

Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

Financial Statements

For the Year Ended 30 June 2015

Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

For the Year Ended 30 June 2015

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Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

Directors' Report

For the Year Ended 30 June 2015

Your directors present their report on the company for the financial year ended 30 June 2015.

1. General information

(a) Directors

The names of each person who has been a director during the year and to the date of this report are:

Names	Position
Stephen Craig Jermyn	Director and Chairman (Non-Executive)
Gaetano Alfred Gerrard Russo	Director and Deputy Chairman
Deanne Maree Bevan	Secretary, Public Officer, and Chief Executive Officer
Terese Anne Jermyn	Director
Dianne Margaret Banks	Director
Joanne Elizabeth Smith	Director and Honorary Treasurer

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

(b) Company secretary

The following person held the position of company secretary at the end of the financial year:

Deanne Maree Bevan

(c) Principal activities

The principal activities of Half the Sky Foundation Australia Limited during the financial year were to further establish its local operations and support base in Australia including the employment of a full time Chief Development Officer, the ongoing operation of its initial, successful joint development project with Half The Sky Foundation in China based at Changsha in Hunan Province, and the commencement of a second, similar project at Kunming in Yunnan province.

Short-term and long-term objectives

HTSA's short-term objectives are to:

- Implement model infant nurture, preschool and youth mentoring programs to directly benefit orphaned and disadvantaged children; programs develop emotional, social and intellectual wellbeing and provide early education and life skills vital for successful transition from institutional life into community schools, adoptive families and society;
- Implement model permanent foster family programs for the nurture, education and development of children with special needs that generally preclude prospects for adoption;
- Establish all model programs as both demonstrations of best practice and training centres for Chinese welfare institution administrators, teachers and caregivers in effective methods of nurturing care that can benefit all at-risk children; and

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Directors' Report

For the Year Ended 30 June 2015

1. General information continued

(c) Principal activities continued

- Expansion of support and funding in Australia for HTSA's work in China among existing networks including directors, members and individual supporters.

HTSA's long-term objectives are to:

- Implement multiple model programs, training bases, mentoring relationships and training pathways within the Chinese welfare system to facilitate and support widespread and permanent adoption of Half the Sky-inspired best practice models and methods of care by officials, administrators, teachers and caregivers for the long term benefit of all orphaned and disadvantaged children;
- Ultimately hand over direct responsibility for and operation of all established model programs in Chinese welfare institutions to local authorities and staff to operate as their own for the long term adoption and sustainability of Half the Sky-inspired best practice programs and methods of care;
- Eventual transition from providing programs directly to children to a focus on training, coaching and mentoring within the Chinese welfare system post the hand over of model programs to local stakeholders; and
- Expansion of support and funding in Australia for HTSA's work in China in the wider public, corporate and philanthropic sectors.

Strategies

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

- A strategic and practical partnership between HTSA and Half the Sky Foundation (HTS) and its Chinese government and non-government partners at national, provincial and local levels to implement HTSA's objectives on the ground in China. China-based knowledge, networks and partnerships with stakeholders in China, especially government authorities, are critical to achieving HTSA's short-term and long-term objectives;
- Development and implementation in 2011 of an initial joint HTSA-HTS 5-year project in China for the creation and operation of a model Half the Sky Children's Centre and provincial training base at Changsha in Hunan province; working in partnership also with the local Changsha Welfare Institution and provincial stakeholders for long term sustainability of programs and training;
- Commencement in July, 2014 of a second joint major development project, modelled on the successful HTSA-HTS Changsha project, at Kunming in Yunnan province;

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Directors' Report

For the Year Ended 30 June 2015

1. General information continued

(c) Principal activities continued

- In Australia, establishing an office in Melbourne and Sydney and the employment of a full time Chief Development Officer, expanding communications with members, donors and supporters including via a HTSA website, Annual Report and annual fundraising activities, undertaking membership drives, maintaining registration as a fundraising entity in all states and the ACT and the achievement (in March, 2014) of Deductible Gift Recipient (DGR) status.

No significant change in the nature of these activities occurred during the financial year.

(d) Members guarantee

Half the Sky Foundation Australia Ltd is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstanding obligations of the entity. At 30 June 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$ 60 (2014: \$ 60).

2. Business review

(a) Operating results

The deficit from ordinary activities for the year amounted to \$ 68,846 (2014 : surplus of \$707,461).

(b) Review of operations

A review of the operations of the company during the financial year and the results of those operations show that the company continued to engage in its principal activities the results of which are disclosed in the financial statements.

3. Other items

(a) Significant changes in state of affairs

No significant changes in the company's state of affairs occurred during the financial year except for the official launch of fundraising activities mid 2014, employment of a Chief Development Officer and commencement of a second major development project in China.

(b) After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

(c) Future developments

The company expects to maintain and increase the present level of operations.

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Directors' Report

For the Year Ended 30 June 2015

3. Other items continued

(d) Environmental issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

(e) Auditors independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out at page 7.

4. Director information

Information on directors

Stephen Craig Jermyn

Qualifications

Experience

Director and Chairman (Non-Executive)

FCPA, Fellow of the Australian Certified Public Accountants

21 years executive experience at McDonald's Australia Ltd, served as CFO and retired as Deputy Managing Director in 2005; current Director and former Chairman Ronald McDonald House Charities Australia; currently Director on Australian public company boards Mortgage Choice Limited and Reverse Corp Limited as well as private company boards.

Gaetano Alfred Gerrard
Russo

Experience

Director and Deputy Chairman

Managing Director of Wesfarmers owned Kmart Australia & New Zealand; President of Half the Sky Foundation (the US entity); previous 33 years with McDonald's corporation including as President McDonald's Greater China and CEO McDonald's Australia Ltd; former Director and Chairman Ronald McDonald House Charities Australia and Director Ronald McDonald House Charities Hong Kong. Served on the Business Council of Australia and the board of Diabetes Australia.

Deanne Maree Bevan

Qualifications

Experience

Secretary, Public Officer and Chief Executive Officer

Bachelor of Business; Master of Arts

Chief Executive Officer, HTSA; Director of Development, Half the Sky Foundation (the US entity) 2006-2011; 13 years executive experience McDonald's Australia Ltd and previously at the Victorian Employers Chamber of Commerce and Industry. Former Director, National Centre for Vocational Education Research; chaired the 1998 Review Of the Comm. Affirmative Action Act and Ministerial Advisory Board for the Equal Opportunity for Women in the Workplace Agency.

Special Responsibilities

Member of the Audit and Finance committee

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Directors' Report

For the Year Ended 30 June 2015

4. Director information continued

Information on directors continued

Terese Anne Jermyn	Director
Qualifications	OAM, Medal of the Order of Australia
Experience	25 years with Ronald McDonald House Charities Australia including as a Director on the national board and Chair of Directors of the Westmead Hospital Ronald McDonald House; 15 years experience running a performing arts school, talent agency and record and publishing company.
Special Responsibilities	Member of the Audit and Finance committee
Dianne Margaret Banks	Director
Qualifications	University of Sydney Arts/Law degree
Experience	Partner, Gilbert +Tobin leading commercial law firm; Dianne is recognised as a leader in the field of employment law with a particular interest in diversity and discrimination and is a Director of the Diversity Council of Australia.
Joanne Elizabeth Smith	Director
Qualifications	Bachelor of Financial Administration; Graduate Diploma in Taxation; Master of Accountancy; Fellow of the Institute of Chartered Accountants; Fellow of the Tax Institute
Experience	Associate, Bedford CA, Chartered Accountants; previous experience in accounting and tax in the small business sector and in the Big 4 and Medium Tier firms in Australia. Has also provided accounting assistance in the non profit sector and is currently a director on the board of a private company in the plastics industry.
Special Responsibilities	Honorary Treasurer and Chair of the Audit and Finance Committee

Meetings of directors

During the financial year, 3 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Stephen Craig Jermyn	3	3
Gaetano Alfred Gerrard Russo	3	3
Deanne Maree Bevan	3	3
Terese Anne Jermyn	3	3
Dianne Margaret Banks	3	2
Joanne Elizabeth Smith	3	3

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Directors' Report

For the Year Ended 30 June 2015

5. Indemnifying officers or auditors

During the year, the company has paid premiums in respect of an insurance contract to indemnify officers against liabilities that may arise from their position as officers of the company. Officers indemnified include the directors and executive officers participating in the management of the company.

Further disclosure required under section 300(9) of the Corporations Act 2001 is prohibited under the terms of the contract.

6. Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.


The company was not a party to any such proceedings during the year.

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

Director:


Deanne Maree Bevan

Director:


Gaetano Alfred Gerrard Russo

Dated

29th October, 2015

Half the Sky Foundation Australia Ltd

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Half the Sky Foundation Australia Ltd for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

HILL ROGERS SPENCER STEER

ASSURANCE PARTNERS



JOHN R WILCOX
Partner

Dated this 29th day of October 2015

Half the Sky Foundation Australia Ltd

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Statement of Surplus and Deficit and Other Comprehensive Income

For the Year Ended 30 June 2015

		2015			2014		
	Note	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		\$	\$	\$	\$	\$	\$
Revenue	2	278,204	205,140	483,344	273,850	620,000	893,850
Project operating expenses	3	(21,456)	(414,037)	(435,493)	-	(170,898)	(170,898)
Fundraising costs	4	(107,789)	-	(107,789)	(7,636)	-	(7,636)
Depreciation and amortisation expense		(151)	-	(151)	-	-	-
Management costs		(8,757)	-	(8,757)	(7,855)	-	(7,855)
Surplus / (deficit) before income tax		140,051	(208,897)	(68,846)	258,359	449,102	707,461
Income tax expense		-	-	-	-	-	-
Surplus / (deficit) for the year		140,051	(208,897)	(68,846)	258,359	449,102	707,461
Other comprehensive income:							
Items that will not be reclassified subsequently to surplus or deficit		-	-	-	-	-	-
Items that may be reclassified subsequently to surplus or deficit		-	-	-	-	-	-
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		140,051	(208,897)	(68,846)	258,359	449,102	707,461

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Statement of Financial Position

As At 30 June 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	465,395	719,266
Trade and other receivables	8	695	-
Inventories	9	2,515	3,300
Other assets	10	267,364	-
TOTAL CURRENT ASSETS		735,969	722,566
NON-CURRENT ASSETS			
Property, plant and equipment	11	939	-
TOTAL NON-CURRENT ASSETS		939	-
TOTAL ASSETS		736,908	722,566
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	8,811	9,446
Employee benefits	13	1,573	-
Deferred income	14	82,250	-
TOTAL CURRENT LIABILITIES		92,634	9,446
TOTAL LIABILITIES		92,634	9,446
NET ASSETS		644,274	713,120
EQUITY			
Retained earnings		404,069	264,018
Reserves		240,205	449,102
TOTAL EQUITY		644,274	713,120

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Statement of Changes in Equity

For the Year Ended 30 June 2015

2015

	Retained earnings \$	Restricted reserve \$	Total \$
Balance at 1 July 2014	264,018	449,102	713,120
Deficit attributable to the entity	(68,846)	-	(68,846)
Transfers from restricted reserve	208,897	(208,897)	-
Balance at 30 June 2015	404,069	240,205	644,274

2014

	Retained earnings \$	Restricted reserve \$	Total \$
Balance at 1 July 2013	5,659	-	5,659
Surplus attributable to the entity	707,461	-	707,461
Transfers to restricted reserve	(449,102)	449,102	-
Balance at 30 June 2014	264,018	449,102	713,120

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Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Individual donations received		297,409	822,446
Corporation and small business donations received		223,647	41,799
Private foundation donations received		28,804	26,212
Sale of books and prints		4,222	1,880
Interest received		11,512	1,513
Project operating expenses - Changsha Development Project and Hunan CDE and training		(273,565)	(170,898)
Project operating expenses - Kunming Project		(420,738)	-
Payments to suppliers		(124,072)	(19,593)
Net cash provided by (used in) operating activities	15(a)	<u>(252,781)</u>	<u>703,359</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of plant and equipment		<u>(1,090)</u>	<u>-</u>
Net cash used in investing activities		<u>(1,090)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents held		(253,871)	703,359
Cash and cash equivalents at beginning of year		719,266	15,907
Cash and cash equivalents at end of financial year	15(b)	<u>465,395</u>	<u>719,266</u>

Half the Sky Foundation Australia Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of significant accounting policies

(a) General information

The financial report is for Half the Sky Foundation Australia Ltd as an individual entity, incorporated and domiciled in Australia. Half the Sky Foundation Australia Ltd is a company limited by guarantee.

(b) Basis of preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(c) Cash and cash equivalents

Cash and cash equivalents include 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 overdrafts.

(d) Restricted / unrestricted funds

Restricted funds are funds received or reserves held that must be spent on the purpose for which they were received or are held. They comprise of donations where the donor indicates a preference for the use of the funds and donations received in response to specific purpose appeals.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the company, commencing when the asset is ready for use.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of significant accounting policies continued

(f) Property, plant and equipment continued

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Computer equipment	33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed.

(g) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(h) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119 *Employee Benefits*.

(i) Deferred income

Deferred income comprises of amounts received in advance for fundraising events to be held subsequent to balance date.

(j) Revenue and other income

Revenue from sale of goods is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Donation income is recognised when received.

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

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Notes to the Financial Statements

For the Year Ended 30 June 2015

1 Summary of significant accounting policies continued

(k) Expenses

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the company.

Management and administration costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

(l) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

(m) Comparative figures

Comparatives are consistent with prior years, unless otherwise stated.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015 \$	2014 \$
2 Revenue: Donations received and other income		
Donations received:		
- individual donations	293,659	822,446
- corporate and small business	145,147	41,799
- private foundations	28,804	26,212
Total donations received	467,610	890,457
Other income:		
- sale of books and prints	4,222	1,880
- interest received	11,512	1,513
Total other income	15,734	3,393
Total donations received and other income	483,344	893,850
3 Project operating expenses		
Project operating expenses:		
- Changsha Development Project and Hunan CDE and training	144,037	170,898
- Kunming Project	291,456	-
Total project operating expenses	435,493	170,898
4 Fundraising costs		
Employee benefits expense	71,898	-
Other fundraising costs	33,691	6,903
Cost of goods sold	2,200	733
Total fundraising costs	107,789	7,636
5 Employee benefits expense		
Salaries and wages	64,224	-
Movement in employee benefits provisions	1,573	-
Superannuation	6,101	-
Total employee benefits expense	71,898	-
6 Auditors' remuneration		
Remuneration of the auditor of the company for:		
- auditing or reviewing the financial statements	3,500	3,850

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Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015 \$	2014 \$
7 Cash and cash equivalents		
Cash at bank	465,395	719,266
	<u>465,395</u>	<u>719,266</u>
8 Trade and other receivables		
CURRENT		
GST receivable	695	-
	<u>695</u>	<u>-</u>
9 Inventories		
CURRENT		
At cost:		
Books and prints	2,515	3,300
	<u>2,515</u>	<u>3,300</u>
10 Other assets		
CURRENT		
Project prepayments	258,810	-
Calls in arrears	8,554	-
	<u>267,364</u>	<u>-</u>
11 Property, plant and equipment		
PLANT AND EQUIPMENT		
Computer equipment		
At cost	1,090	-
Accumulated depreciation	(151)	-
Total computer equipment	<u>939</u>	<u>-</u>
Total plant and equipment	<u>939</u>	<u>-</u>
Total property, plant and equipment	<u>939</u>	<u>-</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2015

2015	2014
\$	\$

11 Property, plant and equipment continued

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Computer equipment \$	Total \$
Balance at the beginning of year	-	-
Additions	1,090	1,090
Depreciation expense	(151)	(151)
Balance at the end of the year	<u>939</u>	<u>939</u>

12 Trade and other payables

CURRENT

Trade payables and accrued expenses

<u>8,811</u>	<u>9,446</u>
<u>8,811</u>	<u>9,446</u>

13 Employee benefits

CURRENT

Provision for employee benefits

<u>1,573</u>	-
<u>1,573</u>	-

14 Deferred income

Deferred event income

<u>82,250</u>	-
<u>82,250</u>	-

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Notes to the Financial Statements

For the Year Ended 30 June 2015

2015	2014
\$	\$

15 Cash flow information

(a) Reconciliation of cash flow from operations with surplus for the year

Surplus / (deficit) for the year	(68,846)	707,461
Non-cash flows in profit		
- Depreciation	151	-
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	(695)	-
- (Increase)/decrease in prepayments	(267,364)	-
- (Increase)/decrease in inventories	785	(3,300)
- (Increase)/decrease in income in advance	82,250	-
- Increase/(decrease) in trade payables and accruals	(635)	(802)
- Increase/(decrease) in provisions	1,573	-
Cashflow from operations	(252,781)	703,359

(b) Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position as follows:

Cash and cash equivalents	465,395	719,266
	465,395	719,266

16 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

All the directors of the company acted in an honorary capacity and did not receive any remuneration.

17 Events after the end of the reporting period

There were no significant events occurring subsequent to the reporting date that require adjustments or disclosure in the financial statements at 30 June 2015.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

18 Fundraising income and expenses

	2015	2015	2014	2014
	\$	%	\$	%
Details of aggregate gross income and total expenses from fundraising appeals				
Gross proceeds from fundraising	471,832		892,337	
Less: total costs of fundraising	<u>(107,789)</u>		<u>(7,636)</u>	
Net surplus from fundraising	<u>364,043</u>		<u>884,701</u>	
Gross comparisons				
Total cost of fundraising	<u>107,789</u>	23%	<u>7,636</u>	1%
Gross proceeds from fundraising	471,832		892,337	
Net surplus from fundraising	<u>364,043</u>	77%	<u>884,701</u>	99%
Gross proceeds from fundraising	471,832		892,337	
Total project expenses	<u>435,493</u>	79%	<u>170,898</u>	92%
Total expenditure	552,190		186,389	
Total project expenses	<u>435,493</u>	90%	<u>170,898</u>	19%
Total revenue	483,344		893,850	

19 Company details

The registered office of the company is:

Half the Sky Foundation Australia Ltd
c/ Bedford CA Pty Ltd
Level 6, 141 Walker Street,
North Sydney NSW 2060

Half the Sky Foundation Australia Ltd

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Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 19, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity 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 
Deanne Maree Bevan

Director 
Gaetano Alfred Gerrard Russo

Dated 29th October, 2015

The directors of the entity declare that in their opinion:

1. the financial statements give a true and fair view of all income and expenditure of the company with respect to fundraising appeals; and
2. the Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals; and
3. the provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with; and
4. the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.

Director 
Deanne Maree Bevan

Director 
Gaetano Alfred Gerrard Russo

Dated 29th October, 2015

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Independent Auditor's Report to the Members of Half the Sky Foundation Australia Ltd

Report on the Financial Report

We have audited the accompanying financial report of Half the Sky Foundation Australia Ltd, which comprises the statement of financial position as at 30 June 2015, the statement of surplus and deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, 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 - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We 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 about 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 company'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 company'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.

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Assurance Partners

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Half the Sky Foundation Australia Ltd

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Independent Auditor's Report to the Members of Half the Sky Foundation Australia Ltd

Opinion

In our opinion the financial report of Half the Sky Foundation Australia Ltd is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date;
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*;

In our opinion:

- (a) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- (b) the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and the Regulations;
- (c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the Regulations; and
- (d) as at the date of this report, there are reasonable grounds to believe the company will be able to pay its debts as and when they fall due.

HILL ROGERS SPENCER STEER

ASSURANCE PARTNERS



JOHN R WILCOX

Partner

Dated this 2nd day of October 2015