

# **Half the Sky Foundation Australia Ltd**

ABN 79 137 332 364

## **Financial Statements**

For the Year Ended 30 June 2018

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

For the Year Ended 30 June 2018

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# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Directors' Report

For the Year Ended 30 June 2018

Your directors present their report on the company for the financial year ended 30 June 2018.

### 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 Chief Executive Officer
Terese Anne Jermyn	Director
Dianne Margaret Banks	Director
Joanne Elizabeth Smith	Director and Honorary Treasurer
Daniel Phillips	Director
Rachel Xing	Director (Appointed May 2018)

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 continue its awareness-raising and fundraising activities in Australia and ongoing involvement in cooperative development projects in China with Half the Sky Foundation (now doing business as 'OneSky') including model children's centres at Changsha in Hunan province and Kunming in Yunnan province and a 'National Caregiver Training' plan for welfare workers across China.

#### 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; model programs also increasingly focus on the developmental challenges facing children with special needs;
- 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 hubs for the wider training of welfare sector administrators, teachers and caregivers in effective methods of nurturing care that can benefit all at-risk children;

# Half the Sky Foundation Australia Ltd

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## Directors' Report

For the Year Ended 30 June 2018

### 1. General information

#### (c) Principal activities

- Extend best practice training beyond model centres to reach welfare administrators and caregiving staff working in all children's welfare institutions; and
- Expand support and funding in Australia for HTSA's work among existing networks including directors, members and other private individual and corporate supporters and extension of those networks.

#### HTSA's long-term objectives are to:

- Support multiple model programs, training bases and the development of training systems, mentoring relationships and training pathways within the children's welfare sector to facilitate and support widespread and sustainable 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 orphaned, at-risk and disadvantaged children including "left behind" children in rural villages impacted by poverty;
- Ultimately hand over responsibility and operation of established model programs to local authorities, communities and staff to operate as their own for the long-term sustainability and expansion 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 children's welfare system; and
- Expansion of support and funding in Australia for HTSA's work in the wider community, corporate and philanthropic sectors.

#### Strategies

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

- A strategic and practical cooperative partnership between HTSA and the US Half the Sky Foundation (HTS) (now also doing business as 'OneSky;) and its government and nongovernment partners at national, provincial and local levels to implement HTSA's objectives on the ground in China. Local knowledge, networks and partnerships with stakeholders in China, especially government authorities, are critical to achieving HTSA's short and long-term objectives in China;
- Development and implementation of an initial joint HTSA-HTS project (2011 – ongoing) for the creation and operation of a model Half the Sky Children's Centre and provincial training base at Changsha in Hunan province, China; working in partnership also with the Changsha Welfare Institution and provincial stakeholders for long term sustainability of programs and training;

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## Directors' Report

For the Year Ended 30 June 2018

### 1. General information

#### (c) Principal activities

- Commencement in July, 2014 of a second joint development project with HTS, modelled on the successful HTSA-HTS Changsha project, at Kunming in Yunnan province, China (2014 - ongoing);
- Commencement in January, 2017 of a two-year cooperative project partnership with HTS which includes an extension of the original 2011 Changsha Project and the 2014 Kunming Project and a new project in a 'National Caregiver Training' plan for welfare workers across China.
- Establishment of offices in Melbourne and Sydney, employment of a full time Chief Development Officer and an Administrative and Events assistant, expanding communications and events with members, donors and supporters including via a HTSA website, Annual Report and annual fundraising activities, undertaking membership drives from time to time, maintaining registration as a fundraising entity in all states and the ACT, the achievement (in March, 2014) of Deductible Gift Recipient (DGR) status, registration with the ACNC, amendment of its Constitution in 2016 to potentially expand its work beyond China in future, and achievement of Public Benevolent Institution (PBI) status (effective December, 2016).

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 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$80 (2017: \$70).

### 2. Business review

#### (a) Operating results

The surplus from ordinary activities for the year amounted to \$41,902 (2017: \$54,197).

#### (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 that the company decided to begin trading as "OneSky for all children Foundation Australia" commencing in the 2018-19 financial year.

# Half the Sky Foundation Australia Ltd

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## Directors' Report

For the Year Ended 30 June 2018

### 3. Other items

#### (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 except that the company will restructure fundraising activities in 2019 which may impact revenue in the 2019-20 financial year.

#### (c) Future developments

The company aims to maintain and ultimately increase the present level of overall operations and resources permitting may consider expanding its activities beyond China in future.

#### (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 is set out at page 8.

### 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

Chief Executive Officer of Wesfarmers Department Stores Division (Kmart & Target); President of Half the Sky Foundation/OneSky (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.

# Half the Sky Foundation Australia Ltd

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## Directors' Report

For the Year Ended 30 June 2018

### 4. Director information

#### Information on directors

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

Terese Anne Jermyn

Qualifications

Experience

Director

OAM, Medal of the Order of Australia

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

Qualifications

Experience

Director

University of Sydney Arts/Law degree

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.

Daniel Phillips

Qualifications

Experience

Director

Holds a Bachelor of Business from the University of Technology, Sydney. He is a member of the Institute of Chartered Accountants, Australia (ACA).

Dan Phillips serves as Executive Director of Macquarie Group, a global investment banking and diversified financial services group headquartered in Sydney. Dan joined Macquarie in January 1989 and founded Macquarie's Technology Venture Capital Business in 1996. For 4 years from 2007 to the end of 2010, Dan relocated with his family to Shanghai, with a primary focus on growing the venture capital business in China. He has more than 20 years' experience providing venture capital to high growth companies in Australia, Asia, Europe and the US. Dan currently serves as Director of a number of companies.

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## Directors' Report

For the Year Ended 30 June 2018

### Information on directors (continued)

Joanne Elizabeth Smith	Director
Qualifications	Bachelor of Financial Administration; Graduate Diploma in Taxation; Master of Accountancy; Diploma in Financial Planning; Fellow of Chartered Accountants Australia and New Zealand; 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. Joanne has also provided accounting assistance in the non profit sector.
Special Responsibilities	Honorary Treasurer and Chair of the Audit and Finance Committee
Rachel Xing	Director
Qualifications	Bachelor of Arts, China; Master of Arts, Hong Kong; Bachelor of Science, Canada.
Experience	CEO Chunhui Children's Foundation, China & OneSky Chief Operations Officer, China, with over 8 years operations leadership experience with Half the Sky & Chunhui in China. Previously worked in telecommunications and voluntary associations in Canada.

### 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	5
Dianne Margaret Banks	5	5
Joanne Elizabeth Smith	5	5
Daniel Phillips	5	5
Rachel Xing	1	1

# Half the Sky Foundation Australia Ltd

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## Directors' Report

For the Year Ended 30 June 2018

### 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 19<sup>th</sup> October, 2018



## Half the Sky Foundation Australia Ltd

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### Auditor's Independence Declaration

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 2018, 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  
Assurance Partners**

John R Wilcox  
Partner

Dated this 19th day of October 2018

### Assurance Partners

Hill Rogers Assurance Partners | ABN 56 435 338 966

Liability limited by a scheme approved under Professional Standards Legislation.



# 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 2018

	Note	2018			2017		
		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		\$	\$	\$	\$	\$	\$
Revenue	2	1,437,551	-	1,437,551	1,188,797	47,500	1,236,297
Project operating expenses	3	(966,356)	(30,000)	(996,356)	(724,329)	(79,844)	(804,173)
Fundraising costs	4	(336,904)	-	(336,904)	(316,944)	-	(316,944)
Depreciation and amortisation expense		(757)	-	(757)	(833)	-	(833)
Management costs		(61,632)	-	(61,632)	(60,150)	-	(60,150)
<b>Surplus / (deficit) before income tax</b>		<b>71,902</b>	<b>(30,000)</b>	<b>41,902</b>	<b>86,541</b>	<b>(32,344)</b>	<b>54,197</b>
Income tax expense		-	-	-	-	-	-
<b>Surplus / (deficit) for the year</b>		<b>71,902</b>	<b>(30,000)</b>	<b>41,902</b>	<b>86,541</b>	<b>(32,344)</b>	<b>54,197</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>-</b>
<b>Total comprehensive income for the year</b>		<b>71,902</b>	<b>(30,000)</b>	<b>41,902</b>	<b>86,541</b>	<b>(32,344)</b>	<b>54,197</b>

# Half the Sky Foundation Australia Ltd

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## Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	<b>673,792</b>	810,548
Trade and other receivables	8	<b>56,347</b>	88,774
Inventories	9	<b>1,781</b>	1,781
Other assets	10	<b>437,635</b>	347,986
<b>TOTAL CURRENT ASSETS</b>		<b>1,169,555</b>	1,249,089
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	<b>1,756</b>	1,151
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,756</b>	1,151
<b>TOTAL ASSETS</b>		<b>1,171,311</b>	1,250,240
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	<b>9,799</b>	7,803
Employee benefits	13	<b>748</b>	1,471
Deferred income	14	<b>176,250</b>	298,354
<b>TOTAL CURRENT LIABILITIES</b>		<b>186,797</b>	307,628
<b>TOTAL LIABILITIES</b>		<b>186,797</b>	307,628
<b>NET ASSETS</b>		<b>984,514</b>	942,612
<b>EQUITY</b>			
Retained earnings		<b>984,514</b>	912,612
Reserves		-	30,000
<b>TOTAL EQUITY</b>		<b>984,514</b>	942,612

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## Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Retained earnings	Restricted reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2017</b>	<b>912,612</b>	<b>30,000</b>	<b>942,612</b>
Surplus attributable to the entity	41,902	-	41,902
Transfers from restricted reserve	30,000	(30,000)	-
<b>Balance at 30 June 2018</b>	<b>984,514</b>	<b>-</b>	<b>984,514</b>

2017

	Retained earnings	Restricted reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2016</b>	<b>826,071</b>	<b>62,344</b>	<b>888,415</b>
Surplus attributable to the entity	54,197	-	54,197
Transfers from restricted reserve	32,344	(32,344)	-
<b>Balance at 30 June 2017</b>	<b>912,612</b>	<b>30,000</b>	<b>942,612</b>

# Half the Sky Foundation Australia Ltd

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## Statement of Cash Flows

For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Individual donations received	645,962	460,888
Corporation and small business donations received	660,061	843,114
Private foundation donations received	36,960	43,850
Sale of books and prints	-	1,800
Interest received	5,112	3,508
Project operating expenses - Changsha Development Project and Hunan CDE and training	(94,493)	(67,100)
Project operating expenses - Kunming Project	(61,562)	(179,546)
Project operating expenses - National Caregiver Training Plan	(915,256)	(659,146)
Payments to suppliers and employees	(412,178)	(339,390)
Net cash (used in) / provided by operating activities	15(a) <u>(135,394)</u>	<u>107,978</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of plant and equipment	(1,362)	(1,409)
Net cash used in investing activities	<u>(1,362)</u>	<u>(1,409)</u>
Net increase in cash and cash equivalents held	(136,756)	106,569
Cash and cash equivalents at beginning of year	810,548	703,979
Cash and cash equivalents at end of financial year	15(b) <u><u>673,792</u></u>	<u><u>810,548</u></u>

# Half the Sky Foundation Australia Ltd

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 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) New accounting standards

##### ***Adoption of new and revised accounting standards***

No accounting standard has been adopted earlier than the application date stated in the standard.

##### ***New accounting standards for application in future periods***

There were no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and applicable to the future reporting period that are expected to have a significant future financial impact on Half the Sky Foundation Australia Limited.

#### (f) Inventories

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

# Half the Sky Foundation Australia Ltd

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of significant accounting policies

#### (g) 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.

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.

#### (h) 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*.

#### (i) 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*.

#### (j) Deferred income

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

#### (k) 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.

# Half the Sky Foundation Australia Ltd

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of significant accounting policies

#### (k) Revenue and other income

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

#### (l) 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.

#### (m) 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.

#### (n) Comparative figures

Comparatives are consistent with prior years, unless otherwise stated.

# Half the Sky Foundation Australia Ltd

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Revenue: Donations received and other income

	2018	2017
	\$	\$
Donations received:		
- individual donations	653,270	486,504
- corporate and small business	697,209	695,635
- private foundations	81,960	48,850
Total donations received	<u>1,432,439</u>	<u>1,230,989</u>
Other income:		
- sale of books and prints	-	1,800
- interest received	5,112	3,508
Total other income	<u>5,112</u>	<u>5,308</u>
Total donations received and other income	<u>1,437,551</u>	<u>1,236,297</u>

### 3 Project operating expenses

Project operating expenses:		
- Changsha Development Project and Hunan CDE and training	104,620	173,080
- Kunming Project	65,988	204,166
- National Caregiver Training	821,889	426,927
- Program site visits	3,859	-
Total project operating expenses	<u>996,356</u>	<u>804,173</u>

### 4 Fundraising costs

Employee benefits expense	127,272	124,855
Other fundraising costs	55,021	42,826
Event expenses	154,611	148,530
Cost of goods sold	-	733
Total fundraising costs	<u>336,904</u>	<u>316,944</u>

### 5 Employee benefits expense

Salaries and wages	116,891	112,902
Movement in employee benefits provisions	(723)	1,227
Superannuation	11,104	10,726
Total employee benefits expense	<u>127,272</u>	<u>124,855</u>

# Half the Sky Foundation Australia Ltd

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>6 Auditors' remuneration</b>		
Remuneration of the auditor of the company for: - auditing or reviewing the financial statements	<u>3,500</u>	3,500
<b>7 Cash and cash equivalents</b>		
Cash at bank	<u>673,792</u>	810,548
	<u><u>673,792</u></u>	<u><u>810,548</u></u>
<b>8 Trade and other receivables</b>		
CURRENT		
GST receivable	552	331
Pledge and other receivables	<u>55,795</u>	88,443
	<u><u>56,347</u></u>	<u><u>88,774</u></u>
<b>9 Inventories</b>		
CURRENT		
At cost:		
Books and prints	<u>1,781</u>	1,781
	<u><u>1,781</u></u>	<u><u>1,781</u></u>
<b>10 Other assets</b>		
CURRENT		
Project prepayments	404,102	329,146
Other prepayments	<u>33,533</u>	18,840
	<u><u>437,635</u></u>	<u><u>347,986</u></u>
<b>11 Property, plant and equipment</b>		
PLANT AND EQUIPMENT		
Computer equipment		
At cost	3,860	2,498
Accumulated depreciation	<u>(2,104)</u>	(1,347)
Total computer equipment	<u>1,756</u>	1,151
<b>Total property, plant and equipment</b>	<u><u>1,756</u></u>	<u><u>1,151</u></u>

# Half the Sky Foundation Australia Ltd

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## Notes to the Financial Statements

For the Year Ended 30 June 2018

2018	2017
\$	\$

### 11 Property, plant and equipment

#### 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	1,151	1,151
Additions	1,362	1,362
Depreciation expense	(757)	(757)
Balance at the end of the year	<u>1,756</u>	<u>1,756</u>

### 12 Trade and other payables

#### CURRENT

Trade payables and accrued expenses

<u>9,799</u>	7,803
<u>9,799</u>	<u>7,803</u>

### 13 Employee benefits

#### CURRENT

Provision for employee benefits

<u>748</u>	1,471
<u>748</u>	<u>1,471</u>

### 14 Deferred income

Deferred event income

<u>176,250</u>	298,354
<u>176,250</u>	<u>298,354</u>

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>15 Cash flow information</b>		
<b>(a) Reconciliation of cash flow from operations with surplus for the year</b>		
Surplus for the year	41,902	54,197
Non-cash flows in surplus		
- Depreciation	757	833
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	32,427	(78,705)
- (Increase)/decrease in prepayments	(89,649)	(60,157)
- (Increase)/decrease in inventories	-	734
- Increase/(decrease) in income in advance	(122,104)	196,354
- Increase/(decrease) in trade payables and accruals	1,996	(6,505)
- Increase/(decrease) in provisions	(723)	1,227
Cashflow from operations	<u>(135,394)</u>	<u>107,978</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>673,792</u>	810,548
	<u>673,792</u>	<u>810,548</u>

## 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 2018.

# Half the Sky Foundation Australia Ltd

ABN 79 137 332 364

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 18 Fundraising income and expenses

	2018	2018	2017	2017
	\$	%	\$	%
<b>Details of aggregate gross income and total expenses from fundraising appeals</b>				
Gross proceeds from fundraising	1,432,439		1,230,989	
Less: total costs of fundraising	<u>(336,904)</u>		<u>(316,944)</u>	
Net surplus from fundraising	<u>1,095,535</u>		<u>914,045</u>	
<b>Gross comparisons</b>				
Total cost of fundraising	<u>336,904</u>	24%	<u>316,944</u>	26%
Gross proceeds from fundraising	1,432,439		1,230,989	
Net surplus from fundraising	<u>1,095,535</u>	76%	<u>914,045</u>	74%
Gross proceeds from fundraising	1,432,439		1,230,989	
Total project expenses	<u>996,356</u>	71%	<u>804,173</u>	68%
Total expenditure	1,395,649		1,182,100	
Total project expenses	<u>996,356</u>	69%	<u>804,173</u>	65%
Total revenue	1,437,551		1,236,297	

### 19 Company details

The registered office of the company is:  
Half the Sky Foundation Australia Ltd  
c/ Bedford CA Pty Ltd  
Level 16, 101 Miller Street,  
North Sydney NSW 2060

# Half the Sky Foundation Australia Ltd

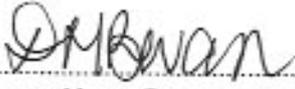
ABN 79 137 332 364

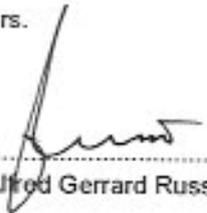
## Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 9 to 20, 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 2018 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

19<sup>th</sup> October, 2018

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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

19<sup>th</sup> October, 2018



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

### Opinion

We have audited the financial report of Half the Sky Foundation Australia Ltd, which comprises the statement of financial position as at 30 June 2018, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Half the Sky Foundation Australia Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* (ACNC Act), including:

- giving a true and fair view of the company's financial position as at 30 June 2018 and of its financial performance for the year then ended;
- complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- the accounting and associated records have been properly kept during the year in accordance with the *Charitable Fundraising Act 1991* and the Regulations; and
- 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;

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Subdivision 60C *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The directors are responsible for overseeing the company's financial reporting process.

### Assurance Partners



### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Hill Rogers**

#### **Assurance Partners**



John R Wilcox  
Partner

Dated this 19<sup>th</sup> day of October 2018