

**ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

**ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

TABLE OF CONTENTS

Directors' Report	2 – 4
Auditor's Independence Declaration	5
Financial Report	
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 – 13
Directors' Declaration of the Trustee Company	14
Independent Audit Report	15 - 16

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

DIRECTORS REPORT

Information on Directors (continued)

Jennifer Tetsall	-	Director
Qualifications	-	Juris Doctor (JD), University of New South Wales, 2011, Bachelor of Arts (BA), York University, 2006
Experience	-	Jennifer is a Senior Associate at Marque Lawyers with particular expertise in IP and IT law. Jennifer sits on the board of two charitable organisations and has experience advising a number of not-for-profits on various issues, including company structure, fundraising and privacy.
Geoff Slade	-	Director
Qualifications	-	Dip. of Marketing, Chisholm Institute; Advanced Management Program, Business Management, Harvard Business School, 1999
Experience	-	Founder of Slade Group. Founding Chairman and past President of the Recruitment & Consulting Services Association (RCSA). Former Chairman and member of Young Presidents Organisation. Non Executive Director of Alzheimer's Victoria and has held NED appointments on the Melbourne Football Club Board and the Sydney Swans Football Club Board. Current member of WORLD Presidents Organization's Global Board, and Regional Chair for Australia and NZ
Alexandra Chapman	-	Director
Qualifications	-	MA (CANTAB) Economic and Social Studies
Experience	-	Chair of Ethiopiaid UK and sits on the boards of Ethiopiaid Ireland, Canada and Australia. Alexandra is also a trustee of The Reed Foundation in the UK which has given over £20 million to charitable causes and of the The Big Give, an innovative fundraising website that promotes intelligent philanthropy. Alexandra's background is in documentary filmmaking and she has worked as a Director and Producer for the BBC and Century Films. She has an MA in Social Anthropology from Cambridge University and a MA in Economic and Social Studies with distinction from Manchester University.
John Bullwinkel	-	Director
Qualifications	-	FIPA (Fellow Institute of Public Accountants), DFS (Diploma of Financial Services)
Experience	-	John is Managing Director of Business Partners Pty Ltd, a boutique advisory and consulting company. He has previously held roles as: New Business Director at Macquarie Private Bank in Melbourne; Executive Director ANZ Private Relationships for ANZ Banking Group in Melbourne; and Head of ANZ Private Wealth in Queensland. John has a long involvement in the non-profit sector, as an Ambassador for the Skin and Cancer Foundation as well as Director for Ethiopiaid Australia. He is a past Chairman of both Youth off the Streets in Sydney and of St Aidan's Anglican Girls' School Foundation in Brisbane. Until recently, John was a long-standing board member of the Monash University Medical Foundation.

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

DIRECTORS REPORT

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendances by each director were as follows:

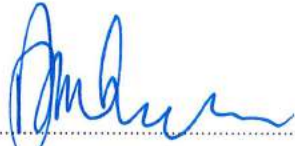
	Director Meetings	
	No. eligible to attend	No. attended
Daniel McKinnon	4	4
John Bullwinkel	4	4
Alexandra Chapman	4	4
Leanne Neale	4	3
Jennifer Tetstall	4	3
Geoff Slade (Geoff resigned from the board on 28 th October, 2015)	1	0

The entity is incorporated under the Corporations Act 2001 and 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 \$2 each towards meeting any outstanding obligations of the company. As at 30 June 2016 the total amount that members of the company are liable to contribute if the company is wound up is \$10 (2015: \$12).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 5 of the financial report.

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

Director

Daniel McKinnon - Chairman

Director

John Bullwinkel - Director

Dated at Melbourne, this 19th Day of October 2016



**ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-C SECTION 60-40
OF AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

- i. no contraventions of the auditor's 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.

C.W. Stirling & Co

C.W. STIRLING & CO.
Chartered Accountants

John A Phillips

John A. Phillips
Director

Dated at Melbourne, this *26th* Day of *December* 2016

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		\$	\$
Revenue	2	1,403,806	1,342,577
Ethiopian partner funding	3	(799,770)	(825,935)
Depreciation and amortisation	3	-	(609)
Employee benefits expense		(122,553)	(125,253)
Advertising and promotion expense		(337,513)	(470,358)
Administration expense		(5,726)	(6,148)
Other expenses		<u>(40,267)</u>	<u>(38,860)</u>
Current year surplus/(deficit) before income tax		97,977	(124,586)
Income tax expense	1(a)	-	-
Net current year surplus/(deficit)		<u>97,977</u>	<u>(124,586)</u>
Other comprehensive income/(loss) after income tax:			
Other comprehensive income/(loss) for the year, net of cash		-	-
Total comprehensive income/(loss) for the year		<u>97,977</u>	<u>(124,586)</u>
Total comprehensive income/(loss) attributable to trustees of the entity		<u>97,977</u>	<u>(124,586)</u>

The accompanying notes for part of these financial statements

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	4	522,618	388,978
Trade and other receivables	5	32,456	28,362
Other current assets	6	<u>866</u>	<u>-</u>
TOTAL CURRENT ASSETS		<u>555,940</u>	<u>417,340</u>
TOTAL ASSETS		<u>555,940</u>	<u>417,340</u>
CURRENT LIABILITIES			
Trade and other payables	7	<u>115,471</u>	<u>74,848</u>
TOTAL CURRENT LIABILITIES		<u>115,471</u>	<u>74,848</u>
TOTAL LIABILITIES		<u>115,471</u>	<u>74,848</u>
NET ASSETS		<u>440,469</u>	<u>342,492</u>
EQUITY			
Retained surplus		<u>440,469</u>	<u>342,492</u>
TOTAL EQUITY		<u>440,469</u>	<u>342,492</u>

The accompanying notes form part of these financial statements

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained Earnings
	\$
Balance at 1 July 2014	<u>467,078</u>
Deficit for the year attributable to members of the entity	(124,586)
Balance at 30 June 2015	<u>342,492</u>
Surplus for the year attributable to members of the entity	97,977
Balance at 30 June 2016	<u>440,469</u>

The accompanying notes form part of these financial statements

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from donors		1,397,344	1,315,655
Interest received		2,368	10,100
Payments to suppliers		(528,437)	(622,726)
Payments to projects		<u>(737,635)</u>	<u>(869,900)</u>
Net cash generated from operating activities	8	<u>133,640</u>	<u>(166,871)</u>
Net increase/(decrease) in cash held		133,640	(166,871)
Cash and cash equivalents at beginning of the financial year		<u>388,978</u>	<u>555,849</u>
Cash and cash equivalents at end of the financial year	4	<u><u>522,618</u></u>	<u><u>388,978</u></u>

The accompanying notes for part of these financial statements

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

The financial statements cover Ethiopiaid Australia Ltd ATF Ethiopiaid Australia Foundation as an individual entity, incorporated and domiciled in Australia. Ethiopiaid Australia Ltd ATF Ethiopiaid Australia Foundation is a not for profits entity and a company limited by guarantee. The financial statements were authorised for issue on 19 October 2016 by the directors of the company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors of the trustee company have prepared the financial statements on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors of the trustee company have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with those of the previous period 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 unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Income Tax

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

(b) Revenue

Donations and bequests are recognised as revenue when received.

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

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

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(d) Goods and Services Tax (GST)

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financial activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(e) Impairment

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss. Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong. Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(f) Employee Provisions

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of accounts payable and other payables in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(g) Trade and Other Receivables

Trade and other receivables include amounts agreed by the donor to donate during the year but not received by the end of reporting period. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

(h) Trade Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the trustee company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

(i) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform with changes in presented for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(j) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

(a) Impairments

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		\$	\$
NOTE 2: REVENUE AND OTHER INCOME			
Revenue			
- Donations		1,109,043	1,032,418
- Related party donations		<u>292,395</u>	<u>300,000</u>
		<u>1,401,438</u>	<u>1,332,418</u>
- Other revenue		-	59
- interest received		<u>2,368</u>	<u>10,100</u>
Total Revenue		<u>1,403,806</u>	<u>1,342,577</u>
NOTE 3: PROFIT / (LOSS) FOR THE YEAR			
(a) Expenses			
Depreciation and amortization			
- Computer and peripherals		<u>-</u>	<u>609</u>
Audit fees		<u>3,700</u>	<u>3,700</u>
Project expenses			
- FIDO		-	70,000
- JeCCDO		283,500	201,500
- Facilitators for Change		-	25,000
- Chad-Et		-	100,000
- WAHA International		47,000	124,635
- Hope for Tomorrow		93,000	82,000
- Hamlin Fistula Ethiopia		70,000	70,000
- APDA		203,100	122,700
- Retrak Ethiopia		-	30,100
- Dignity Period		15,170	-
- AWSAD		68,000	-
- Healing Hands of Joy		<u>20,000</u>	<u>-</u>
		<u>799,770</u>	<u>825,935</u>
NOTE 4: CASH AND CASH EQUIVALENTS			
Cash at bank		<u>522,618</u>	<u>388,978</u>
NOTE 5: TRADE AND OTHER RECEIVABLES			
Donation receivables		23,192	14,016
GST refundable		<u>9,264</u>	<u>14,346</u>
		<u>32,456</u>	<u>28,362</u>
NOTE 6: OTHER ASSETS			
CURRENT			
Prepayments		<u>866</u>	<u>-</u>
NOTE 7: TRADE AND OTHER PAYABLES			
CURRENT			
Trade payables		-	24,848
Other payables and accruals		108,170	45,635
PAYG liability		-	-
Superannuation liability		2,621	2,599
Employee benefits		<u>4,680</u>	<u>1,766</u>
		<u>115,471</u>	<u>74,848</u>

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 8: CASH FLOW INFORMATION		
Profit/(loss) after income tax	97,977	(124,586)
Non cash flows		
- Depreciation	-	609
Change in assets and liabilities		
- (Increase)/decrease in prepayments	(866)	467
- (Increase)/decrease in other receivables	(4,094)	(16,822)
- (Decrease)/increase in other payables	40,623	(26,539)
	133,640	(166,871)

NOTE 9: ENTITY DETAILS

The registered office & principal place of business of the trustee company is:
Ethiopiaid
Level 49, 360 Elizabeth Street
MELBOURNE VIC 3000

NOTE 10: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and 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 \$2 towards meeting any outstanding obligations of the entity. At 30 June 2016, the number of members was 5 (2015: 6).

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

DIRECTORS DECLARATION OF THE TRUSTEE COMPANY

In accordance with a resolution of the directors of the trustee company of Ethiopiaid Australia Ltd ATF Ethiopiaid Australia Foundation, the directors of the trustee company declare that;

1. The financial statements and notes, set out on pages 6 to 13, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards and *Australian Charities and not-for-profits Regulations 2013* applicable to the entity; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the trustees' 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 of the trustee:

Director

Daniel McKinnon - Chairman

Director

John Bullwinkel - Director

Dated at Melbourne, this 19th Day of October 2016



**ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548**

**INDEPENDENT AUDIT REPORT
TO THE TRUSTEE'S OF
ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION**

We have audited the accompanying financial report, being a special purpose financial report, of Ethiopiaid Australia Ltd ATF Ethiopiaid Australia Foundation, which comprises the statement of financial position as at 30 June 2016, the statement of 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 of the trustee company.

Director's Responsibility for the Financial Report

The directors of the trustee company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors of the trustee company's responsibility also includes such internal control as the directors of the trustee company 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 Accounting 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 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 judgment, 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 entity'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 performed the procedures to assess whether in all material respects the financial report gives a true and fair view, in accordance with Australian Accounting Standards and *Australian Charities and Not-for-profits Commission Act 2012*, a true and fair view which is consistent with our understanding of the entity's financial position and of its performance.

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 independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.



ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
ABN 78 821 615 548

INDEPENDENT AUDIT REPORT
TO THE TRUSTEE'S OF
ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION

Opinion

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

- (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and complying with *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

C.W. Stirling & Co

C.W. STIRLING & CO.
Chartered Accountants

John A Phillips

John A. Phillips
Director

Dated at Melbourne, this *26th* Day of *OCTOBER* 2016

