



PARTNERSHIPS

Annual Report

SEFA Partnerships Limited

30 June 2021



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Directors Report

SEFA Partnerships Limited (the “Company”) is a company limited by guarantee, incorporated and domiciled in Australia. The address of the Company’s registered office is Level 1, 1-3 Smail Street, Ultimo, NSW, 2007.

The directors present their report together with the financial report of the company, for the 12 months to 30 June 2021.

Directors:

The following persons were directors of Sefa Partnerships Limited during the financial year and up to the date of this report:

David Rickards

Belinda Drew

Jay Bonnington

Professor Jack Beetson

Scarlet Reid

Louise Sylvan (resigned 23 November 2020)

Lila De Souza (resigned 8 September 2021)

Biographies of Directors:

David Rickards

David was formerly the Head of Research and an Executive Director at Macquarie Bank. After he retired in 2012 he co-founded Social Enterprise Finance Australia Ltd (SEFA). David founded SEFA Partnerships in 2016. Before joining Macquarie Bank he was responsible for establishing the risk management company, BARRA International, in Australia. David was the Director and Treasurer of Bush Heritage Australia for nine years.

David is currently a trustee of the Australian Museum Foundation and a Director of the Australian Environmental Grant Makers Network, a Director of Sefa Ltd and is Chair of the Sefa Partnerships Board.

Belinda Drew

Belinda has over 20 years’ experience in the community services industry having worked across disability, homelessness, child protection and housing.

During the most recent decade of her career, Belinda was focused on building the social investment market in Australia in her role as the CEO of Foresters Community Finance. Most recently Belinda joined the Community Services Industry Alliance as inaugural CEO of a company focused on representing the value of the community services industry to government and the business sectors. Belinda has a passion for the community services industry and contributing to the task of building a strong, sustainable and contemporary sector across Australia.

Belinda is currently: Director of BuyAssist Australia, Director of National Affordable Housing Consortium Board (NAHC) and is the Chair of Sefa Ltd.

Louise Sylvan

Louise was previously CEO of the Australian National Preventive Health Agency (ANPHA), a Commissioner of the Productivity Commission, and Deputy Chair of the Australian Competition and Consumer Commission. She has also been Chief Executive of the CHOICE - Australian Consumers’ Association, President of Consumers International, Deputy President of the Council of the Medical Foundation of the University of Sydney, a non-executive Director of the UNSW Diplomacy Training Program, and has chaired the OECD’s work on Economics for Consumer Policy. Other roles include six years on the Australian Prime Minister’s Economic Planning Advisory Council, eleven years on the Australian Statistics Advisory Council to the Australian Bureau of Statistics and memberships of the Expert Group on Electronic Commerce and the Self Regulation Task Force.

Directors Report

Directors' Report (continued)

Louise is currently: Chair of Energy Consumers Australia; Member of NSW Aboriginal Land Council Economic Development Advisory Council; Deputy Chair of Australian Advisory Board on Impact Investing; Director of Australian Risk Policy Institute; Director The Australian Centre for Social Innovation; Chair of The Reliable Affordable Clean Energy (RACE) for 2030 Cooperative Research Centre.

Jay Bonnington

Jay has over 20 years' experience as a non-executive director on public and private companies, as well as government and advisory boards. Jay has experience in a range of sectors including construction, engineering, energy, manufacturing, utilities, financial services, superannuation and health. She also has experience as a CEO and senior executive in international organisations. From a chartered accounting background, with over thirty years' experience in various sectors, she has deep operational corporate finance experience.

Jay is currently: Independent Chair of the Commercial Passenger Vehicles Victoria (CPVV) Audit, Risk and Compliance Committee and Director of Sefa Ltd.

Professor Jack Beetson

Jack is a Ngemba Aboriginal man, from western NSW, who has played an active role in Aboriginal affairs in NSW, nationally and internationally for the last thirty years. He is a qualified adult educator, with a Diploma of Aboriginal and Community Adult Education and a Bachelor of Adult Education from UTS. He has completed the Certificate course run by the Australian Institute of Company Directors (AICD), recognised as the definitive program for company directors in Australia. In 2008, he was appointed an Honorary Adjunct Professor at the University of New England.

Jack is currently: Executive Director of the Literacy for Life Foundation and Interim Chair of National Aboriginal Environment Trust and Director of Sefa Ltd.

Scarlet Reid

Scarlet is a highly experienced workplace and regulatory lawyer and is a Partner in the Sydney office of McCullough Robertson. As a former prosecutor with SafeWork NSW, Scarlet is an accomplished litigator and conducts employment, regulatory, corporate and criminal law related litigation matters in various courts and tribunals throughout Australia.

Scarlet is the Australian Founder and Australian Chapter Leader of the Womens' White Collar Defense Association, which is a global organisation that promotes the common business and professional interests of women lawyers who specialise in white collar crime. Scarlet is a Director of Sefa Ltd.

Lila D'Souza

Lila is currently Managing Director of The Purpose Group, which specialises in supporting not-for-profit organisations to develop and lift their operations and to work more strategically and effectively. She is also Company Secretary of the Aboriginal Legal Service (NSW/ACT) and spent nine years at NSW Aboriginal Land Council. Lila has high level not-for-profit expertise in strategic and legal risk management and a keen commitment to good governance, diversity and social justice. Her work has spanned proponent-based projects as well as the for-purpose sector, enabling Lila to see different points of view.

Directors' Report (continued)

Meetings of Directors:

The number of meetings of the Company's board of directors held during the financial year ended 30 June 2021 was four, and the number of meetings attended by each director was:

	Meetings Eligible to attend	Meetings Attended
Louise Sylvan	2	2
Jay Bonnington	4	4
Belinda Drew	4	4
Jack Beetson	4	1
Lila D'Souza	4	2
Scarlet Reid	4	3
David Rickards	4	4

Principal Activities:

The principal activities of the company during the 2021 financial year was centered around the activity of direct capacity building of social enterprises, and the development of strategic partnerships to assist purpose driven organisations access catalytic philanthropic capital for sustainable impact. Sefa Partnerships was also able to develop new learning programs that targeted organisations in remote and rural regions, in line with its PBI objectives of supporting and delivering direct impact to critical cohorts and in underserved areas across Australia.

Sefa Partnerships also worked in collaboration with Sefa to provide advisory services to a number of purpose driven clients. This work was directly able to tap into Sefa Partnerships' in-house capability and knowledge building skills.

Review of operations:

Sefa Partnerships continued to run the successful Kick Starter program in 2020/21. Four grants were awarded from amongst the 12 finalists, bringing much needed seed and exploration capital to start up social enterprises. The four recipients covered diverse areas of need, from supporting the LGBTQI community on the Central Coast of NSW through the arts, developing accessible playgrounds for all abilities, working towards the eradication of malaria, and improving financial literacy in girls.

Sefa Partnerships, in collaboration with Dynamic4, ran a successful Future Skills Now program for corporate clients, pairing them with for purpose organisations to collaboratively tackle real-time challenges. Sefa Partnerships also began preliminary discussions about expanding this program across Asia.

Sefa Partnerships undertook several advisory projects in the preceding 12 months. One was focused on building capacity within regional community organisations based in Leeton, NSW. This involved working with the leadership teams of these organisations and actively working through live issues that they are facing, as well as developing skills to improve their longer-term sustainability. Other projects were completed in collaboration with Sefa. Together they were able to develop solutions for a number of clients focusing on: regenerative models for communities ravaged by bushfires and Covid 19; an impact measurement framework for a community inclusive housing organisation; the capability upskilling of board members and exploration of capital structures for a homeshare/affordable housing advocate, as well as a research piece for a well-established foundation on how philanthropy can catalyse affordable housing.

Across FY20/21 Sefa Partnerships was able to develop a number of collaborations with organisations on projects with the aim of increasing resourcing to the impact sector as a whole and its ongoing sustainability, through access to catalytic philanthropic funds. Notably among these Sefa Partnerships supported;

- SECNA and Social Change Central, through extending existing collaborations to develop and advocate for the impact enterprise sector,

Directors' Report (continued)

- StartSomeGood to assist in boosting the capacity of social enterprises to raise ongoing development capital via grants and via debt, as well as take part in capability building programs,
- Tender Funerals Australia to support the delivery of affordable funerals around Australia,
- UMBO to help provide critical therapies learning and communication to Australians in rural and remote locations,
- PS Media to assist building a local news based digital media platform to serve communities where there are information deficits, particularly for marginalised sections of society.

State of Affairs:

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the year under review not otherwise disclosed in this report.

Significant Events After Balance Sheet Date:

There has not arisen in the interval between the end of the financial year and the date of this report any item, any other transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years.

Insurance and Indemnity of Directors and Officers:

During the financial year, the officers of the Company, including the directors as named earlier in this report, general managers, company secretaries and other executive officers were covered by insurance obtained by Social Enterprise Finance Australia Ltd. This insurance indemnifies Directors and Officers against allegations of wrongdoing (other than intentional wrongdoing).

Indemnity of auditors:

The Company has entered into an agreement to indemnify Ernst and Young, the auditor of the Group and its staff, against any liability (including legal costs) that Ernst and Young or its staff may incur in connection with any claim by a third party arising from the Group's breach of the terms and conditions of their engagement letter. No insurance premiums are paid out of the Group's assets in relation to insurance cover for the auditors of the Group.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001: The Lead Auditor's Independence Declaration, as required under Section 307C of the Corporations Act 2001, is set out on page 5.

This report has been made in accordance with a resolution of the Directors.

Dated at Sydney ^{26/10/}2021

For and on behalf of the Board of Directors.



David Rickards
Chair of the Board

SEFA Partnerships Limited For the year ended 30 June 2021

The directors have determined that the company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

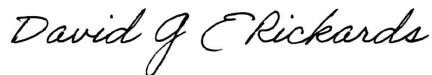
The directors of the company declare that:

1. the financial statements and notes, as set out herein present fairly the company's financial position as at 30 June 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Director:

David Rickards



Dated this 26 October 2021

SEFA Partnerships Limited For the 12 months ended 30 June 2021

	Jun-21	Jun-20
Income		
Consultancy and Project Management	76,477	29,500
Donation	1,397,545	118,100
Kickstarter and Dreamstarter Programs	115,545	146,235
Total Income	1,589,568	293,835
Gross Profit	1,589,568	293,835
Less Operating Expenses		
Accounting	1,156	688
Advertising & Marketing	1,020	2,641
Consultancy Expense	72,758	90,247
Grants Paid	298,660	35,076
General Expenses	4,238	5,530
SEFA Limited - Service Fees	110,631	89,048
Travel Expenses	956	2,241
Project Expenses	777,885	73,880
Total Operating Expenses	1,267,305	299,351
Net Surplus/(Loss)	322,264	(5,516)

Movements in Equity

SEFA Partnerships Limited As at 30 June 2021

Equity

	30 Jun 2021	30 Jun 2020
Opening Balance	60,303	65,819
Current Year Earnings	322,264	(5,516)
Total Equity	382,567	60,303

Statement of Financial Position

SEFA Partnerships Limited As at 30 June 2021

30 Jun 2021 30 Jun 2020

Assets

Current Assets		
Cash at Bank	564,198	757,790
Accrued income	8,500	-
Total Current Assets	572,698	757,790
Total Assets	572,698	757,790

Liabilities

Current Liabilities		
Accounts Payable	84,486	24,315
Accrued Expenses	750	500
GST	(305)	(9,374)
Income In Advance	67,700	115,546
Prepayment	37,500	566,500
Total Current Liabilities	190,131	697,487
Total Liabilities	190,131	697,487

Net Assets	382,567	60,303
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Equity

Retained Earnings	382,567	60,303
Total Equity	382,567	60,303

Notes to the Financial Statements



SEFA Partnerships Limited For the 12 Months ended 30 June 2021

1. Statement of Significant Policies

The directors' have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members. The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

(a) Income Tax

The Company as a Public Benevolent Institution has an Income Tax Exemption, GST concession and FBT exemption dated from March 9, 2016.

(b) Provisions

Provisions are recognized when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdraft

(d) Trade Receivables and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognized at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful has been created.

(e) Trade Creditors and Other Payables

Trade creditors and other payables, including bank borrowings and distributions payable, are recognized at the nominal transaction value without taking into account the time value of money.

(f) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognized using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognized when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognized only to the extent that related expenditure is recoverable.

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

(g) Goods and Services Tax

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Notes to the Financial Statements



(h) Related Party Transactions

It is noted that Social Enterprise Finance Australia Ltd (SEFA) is a related party to SEFA Partnerships Ltd. SEFA Partnerships incurred expenses, referred to as 'service fees' and these relate to the proportion of rent, administrative expenses and staff costs which have been objectively assessed by the directors on an arm's length basis and directly relate to the activities of SEFA Partnerships Ltd. in the pursuit of its objects. Appropriate oversight and governance of this expenditure is in place.

2. Events After Balance Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, any other transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent years.