

Melbourne High School Foundation Ltd Annual Report 2021



MHS Foundation Annual Report

MELBOURNE HIGH SCHOOL FOUNDATION LTD.
ABN 82 125 199 457

Patron Lindsay Fox AC

YEAR ENDING 31 DECEMBER 2021



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About the Melbourne High School Foundation

The Melbourne High School (MHS) Foundation is the School's fundraising organisation. Through its trusts and funds, 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.

Below are details of the Foundation's individual Trusts:

- **The General Trust** promotes and manages bequests, endowments, and donations to enable MHS to provide high-quality camps and excursions, sports programs, equipment and facilities, vocational training opportunities, and activities that enrich the educational experience at MHS.
- **The Scholarship Trust** provides funds for scholarships, bursaries, and prizes, giving much-needed assistance to students who would struggle to meet the basic costs of education.
- **The Arts and Cultural Trust** raises funds to promote and support the Arts within the School, the City of Stonnington and the wider community. Areas of interest are music, media and theatre studies, studio arts, visual communication design, and Aboriginal and Torres Strait Islander and cultural heritage.
- **The Health Promotion Trust** focuses on programs that support the physical and emotional wellbeing of all the school's staff and students.
- **The Future Fund** is unrestricted, enabling the MHS Foundation to build financial stability and respond to the school's most pressing needs.

The Foundation also supports fundraising for the MHS Building and Library Funds. All donations, excluding contributions to the General Trust, are tax-deductible.

Governance and operations structure

Our Board members, with support from the Foundation team and external fundraising consultants, are responsible for:

- determining policy and direction
- creating and implementing plans to raise funds
- processing donations
- allocating funds in conjunction with the School
- overseeing the five trusts and funds

President's report

With the generous support of our community, the MHS Foundation had another busy year supporting the school to deliver a stimulating and supportive learning environment for all students irrespective of their backgrounds or circumstances. Here are just a few examples of what we achieved in 2021:

The Centre for Higher Education Studies (CHES)

Nine years ago, the MHS Foundation purchased land adjacent to the School at 669 Chapel Street and in 2020, negotiations were completed for the purchase of the land by The Victorian School Building Authority.

Work is now underway on a state-of-the-art facility that will provide the boys at Melbourne High School and secondary school students across Victoria with a unique educational opportunity.

CHES will offer high-achieving and capable secondary school students, first-year university courses and select VCE subjects, contributing to their ATAR, whilst gaining university credits. Outside of CHES programming hours, the facility will be available for use by the MHS community for classes and other events. The centre will be operational in 2023.

Supporting students

Fifty-six students from families struggling to meet the basic costs of education were awarded scholarships, bursaries, and prizes. Activities included school fee contributions, cash awards, book subsidies and the provision of laptops, and school uniforms.

Mental health first aid

Funds raised through the 2021 Annual Appeal will support the roll-out of a Mental Health First Aid Program (MHFAP) designed to build the capacity of teachers, parents, and students to understand and respond to mental distress and crises.

Developed in Australia in 2000 and now used in 24 countries, the MHFAP is designed as a suite of training courses that provide individuals with the knowledge, skills and confidence needed to support a person experiencing a mental health problem or mental health crisis, including being suicidal.

The Health and Wellbeing Fund is supporting two Wellbeing Team members to undertake training in the MHFAP. Once trained they will conduct annual programs at MHS to build the capacity of staff, parents and students to understand and respond to mental health within the school community.

Double basses and an electric organ for our talented musicians

The Foundation responded to a request from Friends of Music to address the school's shortage of Double Bass instruments. With only one functioning double bass for performances, rehearsals and music lessons, student learning was significantly impacted.

Three additional double basses have now been purchased for the Music Department, with funds from the Arts and Cultural Trust, greatly improving opportunities for students to practice and perform.

Members of the Old Boys GM&B Association banded together to raise funds for the purchase of an electric organ for the school.

Fundraising initiatives update

Once again, the MHS Foundation delivered diverse fundraising activities and initiatives, raising critical funds for the School. Below is an overview of our outcomes in 2021.

Annual Appeal

With the generous support of over 400 donors our end of tax year appeal raised \$125,634 in 2021. The donation breakdown is as follows:

| 2021 Annual Appeal | \$ |
|----------------------------|----------------|
| Future Fund | 19,198 |
| Classrooms | 28,753 |
| Scholarship Trust | 37,197 |
| Arts & Cultural Trust | 10,743 |
| MHSOBA – Scholarship Trust | 2,812 |
| Library Fund | 1,501 |
| Health Prom Trust | 15,219 |
| Millgrove | 10,000 |
| General Trust | 211 |
| TOTAL | 125,634 |

Fixed scholarship, awards, and Speech Night funds

In 2021, 125 donors contributed \$43,575 towards fixed scholarships, awards and speech night prizes helping us to recognise excellence and ensure no student is left behind.

Regular giving

The Foundation now has the capacity to accept regular monthly gifts from our donors. Building this capacity will help to increase the long-term sustainability of our Trusts. Collectively our regular donors will provide regular ongoing support that will enable the school to plan for the future.

Classroom Giving Day Campaign

Due to COVID-19 the Giving Day Campaign scheduled for December 2021 was again postponed and rescheduled for September 2022. To date, nine classrooms have been renovated with funds raised through our Classrooms for a New Century Campaign. Progress to date has been slow due to COVID-19 restrictions halting construction on-site.

New directors

In 2021, four new directors joined our Board including old boys, Ben Mahoney (EX 1991) and Rodney Cocks CSM (EX 1994) and past parent Angeline Yeoh. Chitra Amaradasa, who for many years, supported the MHS Foundation as an observer has joined our Board of Directors and we also welcomed Gulrez Kaur as a Board Observer.

These new members will lend their significant expertise to the governance and strategic direction of the MHS Foundation moving forward. The Directors Report to follow provides a more detailed overview of the new members' experiences.

Farewell to Wendy Brooks and Partners

After more than five years of providing strategic fundraising support to the Foundation, Wendy Brooks and Partners stepped down from their consulting role. I would like to take this opportunity to recognise their strong and effective contribution to the Foundation's success. We are pleased to announce that we are welcoming back Emer Diviney who will support our fundraising activities moving forward. Emer is joined by Tony Ericson who provides design and communications support.

In closing

By 31 December 2021, the Foundation and its trusts had improved their financial positions with combined assets of \$1.9 million. This was a significant achievement, as it was again a year of unusual circumstances.

Our success in 2021 was made possible by a wide range of individuals. I keenly thank my fellow board members, new and existing ambassadors, and patrons, the MHSOBA Council, the GM&B, Finance and Administration Officer Jodie Gunton and MHSOBA Events Manager Jo Malley.

My sincere thanks to our generous donors and volunteers. Each one of you has supported Melbourne High School's students and staff, past, current, and future.

With best wishes,



Col. John Wertheimer AM RFD

President

May 2022

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 &
Melbourne High School Foundation Future Fund Trust

Special Purpose Financial Statements

For the period 1 January 2021 to 31 December 2021



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 & Melbourne High School Foundation Future Fund

Directors' Report

For the period 1 January 2021 to 31 December 2021

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, Melbourne High School General Trust and Melbourne High School Foundation Future Fund ("the Trusts") for the 12 months ended 31 December 2021.

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 the five trusts
- Developing a corpus, the earnings on which will be used to assist with the funding of our administrative activities including the running of the five trusts
- Seeking funding from other relevant trusts to help finance the desired activities
- Liaising as appropriate with other bodies, in relation to the joint sponsoring of arts and cultural activities.

In the 12 months, from 1 January 2021 to 31 December 2021 our principal activities were:

- Granting a number of scholarships to students from families that are income constrained
- Co-ordinating the Annual Appeal program which provided a range of tax-deductible opportunities to directly benefit the students and programs of Melbourne High School
- Continuing work on developing a web site for the Foundation
- Providing the financial support needed for the roll out of a Mental Health First Aid Program to build the capacity of teachers, parents and students to understand and respond to mental health issues
- Providing other financial support needed for the renovation of classrooms, purchase of musical instruments and continuance of fixed scholarships, awards and prizes to support academic achievement.

These activities contributed towards the achievement of our objectives by:

- Providing assistance to eligible students whose families are in genuine financial need
- Providing the basis for efficient contemporary methods of communicating with the community at large and for the receipt of donations etc.
- Supporting the school in meeting staff and students health, welfare and educational needs.

Directors' Report

For the period 1 January 2021 to 31 December 2021

In 2021 the MHS Foundation appointed five new Directors, three in March and another two in September. These are now included in the following listing of persons holding office as directors of Melbourne High School Foundation Limited (the Company) between 1 January 2021 and 31 December 2021

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 (retired); Master of Criminology (University of Melbourne)

Experience: 35 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.

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.

DR. ANTHONY MORDINI (Appointed 17 March 2021)

Profession: School Principal

Qualifications: B.A (Swinburne); B.Ed (Edith Cowan); B.Ed (Hons) (Murdoch); Ed.D (Murdoch); PGDip Management (Melb); GAICD.

Experience: Senior educational leadership in schools, higher education and at the System level.

Directors' Report

For the period 1 January 2021 to 31 December 2021

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.

ANGELINE YEOH (Appointed 17 March 2021)

Profession: Regulatory and Banking Consultant

Qualifications: BEc | LLB Monash University; LLM (Corporate & Commercial Law) UNSW

Experience: Significant experience in private legal practice in corporate and commercial law, banking remediation and dispute resolution, banking regulatory risk and strategy, banking regulatory relationships; formerly President of Melbourne High School Council.

CHITRA AMARADASA (Appointed 17 March 2021)

Profession: Lawyer (retired)

Qualifications: Bachelor of Arts/Bachelor of Laws (Hons); Master of Laws (University of Melbourne)

Experience: 30 years in areas of national/international acquisitions, divestments & infrastructure transactions, commercial & property law, Royal Commission & State Inquiry related matters in Australian private law firms & government. Prior to appointment as a director, was a Board observer, and formerly on Melbourne High School Finance Committee & School Council.

BEN MAHONEY (Appointed 15 September 2021)

Profession: Lawyer

Qualifications: LLM (Monash Uni), LLB (Hons) (Monash Uni), B.Comm (Monash Uni)

Experience: 24 years in commercial, finance and restructuring law in Australia and the Channel Islands; partner of Arnold Bloch Leibler since 2006 and currently Head of Banking & Finance at Arnold Bloch Leibler.

RODNEY COCKS CSM (Appointed 15 September 2021)

Profession: ASX CEO and Executive Director

Qualifications: BCom (Melb.), LLB (QUT), MBA (UPenn, Wharton), MPA (Harvard), Admitted Lawyer, RMC Duntroon, GAICD

Experience: 25 years in defence, international affairs, academia, strategy consulting, multinational corporates and high growth companies.

Directors' Report

For the period 1 January 2021 to 31 December 2021

Operating Results

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 five Trusts and is able to gather and recognise funds for a wide range of purposes, including the receipt of bequests of any form, i.e. cash, securities and real property.

A summary of revenue and results is set out below. The combined surplus of the company, and the Melbourne High School Scholarship Trust, Melbourne High School Arts and Cultural Trust, Melbourne High School Health Promotion Trust, Melbourne High School General Trust and Melbourne High School Foundation Future Fund for the 12 months from 1 January 2021 to 31 December 2021 was \$47,195. A comparison with last year's surplus of \$1,892,013 reflects the fact that the 2020 surplus was primarily due to the forgiveness of debt by the Melbourne High School (\$2,053,964). The following amounts disclosed below as "Revenue from ordinary activities of the Company" exclude the financial impacts of the land sale and the gain of the debt defeasance, as these were not considered in the ordinary activities of the Company.

| | 1/1/2021 to 31/12/2021 \$ | 1/1/2020 to 31/12/2020 \$ |
|-------------------------------------------------|------------------------------------------|------------------------------------------|
| Revenue from ordinary activities of the Company | 282,681 | 212,416 |
| Total Comprehensive Surplus for the year | 47,195 | 1,892,013 |

Directors' Report
For the period 1 January 2021 to 31 December 2021

Meetings of Directors

The following is the number of Board meetings attended by the directors, whilst the director was in office, that were held during the period from 1 January 2021 to 31 December 2021.

| Name of Director | Number eligible to attend | Number attended |
|-------------------------|---------------------------|-----------------|
| Eric John Wertheimer | 8 | 8 |
| (Philip) Mark Taft | 8 | 8 |
| Noel Gerard Moloney | 8 | 6 |
| Sam Theodore | 8 | 7 |
| Anthony Mordini | 6 | 6 |
| Simon Evans | 8 | 7 |
| Chitra Amaradasa | 6 | 5 |
| Angeline Yeoh | 6 | 4 |
| Rodney Cocks | 3 | 2 |
| Ben Mahoney | 3 | 2 |

Directors' Report
For the period 1 January 2021 to 31 December 2021

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 eleven.

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 \$1,100. 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 2021 has been received.

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



Eric John Wertheimer
Director



Noel Moloney
Director

Dated this 30th day of June 2022

Location: Melbourne, Victoria

Melbourne High School Foundation Ltd
ACN: 125 199 457

Statement of Comprehensive Income
For the period 1 January 2021 to 31 December 2021

| | Notes | MHS Foundation Limited | | MHS Scholarship Trust | | MHS Arts and Cultural Trust | | MHS Health Promotion Trust | | MHS General Trust | | MHS Foundation Future Fund | | TOTALS | |
|------------------------------------------|-------|------------------------|------|-----------------------|---------------|-----------------------------|--------------|----------------------------|------------|-------------------|---------------|----------------------------|---------------|-----------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue from Ordinary Activities | 2 | | | | | | | | | | | | | | |
| Donations | | - | - | 66,261 | 54,035 | 10,775 | 9,800 | 14,946 | 525 | - | 1,039 | 18,869 | 56,372 | 110,851 | 121,772 |
| Scholarships | | - | - | 16,000 | 18,000 | - | - | - | - | - | - | - | - | 16,000 | 18,000 |
| Interest | | - | - | 2,041 | 3,854 | - | 24 | - | 78 | 247 | 1,631 | 41 | 66 | 2,329 | 5,652 |
| Salary Reimbursement | | - | - | - | - | - | - | - | - | - | 15,808 | - | - | - | 15,808 |
| Re-imbursment of General Trust expenses | | - | - | - | - | - | - | - | - | 52,035 | 51,179 | - | - | 52,035 | 51,179 |
| Other Income | | - | - | (50,000) | - | - | - | - | - | 216 | 5 | - | - | (49,784) | 5 |
| Bequests | | - | - | - | - | - | - | - | - | 151,250 | - | - | - | 151,250 | |
| Total Revenue | | - | - | 34,302 | 75,889 | 10,775 | 9,824 | 14,946 | 603 | 203,748 | 69,662 | 18,910 | 56,438 | 282,681 | 212,416 |
| Expenses from Ordinary Activities | 3 | | | | | | | | | | | | | | |
| Contractor expenses | | - | - | - | - | - | - | - | - | 85,312 | 77,545 | - | - | 85,312 | 77,545 |
| Bank Fees | | - | - | 2 | - | - | - | - | - | 616 | 531 | - | - | 618 | 531 |
| Insurance | | - | - | - | - | - | - | - | - | 3,107 | 2,859 | - | - | 3,107 | 2,859 |
| Office Administrative expenses | | - | - | - | - | - | - | - | - | 4,925 | 55 | - | - | 4,925 | 55 |
| Scholarships & Prizes Awarded | | - | - | 64,720 | 52,665 | 5,909 | - | - | - | - | - | - | - | 70,629 | 52,665 |
| Expenses for 669 Chapel Street | | - | - | - | - | - | - | - | - | - | 413,882 | - | - | - | 413,882 |
| Fund Raising expenses | | - | - | - | - | 10,591 | - | - | - | 5,869 | 3,706 | - | - | 16,460 | 3,706 |
| Re-imbursments of General Trust expenses | | - | - | 35,654 | 34,283 | 1,927 | 2,780 | 4,818 | 4,633 | - | - | 9,637 | 9,266 | 52,035 | 50,962 |

Melbourne High School Foundation Ltd

ACN: 125 199 457

| | Notes | MHS Foundation Limited | | MHS Scholarship Trust | | MHS Arts and Cultural Trust | | MHS Health Promotion Trust | | MHS General Trust | | MHS Foundation Future Fund | | TOTALS | |
|----------------------------------------------------|-------|------------------------|------|-----------------------|----------|-----------------------------|-------|----------------------------|----------|-------------------|-----------|----------------------------|--------|---------|-----------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| General expenses | | - | - | - | - | - | - | - | 10,694 | 2,400 | 11,667 | - | - | 2,400 | 22,361 |
| Total expenses | | - | - | 100,376 | 86,948 | 18,427 | 2,780 | 4,818 | 15,327 | 102,229 | 510,245 | 9,637 | 9,266 | 235,486 | 624,566 |
| Profit/(Loss) Before Income Tax | | - | - | (66,074) | (11,059) | (7,652) | 7,044 | 10,128 | (14,724) | 101,519 | (440,583) | 9,273 | 47,172 | 47,195 | (412,150) |
| 669 Chapel Street Gain on Sale | 2 | - | - | - | - | - | - | - | - | - | 250,200 | - | - | - | 250,200 |
| Gain on Debt Defeasance | 2 | - | - | - | - | - | - | - | - | - | 2,053,963 | - | - | - | 2,053,963 |
| Total Comprehensive Income After Income tax | | - | - | (66,074) | (11,059) | (7,652) | 7,044 | 10,128 | (14,725) | 101,519 | 1,863,580 | 9,273 | 47,172 | 47,195 | 1,892,013 |

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

Balance Sheet

As at 31 December 2021

| | Notes | 1/1/2021 to 31/12/2021 | 1/1/2020 to 31/12/2020 |
|------------------------------------|-------|---------------------------|---------------------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 1,278,916 | 1,250,034 |
| Receivables & prepayments | 5 | 38,405 | 45,005 |
| TOTAL CURRENT ASSETS | | 1,317,322 | 1,295,039 |
| NON-CURRENT ASSETS | | | |
| Art Works | 6 | 572,728 | 572,728 |
| Intangible assets | 6 | 14,390 | 14,390 |
| IT equipment | 6 | 11,300 | 11,300 |
| TOTAL NON-CURRENT ASSETS | | 598,418 | 598,418 |
| TOTAL ASSETS | | 1,915,740 | 1,893,457 |
| CURRENT LIABILITIES | | | |
| | 7 | | |
| Scholarship Liabilities | | 169,042 | 114,297 |
| Other Creditors | | 98,025 | 177,683 |
| TOTAL CURRENT LIABILITIES | | 267,068 | 291,980 |
| NON-CURRENT LIABILITIES | | | |
| | | - | - |
| TOTAL LIABILITIES | | 267,068 | 291,980 |
| NET ASSETS | | 1,648,672 | 1,601,477 |
| EQUITY | | | |
| Settled Sum | | 3,750 | 3,750 |
| Retained Profits | 9 | 1,597,727 | (294,286) |
| Current Earnings | | 47,195 | 1,892,013 |
| TOTAL EQUITY | | 1,648,672 | 1,601,477 |

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

Statement of Changes in Equity
For the period 1 January 2021 to 31 December 2021

| | Settled Sums | Accumulated Surplus/(Deficit) | Contributed Equity | Total |
|---------------------------------------|-------------------------|------------------------------------------|-------------------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 31 December 2019 | 3,750 | (294,286) | 250,200 | (40,336) |
| Surplus for the year | - | 1,892,013 | - | 1,892,013 |
| Sale of 669 Chapel Street (Note 2) | - | - | (250,200) | (250,200) |
| Balance at 31 December 2020 | 3,750 | 1,597,727 | 0 | 1,601,477 |
| Surplus for the year | - | 47,195 | - | 47,195 |
| Balance at 31 December 2021 | 3,750 | 1,644,922 | - | 1,648,672 |

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

Statement of Cash Flows
For the period 1 January 2021 to 31 December 2021

| | 1/1/2021 to 31/12/2021 | 1/1/2020 to 31/12/2020 |
|-----------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from Donations, Sponsorship and other operations | 261,893 | 230,594 |
| Payments to Suppliers and taxes paid | (258,621) | (516,636) |
| Net Cash (used in)/generated by Operating activities | 3,272 | (286,043) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Specified Scholarships received | 64,281 | 25,953 |
| Specified Scholarships paid | (41,000) | (33,000) |
| Net Cash generated by Finance activities | 23,281 | (7,047) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest received | 2,329 | 5,652 |
| VALEO Payments for lease | - | 24,150 |
| Net proceeds from the sale of land | - | 1,412,972 |
| Interest and principal paid on third party borrowings | - | (6,779) |
| Property related utility payments | - | (3,332) |
| Payments for fencing | - | 0 |
| Fees | - | (3,771) |
| Other Payments | - | (400,000) |
| Net Cash generated by Investing activities | 2,329 | 1,028,892 |
| Net increase in cash and cash equivalents | 28,882 | 735,802 |
| Cash and cash equivalents at the beginning of period | 1,250,034 | 514,232 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | 1,278,916 | 1,250,034 |

Notes to the Accounts

For the period 1 January 2021 to 31 December 2021

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 2021 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, Melbourne High School General Trust and Melbourne High School Foundation Future Fund) 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 recognized 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 recognized 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, Melbourne High School Foundation Health Promotion Trust, and the Melbourne High School Foundation Future Fund. 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.

Notes to the Accounts

For the period 1 January 2021 to 31 December 2021

| | 1/1/2021 to 31/12/2021 | 1/1/2020 to 31/12/2020 |
|----------------------------------------------|---------------------------|---------------------------|
| | \$ | \$ |
| 2. REVENUE FROM CONTINUING OPERATIONS | | |
| Donations | 110,851 | 121,771 |
| Scholarships | 16,000 | 18,000 |
| Interest | 2,329 | 5,653 |
| Salary Reimbursement | - | 15,808 |
| Re-imbursement of General Trust expenses | 52,035 | 51,179 |
| Other Income (a) | (49,784) | 5 |
| Bequests | 151,250 | 1,039 |
| | 282,681 | 212,416 |
| Gain on Sale of 669 Chapel Street (b) | 0 | 250,200 |
| Gain on Debt Defeasance (c) | 0 | 2,053,963 |
| | 282,681 | 2,516,579 |

- (a) In 2021 a donated scholarship amount was reclassified from previously recognised revenue to a liability resulting in a non-cash impact on revenue.
- (b) The purchase cost of 669 Chapel Street included a private donation of \$250,200, which was recorded as contributed equity. The sale of 669 Chapel Street in 2020 resulted in a gain equivalent to the contributed equity of \$250,200 due to the cost of the land sold being reduced by the contributed equity amount.
- (c) The MHS liability in the Balance Sheet of \$2,053,963, consisting of funds contributed by the Melbourne High School towards payment of the Bendigo Bank loan, was forgiven by the School Council in 2020.

3. EXPENSES FROM ORDINARY ACTIVITIES

| | | |
|------------------------------------------|----------------|----------------|
| Contractor expenses | 85,312 | 77,545 |
| Bank Fees | 618 | 531 |
| Insurance | 3,107 | 2,859 |
| Office Administrative expenses | 4,925 | 55 |
| Scholarships & Prizes Awarded | 70,629 | 52,665 |
| Expenses for 669 Chapel Street | - | 413,882 |
| Fund Raising expenses | 16,460 | 3,706 |
| Reimbursements of General Trust expenses | 52,035 | 50,962 |
| General expenses | 2,400 | 22,361 |
| | 235,486 | 624,566 |

Notes to the Accounts
For the period 1 January 2021 to 31 December 2021

| | 1/1/2021 to 31/12/2021 | 1/1/2020 to 31/12/2020 |
|---------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| | \$ | \$ |
| 4. CASH AND CASH EQUIVALENTS | | |
| Westpac Bank - Melbourne High Foundation Ltd | 37,111 | 156,221 |
| Westpac Bank - Melbourne High School Scholarship Trust | 13,981 | 6,061 |
| Westpac Bank - Melbourne High School Arts and Cultural Trust | 26,103 | 34,815 |
| Westpac Bank - Melbourne High School Health Promotion Trust | 77,488 | 77,800 |
| Bendigo Bank - Melbourne High School General Trust Op Account | 611,127 | 424,141 |
| Bendigo Bank - Melbourne High School Scholarship Trust MHSOBA | 571 | 747 |
| Bendigo Bank - Melbourne High School Scholarship HYA | 119,475 | 159,406 |
| Bendigo Bank - Melbourne High School Scholarship Trust Reserve Fund | 297,690 | 294,445 |
| Bendigo Bank - Melbourne High School Foundation Future Fund | 95,370 | 96,398 |
| | 1,278,916 | 1,250,034 |
| 5. RECEIVABLES | | |
| Debtors | 33,405 | 40,005 |
| Giving Platform ("Charidy") Deposit | 5,000 | 5,000 |
| | 38,405 | 45,005 |
| 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 | 134,243 | 134,243 |
| | 572,728 | 572,728 |
| Website and Database | 14,390 | 14,390 |
| Laptops at cost | 11,300 | 11,300 |
| | 598,418 | 598,418 |

Notes to the Accounts
For the period 1 January 2021 to 31 December 2021

| | 1/1/2021 to 31/12/2021 | 1/1/2020 to 31/12/2020 |
|----------------------------------------------------------|-----------------------------------|-----------------------------------|
| | \$ | \$ |
| 7. CURRENT LIABILITIES | | |
| Lachlan Caspar Brooke Memorial Scholarship | 52,663 | 55,663 |
| S. Fincher Young Carer Bursary | 20,000 | 12,674 |
| George Langley Award | 31,500 | 32,000 |
| Ian Douglas Hills Language Award | 50,000 | - |
| Scholarship Prizes | 14,880 | 13,960 |
| GST | (1,010) | (337) |
| Trade Creditors | 2,178 | 51,706 |
| Donations Held | 96,857 | 126,315 |
| | 267,068 | 291,980 |
| 8. NON CURRENT LIABILITIES | | |
| | 0 | 0 |
| NET ASSETS | 1,648,672 | 1,601,477 |
| 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 and Cultural Trust | 515,279 | 522,931 |
| Melbourne High School Scholarship Trust | 379,511 | 445,585 |
| Melbourne High School General Trust | 584,335 | 482,816 |
| Melbourne High School Health Promotion Trust | 77,530 | 67,402 |
| Melbourne High School Foundation Future Fund | 101,449 | 92,176 |
| | 1,644,922 | 1,597,727 |

Notes to the Accounts
For the period 1 January 2021 to 31 December 2021

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. 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 five 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 and Cultural Trust | \$1,500 |
| Melbourne High School Foundation Health Promotion Trust | \$400 |
| Melbourne High School General Trust | \$50 |
| Melbourne High School Foundation Future Fund | \$400 |
| | <u>\$3,750</u> |

Directors' Declaration
For the period 1 January 2021 to 31 December 2021

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 8 to 17 of the Company are in accordance with the Corporations Act 2001, and the Australian Charities and Not-for-profits Commission Act 2012, and:
 - (i) give a true and fair view of the Company's financial position as at 31 December 2021 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) comply with Accounting Standards, Australian Charities and Not-for-profits Commission Regulations 2013, 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 30th day of June 2022

Location: Melbourne, Victoria

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

Report on the Audit of the Financial Report

Opinion

We have audited the 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 2021, 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, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in note 1, 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 *Auditors Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *ACNC Act* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have 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.

Emphasis of Matter – Basis of Accounting

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 *ACNC Act*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *ACNC Act* and 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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.

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

- 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 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 Company to cease to continue as a going concern.
- 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.

Deloitte.

We communicate with the directors 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



C M J Bryan
Partner
Chartered Accountants
Melbourne, 10 June 2022

10 June 2022

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 2021, 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

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Melbourne High School Foundation Ltd
Forrest Hill, South Yarra, Vic, 3141
p: 9823 7196
e: office@mhsfoundation.org.au
w: www.mhsfoundation.org.au

