with many of our buildings, facilities and programs benefitting from gifts in the wills of Alumni, friends and benefactors.

The MHS Bequest Society invites donations to the MHS General Trust. The Society honours the many individuals who have chosen to make a bequest and thus become part of the history of Melbourne High School and two of its pillars, the Melbourne High School Foundation and the Melbourne High

School Old Boys' Association. Strong participation by old boys of Melbourne High School is critical to the success of the Bequest Society.

With the assistance of our Ambassadors, Patrons and distinguished Alumni, we look forward to increasing focus on the work and outreach of each of the trusts and the MHS Bequest Society for the benefit of current and future students of the School.

669 CHAPEL STREET: THE PROPOSED CENTRE FOR HIGHER EDUCATION STUDIES AT 669 CHAPEL ST

Future development of land at 669 Chapel Street has been a major project for the Foundation. MHS has been working with the Victorian State Government to develop the future direction of the Centre for Higher Education Studies at 669 Chapel St. This exciting development aims to improve educational opportunities for high ability students in Victoria. Discussions with the State Government have been promising.

THE MELBOURNE HIGH SCHOOL FOUNDATION HEALTH PROMOTION TRUST

We are pleased that ongoing support for a program supporting students' physical and emotional wellbeing of all the School's staff and students has been strong. The funds raised in 2017 enabled the school to run wellbeing programs for staff and students identified as requiring support. The 10-week programs addressed exercise, sleep, nutrition, stress, mobility and cardiovascular health.

THE MHS SCHOLARSHIP TRUST

The Scholarship Trust continued to be well supported. The Trusts provide funds for scholarships, bursaries and prizes, giving much-needed assistance to students who would struggle to meet the basic costs of education. Scholarship recipients are provided with the opportunity to study at Melbourne High School and Australian or overseas tertiary institutions. In 2017, 76 students were supported. Activities included school fee contributions, cash awards, the provision of laptops, and school uniform and book subsidies.

THE MHS ARTS & CULTURAL TRUST

The Foundation continued to work towards increasing the financial support available for the development of arts and cultural activities within the School and the wider City of Stonnington community.

In 2017, through the generous support of our donors, and in conjunction with the MHS Friends of Music, \$30,000 was raised for a new grand piano for the music department.

STRATEGY FOR FUNDRAISING

The Foundation continued working with Wendy Brooks Consulting in 2017 to develop key fundraising strategies and activities. The Foundation's focus is on strengthening relationships with the families of students, alumni and potential supporters; identifying and articulating key programs that will support MHS students to achieve their potential, and implementing our strategic fundraising plan to attract income.

We look forward to sharing upcoming activities with you and encourage everyone in the broader school community to become involved.

IN CLOSING

We are pleased with our achievements, strengthened relationships and increased clarity in strategic direction and future activities.

I thank my fellow board members, new and existing ambassadors and patrons, MHSOBA Council, Finance and Administration Officer Jodie Gunton, MHSOBA Events Manager Margie Haes and the Wendy Brooks Consulting team for contributing to a very positive year.

My sincere thanks to each one of you who supported Melbourne High School's students and staff, past, current and future.

I look forward to seeing many of our members at the AGM on 20th June 2018.

Best wishes,

A handwritten signature in purple ink, reading "John Wertheimer".

Col. John Wertheimer AM RFD
President
25 May 2018



Melbourne High School Foundation Ltd
ACN: 125 199 457
as Trustee for
Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust,
Melbourne High School Foundation Health Promotion Trust &
Melbourne High School General Trust

Special Purpose Financial Statements
For the period 1 January 2017 to 31 December 2017

Melbourne High School Foundation Ltd
ACN: 125 199 457

**As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust
& Melbourne High School General Trust**

Directors' Report
For the period 1 January 2017 to 31 December 2017

The directors present their report on Melbourne High School Foundation Limited (as Trustee for Melbourne High School Scholarship Trust, Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust and Melbourne High School General Trust) for the 12 months ended 31 December 2017.

Incorporation

Melbourne High School Foundation Limited, a company limited by guarantee, was incorporated on 2 May, 2007.

Company Strategy and Objectives

The short and long term objectives of the company and the trusts it administers are to provide assistance to past and present students and staff of Melbourne High School.

Our strategy for achieving these objectives centres on:

- Instituting a range of specific activities aimed at raising funds to finance the activities of our four trusts
- The development of a corpus the earnings on which will be used to assist with the funding of our administrative activities including the running of the three trusts.
- Seeking funding from other relevant trusts to help finance the desired activities
- Liaising as appropriate with other bodies, particularly the City of Stonnington, in relation to the joint sponsoring of arts and cultural activities.

In the 12 months, from 1 January 2017 to 31 December 2017 our principal activities were:

- The granting of a number of scholarships to students from families that are income constrained
- The establishment of a strategy for the development of a capital corpus to fund the Foundation's intended activities, using a number of distinguished persons in a range of professional, business and cultural communities who would work with the Foundation Directors to promote this program to the Corporate sector
- Co-ordinating the Annual Appeal program which provides a range of tax deductible opportunities that will directly benefit the students and programs of Melbourne High School
- Continuing work on developing a web site for the Foundation.

These activities contributed towards the achievement of our objectives by:

- Providing assistance to eligible students whose families are in genuine financial need
- Starting the process of putting the Foundation onto a better financial basis
- Increasing the degree of co-operation between the School and the Foundation and also the Old Boys Association
- Providing the basis for efficient contemporary methods of communicating with the community at large and for the receipt of donations etc.

As the Foundation is still very much in a startup phase, we have not as yet introduced any formal measures of our performance. Measures such as annual funding targets will be developed and implemented as soon as it is reasonable to do so.

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust
& Melbourne High School General Trust

Directors' Report
For the period 1 January 2017 to 31 December 2017

Directors: The following persons held office as directors of Melbourne High School Foundation Limited (the Company) between 1 January 2017 and 31 December 2017

ERIC JOHN WERTHEIMER AM RFD – President from December 2011 (Appointed 27 November 2008)

Profession: Manager

Qualifications: FRMIT, B Econ, CPEng

Experience: Army Officer, Managing Director, Engineer, Project Management, Management Consultant, Chairman

(PHILIP) MARK TAFT - Vice President (Appointed 2 May 2007)

Profession: Judge

Qualifications: BA(Hons) LLB

Experience: Barrister 1989-2008. Senior Counsel. Former Vice-Chairman, Criminal Bar Association. Former President, Melbourne High School Council.

NOEL MOLONEY – Treasurer/Company Secretary (Appointed 27 November 2008)

Profession: Accountant/Criminology

Qualifications: B.Comm (University of Qld); CPA; Master of Criminology (University of Melbourne)

Experience: 30 years in government areas of finance, budgeting, strategic planning, internal auditing, securities administration, strategic reviews, program evaluations, policy, state and national committees, and statistics; formerly Treasurer Melbourne High School Council.

MICHAEL HILLS - (Appointed 1 November 2007)

Profession: Accountant

Qualifications: BEc(Hons); CPA; Registered Tax Agent; Advanced Management Programme - Australian Admin. Staff College

Experience: Senior Economics; Corporate Planning; Managerial & Financial Control positions in major Australian Bank; 18 years' experience in not for profit sector; Former Director, Company Secretary & Treasurer Foundation Boroondara Ltd; recently Director and Company Secretary Canterbury Surrey Hills Community Finance Ltd; former Treasurer Melbourne High School Council.

SAM THEODORE - (Appointed 29 January 2014)

Profession: Audit and Risk

Qualifications: Masters in Practicing Accounting - Monash University, Bachelor of Business - Banking and Finance - Monash University, Member Institute of Public Accountants, Senior Associate - SA FIN (FINSIA) - Financial Services Institute of Australasia

Experience: Director Blind Sports Australia, Director Landshare Pty Ltd, Director T Corporation Pty Ltd. SJ Theodore Holdings Pty Ltd. Former Director Goalball Australia

JEREMY LUDOWYKE (Appointed 2 May 2007)

Profession: School Principal

Qualifications: MA, Dip Ed., Grad Dip. Ed (Policy and Administration)

Experience: Teacher, Department of Education 35 years, Principal, Department of Education 21 years including financial management, corporate governance and Human Resource management training and experience.

SIMON EVANS (Appointed 27 July 2016)

Profession : Project and Development Manager

Qualifications: BArch (Melbourne University),

Experience: General Manager of Project Management for a large private development company - 14 years, Associate Director of a private project management consulting firm - 10 years. Responsibility for design management and timely completion of projects over a period of 33 years

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust
& Melbourne High School General Trust

Directors' Report
For the period 1 January 2017 to 31 December 2017

Operating Results

The surplus of the company, incorporating the Melbourne High School Scholarship Trust, Melbourne High School Arts and Cultural Trust, Melbourne High School Health Promotion Trust & Melbourne High School General Trust, for the 12 months from 1 January 2017 to 31 December 2017 amounted to **\$92,297**.

Review of Operations

A summary of revenue and results is set out below:

	1/1/2017 to 31/12/2017	1/1/2016 to 31/12/2016
	\$	\$
Revenue from ordinary activities of the Company	677,261	774,971
Net surplus of the Company	92,297	229,243

The year saw further progress achieved towards the Foundation's role of being a major additional fund raising mechanism for the School and the wider school community.

The Foundation now administers 4 Trusts and is able to gather and utilise funds for a wide range of purposes, including the receipt of bequests of any form, i.e. cash, securities and real property.

The Foundation continues to administer the School's annual fund raising appeal. We are continually working on other strategies to make both the School's and the Foundation's fund raising activities even more successful. These will be implemented at the earliest opportunity.

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust
& Melbourne High School General Trust

Directors' Report
For the period 1 January 2017 to 31 December 2017

Meetings of Directors

The number of Board meetings attended by the directors whilst the director was in office that were held during the period from 1 January 2017 to 31 December 2017:

Name of Director	Number eligible to attend	Number attended
Eric John Wertheimer	11	9
Jeremy Ludowyke	11	11
(Philip) Mark Taft	11	9
Michael Ronald Hills	11	10
Noel Gerard Moloney	11	9
Sam Theodore	11	10
Simon Evans	11	10

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust
& Melbourne High School General Trust

Directors' Report
For the period 1 January 2017 to 31 December 2017

Liability of Directors

Should the company ever be wound up, Section 8 of its Constitution states that the maximum contribution that members must make is \$100 each. All directors must be members of the company and the current maximum number of directors is seven.

Subject to any changes to the maximum number of directors allowed, the maximum aggregate liability of directors current at the time of winding up is therefore \$700. Any directors who resign within the year prior to the winding up are also required to contribute a maximum of \$100 each.

Auditor's Independence Declaration

The auditor's independence declaration for the 12 months ended 31 December 2017 has been received.

This report is made in accordance with a resolution of the directors.

Eric John Wertheimer
Director

Noel Moloney
Director

Dated this 16th day of May 2018

Location: Melbourne, Victoria

Melbourne High School Foundation Ltd

ACN: 125 199 457

As Trustee for Melbourne High School Scholarship Trust,

Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust & Melbourne High School General Trust

Statement of Comprehensive Income for the period 1 January 2017 to 31 December 2017

	Notes	MHS Foundation Limited		MHS Scholarship Trust		MHS Arts & Cultural Trust		MHS Health Promotion Trust		MHS General Trust		TOTALS	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		\$	\$	\$	\$	\$	\$			\$	\$	\$	\$
Revenue from Ordinary Activities	2												
Donations		-	-	61,912	100,105	35,298	12,437	9,473	11,565		-	106,683	124,107
Scholarships		-	-	47,097	81,138			6,000				53,097	81,138
Interest		-	-	11,010	10,195	43	32	81	77	1,270	1,414	12,404	11,718
Salary Reimbursement		-	-							15,808	52,836	15,808	52,836
Re-imbursement of General Trust expenses		-	-							41,486	62,019	41,486	62,019
Lease Income (669 Chapel Street)		-	-							339,208	297,287	339,208	297,287
Other contributions (669 Chapel Street)		-	-							108,180	145,866	108,180	145,866
Other Income		-	-							395		395	
Total Revenue		-	-	120,019	191,438	35,341	12,469	15,554	11,642	506,347	559,422	677,261	774,971
Expenses from Ordinary Activities	3	-	-										
Contractor expenses		-	-							75,180	54,695	75,180	54,695
Employment expenses		-	-							69	50,621	69	50,621
Bank Fees		-	-	46	-				-	1,079	3,457	1,125	3,457
Insurance		-	-		-				-	2,654	2,609	2,654	2,609
Legal & Accounting		-	-		-				-	47	122	47	122
Office Administrative Expenses		-	-		-				-	1,380	1,224	1,380	1,224
Scholarship & Prizes Awarded		-	-	79,935	68,886	2,400	400		-		-	82,335	69,286
Expenses for 669 Chapel Street		-	-		-				-	338,212	307,175	338,212	307,176
Fund Raising expenses		-	-		-				-	10,131	10,140	10,131	10,140
Re-imbursements of General Trust expenses		-	-	29,850	32,064	2,478	4,008	3,583	4,008			35,911	40,080

Melbourne High School Foundation Ltd

ACN: 125 199 457

As Trustee for Melbourne High School Scholarship Trust,

Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust & Melbourne High School General Trust

	Notes	MHS Foundation Limited		MHS Scholarship Trust		MHS Arts & Cultural Trust		MHS Health Promotion Trust		MHS General Trust		TOTALS	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		\$	\$	\$	\$	\$	\$			\$	\$	\$	\$
General expenses		-	-			30,000		5,520	2,200	2,400	4,119	37,920	6,319
Total Expenses		-	-	109,830	100,950	34,878	4,408	9,103	6,208	431,153	434,162	584,965	545,728
Profit/(Loss) Before Income Tax		-	-	10,189	90,488	463	8,061	6,451	5,434	75,194	125,260	92,297	229,243
Other Comprehensive Income/Expense													
Total Comprehensive Income After Income tax		-	-	10,189	90,488	463	8,061	6,451	5,434	75,194	125,260	92,297	229,243

The above income statements should be read in conjunction with the accompanying notes.

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

Balance Sheet
As at 31 December 2017

The above balance sheet should be read in conjunction with the accompanying notes.

	Notes	1/1/2017 to 31/12/2017 \$	1/1/2016 to 31/12/2016 \$
CURRENT ASSETS			
Cash and cash equivalents	4	784,596	867,618
Receivables & prepayments	5	5,870	21,000
TOTAL CURRENT ASSETS		790,466	888,618
NON-CURRENT ASSETS			
Art Works	6	572,729	572,729
Website and Database	6	6,610	6,610
Land and buildings	6	7,738,579	5,188,579
TOTAL NON-CURRENT ASSETS		8,317,918	5,767,917
TOTAL ASSETS		9,108,384	6,656,535
CURRENT LIABILITIES			
Other creditors and accruals	7	131,052	141,024
NON CURRENT LIABILITIES			
Borrowings	8	4,737,470	4,917,948
TOTAL LIABILITIES		4,868,522	5,058,970
NET ASSETS		4,239,862	1,597,565
EQUITY			
Settled Sum	10	3,350	3,350
Retained Profits	9	1,436,312	1,344,015
Contributed Equity (669 Chapel St)		250,200	250,200
Asset revaluation reserve - 669 Chapel Street		2,550,000	-
TOTAL EQUITY		4,239,862	1,597,565

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

Statement of Changes in Equity
For the period 1 January 2017 to 31 December 2017

	Settled Sums	Retained Earnings	Contributed Equity	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 31 December 2015	3,350	1,114,772	250,200	-	1,368,322
Equity changes attributed to the company	-	229,243	-	-	229,243
Balance at 31 December 2016	3,350	1,344,013	250,200	-	1,597,565
Equity changes attributed to the company	-	92,297	-	-	92,297
Increase in fair value of freehold land & buildings	-	-	-	2,550,000	2,550,000
Balance at 31 December 2017	3,350	1,436,312	250,200	2,550,000	4,239,862

The above statement of changes in equity should be read in conjunction with the accompanying notes

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

Statement of Cash Flows
For the period 1 January 2017 to 31 December 2017

	1/1/2017 to 31/12/2017 \$	1/1/2016 to 31/12/2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Donations, Sponsorship and other operations	202,081	335,544
Payments and Transfers	<u>(247,826)</u>	<u>(315,302)</u>
Net Inflow/outflow from operating activities	<u>(45,745)</u>	<u>20,242</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Specified Scholarships received	53,097	81,838
Specified Scholarships paid	<u>(57,172)</u>	<u>(68,886)</u>
Net Inflow/Outflow from finance activities	<u>(4,075)</u>	<u>12,952</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	12,404	11,718
Contributions for loan repayment	-	139,648
CREMA Constructions Payments for lease	154,208	0
C & L Holdings Payments for lease	322,212	309,841
Repayment of third party borrowings	(319,621)	(321,435)
Payments to Utilities and SRO	(116,732)	(114,841)
Repayment of Security bond	<u>(85,673)</u>	<u>-</u>
Net Inflow/Outflow from investing activities	<u>(33,202)</u>	<u>24,931</u>
Net increase/decrease in cash and cash equivalents	(83,022)	58,125
Cash and cash equivalents at the beginning of period	<u>867,618</u>	<u>809,493</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>784,596</u>	<u>867,618</u>

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

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

Notes to the Accounts
For the period 1 January 2017 to 31 December 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

In the directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the sole purpose of complying as applicable with the *Corporations Act 2001* requirements to prepare and distribute a financial report to the members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

This special purpose financial report for the year ended 31 December 2016 has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial report is prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

The income statement has been classified according to each particular trust (Melbourne High School Scholarship Trust, Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health Promotion Trust and Melbourne High School General Trust) so that information is more discernible to users. The other financial reports have not needed to be modified in the same manner.

For the purposes of the report, the foundation is a not for profit entity.

(a) Revenue recognition

Income is recognised when receivable.

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

b) Income Tax

The Company is not exempt from income tax under the provisions of the Income Tax Assessment Act. However, as its major role is to act as a corporate trustee it is unlikely that the company will pay any tax. The Company has been recognised by the Australian Taxation Office as a Deductible Gift Recipient for funds donated to the Melbourne High School Scholarship Trust, the Melbourne High School Arts and Cultural Trust, and the Melbourne High School Foundation Health Promotion Trust. These trusts are exempt from income tax.

(c) Cash and cash equivalents

Cash and cash equivalents include all cash on hand, at call deposits with banks or financial institutions and investments in money market instruments maturing within less than two months.

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

Notes to the Accounts
For the period 1 January 2017 to 31 December 2017

	1/1/2017 to 31/12/2017 \$	1/1/2016 to 31/12/2016 \$
2. REVENUE FROM CONTINUING OPERATIONS		
Donations	106,683	124,107
Scholarships	53,097	81,138
Interest	12,404	11,718
Reimbursement of Salary	15,808	52,836
Re-imbursement of General Trust Expenses	41,486	62,019
Lease Income (669 Chapel Street)	339,208	297,287
Other Income (669 Chapel Street)	108,180	145,865
Other Income	395	-
	677,261	774,970
3. EXPENSES FROM ORDINARY ACTIVITIES		
Contractor Expenses	75,180	54,695
Employment Expenses	69	50,621
Bank Fees	1,125	3,457
Insurance Premiums	2,654	2,609
Legal & Accounting	47	122
Stationery, Supplies & Gifts	1,380	1,224
Scholarship Awards	82,335	69,286
669 Chapel Street expenses	338,212	307,176
Fund Raising Expenses	10,131	10,140
Reimbursement of General Trust Expenses	35,911	40,080
General Expenses	37,920	6,319
	584,965	545,728
4. CASH AND CASH EQUIVALENTS		
Westpac Bank – Melbourne High School Foundation Ltd	13,376	833
Westpac Bank – Melbourne High School Scholarship Trust	17,565	32,275
Westpac Bank – Melbourne High School Arts and Cultural Trust	35,232	34,139
Westpac Bank – Melbourne High School Health Promotion Trust	83,306	76,949
Bendigo Bank - Melbourne High School General Trust Op Account	155,139	169,785
Bendigo Bank - Melbourne High School General Trust Number 2 Bond Account	-	92,517
Bendigo Bank - Melbourne High School Scholarship Trust MHSOBA	1,520	-
Bendigo Bank - Melbourne High School Scholarship HYA	159,842	147,912
Bendigo Bank – Melbourne High School Scholarship Trust Reserve	318,616	313,208
	784,596	867,618

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

	1/1/2017 to 31/12/2017 \$	1/1/2016 to 31/12/2016 \$
5. RECEIVABLES		
Debtors	5,870	21,000
	<hr/>	<hr/>
6. NON-CURRENT ASSETS		
"The Cricketers" Sculpture	120,000	120,000
"Neil Roberts" Sculpture	50,000	50,000
"Merv Lincoln" Statue	134,243	134,243
"Ron Clarke" Statue	134,243	134,243
"Ralph Doubell" Statue	134,242	134,242
	<hr/>	<hr/>
	572,729	572,729
	<hr/>	<hr/>
Website and Database	6,610	6,610
669 Chapel Street – at fair value	7,738,579	5,188,579
	<hr/>	<hr/>
	5,767,917	5,767,917
	<hr/>	<hr/>
7. CURRENT LIABILITIES		
Lachlan Caspar Brooke Memorial Scholarship	55,663	55,663
S. Fincher Young Carer Bursary	11,087	14,677
George Langley Award	33,500	29,000
GST	467	2,675
Sundry Creditors	16,118	21,048
Other accruals	14,218	17,960
	<hr/>	<hr/>
	131,052	141,024
	<hr/>	<hr/>
8. NON-CURRENT LIABILITIES		
Mortgage loan payable	4,737,470	4,917,948
	<hr/>	<hr/>
9. RETAINED PROFITS/LOSSES		
Retained profits/losses at the end of the financial year.		
Melbourne High School Foundation Ltd	(13,183)	(13,183)
Melbourne High School Arts & Cultural Trust	522,945	522,482
Melbourne High School Scholarship Trust	473,564	463,375
Melbourne High School General Trust	370,029	294,835
Melbourne High School Health Promotion Trust	82,957	76,506
	<hr/>	<hr/>
	1,436,312	1,344,015
	<hr/>	<hr/>

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

10. MEMBERS GUARANTEE AND SETTLED SUM

The Melbourne High School Foundation Limited is a company limited by guarantee. In the event of a winding up of the company, liability of members is limited to a maximum of \$100 each. As at 30 June 2016, the aggregate maximum liability of all current members is \$2,500. Any directors who resign within the year prior to the winding up are also required to contribute a maximum of \$100 each.

The Settled Sum of the four trusts to which the Melbourne High School Foundation Limited acts as Trustee for are:

Melbourne High School Scholarship Trust	\$1,400
Melbourne High School Arts & Cultural Trust	\$1,500
Melbourne High School Foundation Health Promotion Trust	\$400
Melbourne High School General Trust	<u>\$50</u>
	<u>\$3,350</u>

Melbourne High School Foundation Ltd
ACN: 125 199 457
As Trustee for Melbourne High School Scholarship Trust,
Melbourne High School Arts and Cultural Trust, Melbourne High School Foundation Health
Promotion Trust & Melbourne High School General Trust

Directors' Declaration
For the period 1 January 2017 to 31 December 2017

In accordance with a resolution of the directors, the directors of the company declare that

- a) the financial statements and notes set out on pages 7 to 13 of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2016 and of its performance as represented by the results of its operations and its cash flows for the year ended on that date; and
 - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,

Eric John Wertheimer
Director

Noel Moloney
Director

Dated this 16th day of May 2018

Location: Melbourne, Victoria

Independent Auditor's Report to the members of Melbourne High School Foundation Ltd

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Melbourne High School Foundation Ltd, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in members funds for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Melbourne High School Foundation Ltd would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of Melbourne High School Foundation Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.


DELOITTE TOUCHE TOHMATSU


C M J Bryan
Partner
Chartered Accountants
Melbourne, 23 May 2018

23 May 2018

The Board of Directors
Melbourne High School Foundation Ltd
Forest Hill
SOUTH YARRA VIC 3141

Dear Board Members

MELBOURNE HIGH SCHOOL FOUNDATION LTD

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Melbourne High School Foundation Ltd.

As lead audit partner for the audit of the financial statements of Melbourne High School Foundation Ltd for the financial year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



C M J Bryan
Partner
Chartered Accountants

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

The entity named herein is a legally separate and independent entity. In providing this document, the author only acts in the named capacity and does not act in any other capacity. Nothing in this document, nor any related attachments or communications or services, have any capacity to bind any other entity under the 'Deloitte' network of member firms (including those operating in Australia).

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited



Melbourne High School Foundation Ltd

Forrest Hill, South Yarra, Vic, 3141

p: 9823 7196

e: office@mhsfoundation.org.au

w: www.mhsfoundation.org.au