

**MINUTE BOOK
MEMBERS**

**HALF THE SKY FOUNDATION AUSTRALIA LIMITED
A.C.N. 137 332 364**

**Minutes of ANNUAL GENERAL MEETING of HALF THE SKY
FOUDNATION AUSTRALIA LIMITED held in Sydney and by
conference call AT 12 NOON, on Tues. 29th November, 2011**

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| 1. MEMBERS & DIRECTORS IN ATTENDANCE; APOLOGIES & PROXIES | Members & Directors Present in Sydney: Stephen Jermyn (Chairman), Gaetano (Guy) Russo (Deputy Chairman), Joanne Smith (Treasurer), Deanne Bevan (Secretary & Executive Director), Terese Jermyn, and Rohan Squirchuk; and by conference call: Di Banks and Leon Miri. Apologies & Proxies: Clinton Dines, Leonie Bell, Bob Mansfield, Susan Halliday (with proxy in favour of Deanne Bevan), Philip Kettle (with proxy in favour of Deanne Bevan), Jenny Bowen (with proxy in favour of Deanne Bevan), Half the Sky Foundation (with proxy in favour of Deanne Bevan), Rosara Squirchuk (with proxy in favour of Rohan Squirchuk), Ian Pringle (with proxy in favour of Rohan Squirchuk), Levanna Pringle (with proxy in favour of Rohan Squirchuk), Mikaela Squirchuk (with proxy in favour of Rohan Squirchuk) |
| 2. MINUTES OF PREVIOUS MEETINGS | IT WAS RESOLVED to accept the minutes of 11th October, 2010 AGM as an accurate record of the meeting. Moved: Joanne Smith Seconded: Guy Russo |

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| <p>3. ANNUAL FINANCIAL REPORT</p> <p>a) Audit & Finance Committee Report b) Auditor's Report</p> | <p>The Audit & Finance Committee reported that it had received from Hill Rogers Spencer Steer (the auditor) the (draft) audited Financial Statements, Auditor's report and Directors' report for the Year Ended 30 June, 2011, had reviewed all of the same and found no issues arising. The Committee therefore recommended to a meeting of Directors on 17th October, 2011 that the presented audited Financial statements, Auditor's report and Directors' report be approved by the Board. Accordingly, the Board resolved "to approve, as presented, the audited Financial Statements, Auditor's report and Directors' report (including the Directors' Declaration) and that two Directors be authorized to sign the reports on behalf of the Board." The statements and reports were subsequently signed by two directors and the auditor, circulated to all members with the notice of the AGM, and tabled at the AGM. There were no issues arising at the AGM in relation to the financial statements and reports which have also been filed with ASIC, placed on the Company Register and made available on the HTSA website for the information of all members, directors and supporters.</p> |
| <p>4. DIRECTORS' REPORT/SOLVENCY DECLARATION</p> | <p>The Audit & Finance Committee noted that in approving the audited financial statements, auditor's report and directors' report at the October Board meeting that it was also resolved that the DIRECTORS DECLARE that:</p> <p>"1. The financial statements and notes, as set out on pages 9 to 15 (of the audited statements), are in accordance with the Corporations Act 2001 and:</p> <ul style="list-style-type: none"> a) comply with the Australian Accounting Standards; and b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the entity. <p>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."</p> |

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| <p>5. ANNUAL RESIGNATION OF DIRECTORS</p> | <p>Guy Russo took the chair in place of Stephen Jermyn for this item. As required by the Constitution, at least one-third of directors must retire at each AGM. At the Directors Meeting on 17th October, 2011 the below-named Directors volunteered to resign and stand for re-election at the AGM; both were unanimously endorsed by the Board for re-election. Accordingly, the following two Directors tendered their resignation:</p> <p>a) STEPHEN CRAIG JERMYN and b) TERESE ANNE JERMYN</p> |
| <p>6. ANNUAL ELECTION OF DIRECTORS</p> | <p>Guy Russo took the chair in place of Steve Jermyn for this item. In accordance with the Constitution an election of Directors was held, the following two Directors stood for re-election and were both elected unanimously:</p> <p>a) STEPHEN CRAIG JERMYN Moved: Joanne Smith Seconded: Rohan Squirchuk b) TERESE ANNE JERMYN Moved: Di Banks Seconded: Deanne Bevan</p> <p>IT WAS NOTED that the current composition of the Board takes into consideration maintaining a proper balance of Member Directors, Independent Directors, HTSF Directors, Australian Residents, Responsible Persons, etc, in accordance with the Constitution.</p> |

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| <p>7. NEW MEMBERS</p> | <p>Directors reported that since the October, 2011 Board meeting, a number of Directors had been actively involved in directly recruiting support for HTSA, resulting in the receipt of 54 applications for membership. Those 54 applications were considered and approved by the 29th November, 2011, Board meeting and as a result 54 new members would be entered into the HTSA Members Registry.</p> <p>The total membership of HTSA now stands at 74 members. A most pleasing result and show of community support for the mission of HTSA.</p> <p>Directors were encouraged by the meeting to continue with efforts to expand the membership of HTSA by inviting all those supporters on the existing Half the Sky database living in Australia to become members of HTSA. A year-end mail out to that effect is to be undertaken by the Executive Director, including also an update on the activities of HTSA for the information of supporters and members.</p> |
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| <p>8. APPLICATION FOR AUSAID/DEDUCTIBLE GIFT RECIPIENT STATUS - UPDATE</p> | <p>Directors reported that HTSA had been provided with a detailed report dated October, 2011 from AusAid in response to HTSA's application for 'approved organization' status. The contents of the report were discussed by the meeting which noted with approval that HTSA had been assessed as meeting 4 of the 7 required criteria for approval and that in the remaining areas where HTSA had been assessed as not (yet) meeting the relevant criteria that helpful guidance had been provided in the report as to the reasons. The meeting noted the suggestions from the Reviewer in relation to matters to be addressed and material to be provided to meet the OAGDS Criteria in a future application. The meeting was advised that the Board had resolved to begin sourcing and compiling the additional information and material indicated in the report as being required for the development of a further submission to AusAid - such materials to be reviewed and discussed by the Board at its next meeting planned for February, 2011, with a view to making a further submission to AusAid as soon as possible thereafter.</p> <p>It was also noted by the meeting that while some substantial donations had been received by HTSA to date, the company's ongoing ability to raise revenue by fundraising in the community generally as well as in the corporate sector, in order to fund substantial development & aid projects in China (including the current Changsha project in the longer term), will be largely contingent upon achieving Deductible Gift Recipient (DGR) status from AusAid/the ATO.</p> |
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9. (a) DEVELOPMENT
PROJECT IN
CHANGSHA, CHINA –
ANNUAL REPORT &
UPDATES

The Changsha project 'Annual Report' (to June, 30, 2011) and additional Program and Training Updates (as at 22 November, 2011) with a sample of individual children's Progress Reports, as provided by HTSF to HTSA, were discussed at the meeting. It was noted that the Annual Report was published on the HTSA website for the information of all members and supporters, and that all future biannual reports (to June 30 and December 31, each year) would be similarly published. However, due to privacy and protection concerns and HTSF agreements with the Chinese government, identifying details/ individual children's progress reports might not be published on the website.

It was further reported to the meeting that Michelle Miller, Development Director, HTSF, participated in a direct project update and discussion with Board members at its 29th November, 2011, meeting. It was then discussed at the members meeting that representatives from HTSF Changsha Project Management team would be invited to address future Members Meetings/AGMs directly.

Discussion ensued about each of the 3 model HTS programs now operating at Changsha, and the plans for the establishment of the new Family Village program (now scheduled to open mid-February, 2012). Regional and provincial training plans to be supported at Changsha (under the Rainbow Program) for 2012 were also discussed.

It was noted that the next full project report from HTSF (to 31 December, 2011) would be published on the website in late January/early February, 2012, and that it and all future biannual reports would follow a standard format proposed by Directors to facilitate monitoring and evaluation of project effectiveness on an ongoing basis. It was also noted that Directors had resolved at the November, 2011 Board meeting that there would be at least one site visit made to Changsha by HTSA Director(s)/ Member(s) in 2012 as part of the Board's commitment to monitoring & evaluation of the project.


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| <p>9. (b) CHANGSHA PROJECT – FINANCIAL REPORT & PROJECTIONS FOR 2012</p> | <p>The financial report provided to the meeting, current as at 29th November, 2011, showed a projected surplus of HTSA funding over expenses for the Changsha project to 31 December, 2011, of approx. \$A 82k. Not taking into account ANY projected donations for 2012, the same report shows a projected deficit in funding of approx. \$A 38k, after projected expenses to 31 December, 2012.</p> <p>The Executive Director then reported that pledges had recently been received totaling approx. \$A 110k, expected to be donated in cash to HTSA prior to 31 December, 2011. Cash at hand in the HTSA bank account at the date of the meeting also stood at \$36, 882 with no major or unusual expenses or debts outstanding or expected for the remainder of the current financial year.</p> <p>It was noted by the meeting on the basis of all the foregoing and subject to ongoing monitoring of pledges and donations received that HTSA should have sufficient funds to meet the projected Changsha project expenses for the remainder of the current financial year and the calendar year 2012.</p> |
| <p>10. OTHER BUSINESS – APPOINTMENT OF HONORARY TREASURER</p> | <p>It was noted that in addition to her role as Chairman of the Audit & Finance Committee of the Board, which has responsibilities including management of the Public Fund of the Company, ensuring proper financial record keeping, budgeting, auditing and reporting, that Joanne Elizabeth Smith was elected by Directors at the 29th November, 2011, Board meeting to serve as HONORARY TREASURER.</p> |
| <p>11. VOTE OF THANKS</p> | <p>The meeting recorded its sincere thanks to Joanne Smith and Bedford Titley for generously hosting the meeting.</p> <p>THERE BEING NO FURTHER BUSINESS THE CHAIRMAN THANKED MEMBERS AND DIRECTORS FOR THEIR PARTICIPATION AND CLOSED THE MEETING.</p> |

SIGNED:



Stephen Jermyn
Chairman of Directors

Date 14 / 12 / 11



Gaetano (Guy) Russo

Deputy Chairman of Directors Date 20 / 12 / 11