

# **Half the Sky Foundation Australia Ltd**

ABN 79 137 332 364

## **Financial Statements**

For the Year Ended 30 June 2014

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

For the Year Ended 30 June 2014

## CONTENTS

	<u>Page</u>
<b>Financial Statements</b>	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	7
Statement of Surplus and Deficit and Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	17
Independent Auditor's Report	18

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2014

Your directors present their report on the company for the financial year ended 30 June 2014.

### 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:

<b>Names</b>	<b>Position</b>
Stephen Craig Jermyn	Director and Chairman (Non-Executive)
Gaetano Alfred Gerrard Russo	Director and Deputy Chairman
Deanne Maree Bevan	Secretary, Public Officer, and Executive Director
Terese Anne Jermyn	Director
Dianne Margaret Banks	Director
Joanne Elizabeth Smith	Director and Honorary Treasurer
Clinton James Dines	Director (resigned on 8 May 2014)

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, membership and support base in Australia and the ongoing operation of its initial joint development project in China to directly benefit orphaned and disadvantaged children living in institutional care in Changsha and to establish a provincial training base in Hunan 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 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

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2014

### 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 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 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 (note: based on this first project a second project was commenced from July 2014);
- In Australia, establishing its office in Melbourne, expanding communications with members and supporters including creation of a website and Annual Report, undertaking membership drives, maintaining registration as a fundraising entity in all states and the ACT and seeking Deductible Gift Recipient (DGR) status.

No significant change in the nature of these activities occurred during the financial year except to note the achievement of DGR status in March and the approval for commencement of a second major development project in China from July 2014.

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2014

### 1. General information continued

#### (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 2014, the total amount that members of the company are liable to contribute if the company is wound up is \$ 60 (2013: \$ 70).

### 2. Business review

#### (a) Operating results

The surplus from ordinary activities for the year amounted to \$ 707,461 (2013 : deficit of \$47,379).

#### (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

The company's Deductible Gift Recipient (DGR) status was approved in March 2014, which led to a significant increase in fundraising efforts and results in the financial year. The company also approved a second major development project in China to commence in July 2014.

No other significant changes in the company's state of affairs occurred during the financial year.

#### (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 given the achievement of DGR status in March 2014, the appointment of Chief Development Officer from August 2014, and commencement of second major development project in China from July 2014.

#### (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.

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2014

### 3. Other items continued

#### (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	Director and Chairman (Non-Executive)
Qualifications	FCPA, Fellow of the Australian Certified Public Accountants
Experience	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	Director and Deputy Chairman
Experience	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	Secretary, Public Officer and Executive Director
Qualifications	Bachelor of Business; Master of Arts
Experience	Executive Director 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

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2014

### 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 recognized 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
Clinton James Dines	Director (resigned on 8 May 2014)
Qualifications	Graduate in Asian Studies and Economics from Griffith University, Brisbane 1978; Course in International Business, INSEAD 1996
Experience	Executive Chairman Asia, Caledonia Investments Asia; total 31 years living and working in China; 21 years as BHP Billiton's senior executive in China. Previous executive experience with Jardine Matheson, Santa Fe Transport Group and Asia Securities Venture Capital.

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2014

### 4. Director information continued

#### Meetings of directors

During the financial year, 5 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	5	5
Gaetano Alfred Gerrard Russo	5	5
Deanne Maree Bevan	5	5
Terese Anne Jermyn	5	3
Dianne Margaret Banks	5	3
Joanne Elizabeth Smith	5	4
Clinton James Dines	4	4

### 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 10<sup>th</sup> October, 2014



## Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* 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 16<sup>th</sup> day of October 2014

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Statement of Surplus and Deficit and Other Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014		2013		Total
		Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds	
Revenue	2	\$ 273,850	\$ 620,000	\$ 17,076	\$ -	\$ 17,076
Cost of goods sold		(733)	-	-	-	-
Project operating expenses	3	-	(170,898)	(52,707)	-	(52,707)
Other expenses	3	(14,758)	-	(11,748)	-	(11,748)
<b>Surplus / (deficit) before income tax</b>		<b>258,359</b>	<b>449,102</b>	<b>(47,379)</b>	<b>-</b>	<b>(47,379)</b>
Income tax expense		-	-	-	-	-
<b>Surplus / (deficit) for the year</b>		<b>258,359</b>	<b>449,102</b>	<b>(47,379)</b>	<b>-</b>	<b>(47,379)</b>
<b>Other comprehensive income:</b>						
Items that will not be reclassified subsequently to surplus or deficit		-	-	-	-	-
Items that may be reclassified subsequently to surplus or deficit		-	-	-	-	-
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>258,359</b>	<b>449,102</b>	<b>(47,379)</b>	<b>-</b>	<b>(47,379)</b>

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Statement of Financial Position

As At 30 June 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	719,266	15,907
Inventories	6	3,300	-
<b>TOTAL CURRENT ASSETS</b>		<u>722,566</u>	<u>15,907</u>
<b>TOTAL ASSETS</b>		<u>722,566</u>	<u>15,907</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	9,446	10,248
<b>TOTAL CURRENT LIABILITIES</b>		<u>9,446</u>	<u>10,248</u>
<b>TOTAL LIABILITIES</b>		<u>9,446</u>	<u>10,248</u>
<b>NET ASSETS</b>		<u>713,120</u>	<u>5,659</u>
<b>EQUITY</b>			
Retained earnings		264,018	5,659
Reserves		449,102	-
<b>TOTAL EQUITY</b>		<u>713,120</u>	<u>5,659</u>

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Statement of Changes in Equity

For the Year Ended 30 June 2014

2014

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

2013

	Retained earnings	Restricted reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2012</b>	<b>53,038</b>	<b>-</b>	<b>53,038</b>
Deficit attributable to the entity	(47,379)	-	(47,379)
<b>Balance at 30 June 2013</b>	<b>5,659</b>	<b>-</b>	<b>5,659</b>

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Statement of Cash Flows

For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Individual donations received	822,446	11,299
Corporation and small business donations received	41,799	5,000
Private foundation donations received	26,212	-
Sale of books and prints	1,880	-
Interest received	1,513	777
Project operating expenses - Changsha Development Project	(170,898)	(52,707)
Payments to suppliers	(19,593)	(5,400)
Net cash provided by (used in) operating activities	8(a) <u>703,359</u>	<u>(41,031)</u>
Net increase (decrease) in cash and cash equivalents held	703,359	(41,031)
Cash and cash equivalents at beginning of year	<u>15,907</u>	<u>56,938</u>
Cash and cash equivalents at end of financial year	8(b) <u><u>719,266</u></u>	<u><u>15,907</u></u>

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2014

### 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

Half the Sky Foundation Australia Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

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 *Corporations Act 2001*. 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) 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*.

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2014

### 1 Summary of significant accounting policies continued

#### (g) 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.

#### (h) Comparative Figures

Comparatives are consistent with prior years, unless otherwise stated.

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
<b>2 Revenue: Donations received and other income</b>		
Donations received:		
- individual donations	822,446	11,299
- corporate and small business	41,799	5,000
- private foundations	26,212	-
Total donations received	<u>890,457</u>	<u>16,299</u>
Other income:		
- sale of books and prints	1,880	-
- interest received	1,513	777
Total other income	<u>3,393</u>	<u>777</u>
Total donations received and other income	<u><u>893,850</u></u>	<u><u>17,076</u></u>
<b>3 Expenses: Project operating and other expenses</b>		
Project operating expenses:		
- Changsha Development Project and HuNan CDE and training	170,898	52,707
Total project operating expenses	<u>170,898</u>	<u>52,707</u>
Other expenses:		
- fundraising	6,903	1,289
- management	7,855	10,459
Total other expenses	<u>14,758</u>	<u>11,748</u>
Total project operating and other expenses	<u><u>185,656</u></u>	<u><u>64,455</u></u>
<b>4 Auditors' remuneration</b>		
Remuneration of the auditor of the company for:		
- auditing or reviewing the financial statements	<u>3,850</u>	<u>3,850</u>
<b>5 Cash and cash equivalents</b>		
Cash at bank	<u>719,266</u>	<u>15,907</u>
	<u><u>719,266</u></u>	<u><u>15,907</u></u>



# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
<b>6 Inventories</b>		
CURRENT		
At cost:		
Books and prints	<u>3,300</u>	-
	<u>3,300</u>	-
<b>7 Trade and other payables</b>		
CURRENT		
Trade payables and accrued expenses	<u>9,446</u>	10,248
	<u>9,446</u>	10,248
<b>8 Cash flow information</b>		
<b>(a) Reconciliation of cash flow from operations with surplus for the year</b>		
Surplus / (deficit) for the year	707,461	(47,379)
Changes in assets and liabilities:		
- (Increase)/decrease in inventories	(3,300)	-
- Increase/(decrease) in trade payables and accruals	(802)	6,348
Cashflow from operations	<u>703,359</u>	<u>(41,031)</u>
<b>(b) Reconciliation of cash</b>		
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	<u>719,266</u>	15,907
	<u>719,266</u>	15,907

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2014

### 9 Fundraising income and expenses

	2014	2014	2013	2013
	\$	%	\$	%
<b>Details of aggregate gross income and total expenses from fundraising appeals</b>				
Gross proceeds from fundraising	892,337		16,299	
Less: total costs of fundraising	<u>(7,636)</u>		<u>(1,289)</u>	
Net surplus from fundraising	<u>884,701</u>		<u>15,010</u>	
<b>Gross comparisons</b>				
Total cost of fundraising	<u>7,636</u>	1%	<u>1,289</u>	8%
Gross proceeds from fundraising	<u>892,337</u>		<u>16,299</u>	
Net surplus from fundraising	<u>884,701</u>	99%	<u>15,010</u>	92%
Gross proceeds from fundraising	<u>892,337</u>		<u>16,299</u>	
Total project expenses	<u>170,898</u>	92%	<u>52,707</u>	82%
Total expenditure	<u>186,389</u>		<u>64,456</u>	
Total project expenses	<u>170,898</u>	19%	<u>52,707</u>	309%
Total revenue	<u>893,850</u>		<u>17,076</u>	

### 10 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.

Di Banks, a director of the company, is a partner in law firm Gilbert + Tobin, handled the company's Deductible Gift Recipient status application. These services were provided to the company on a pro-bono basis.

### 11 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 2014.

### 12 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


ABN 79 137 332 364


## Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 16, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position as at 30 June 2014 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 10<sup>th</sup> October, 2014

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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 10<sup>th</sup> October, 2014

## Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

### 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 2014, 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 *Corporations Act 2001* 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 *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Half the Sky Foundation Australia Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

## Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

### 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 *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date;
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*;

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 18<sup>th</sup> day of October 2014