

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

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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DIRECTORS REPORT

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

Directors

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

Daniel McKinnon (resigned on 30 November 2017)	Jennifer Johannesen (resigned on 30 November 2017)
Leanne Neale (resigned on 1 September 2017)	Alexandra Chapman
John Bullwinkel	Elise Gold
Robert Macdonald (appointed on 3 October 2017)	Paul Bailey (appointed on 3 October 2017)
Melanie Wilson (appointed on 30 November 2017)	Martin Hoffman (appointed on 30 November 2017)

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

Principal Activities

The principal activity of the company is raising donations from the Australian public and distribution of those funds to selected social and medical charitable projects in Ethiopia.

Short-term and Long-term Objectives

The entity's short term objectives are to:

- increase the level of donations received by Ethiopiaid Australia Foundation; and
- secure more long term supporters for Ethiopiaid Australia Foundation.

The entity's long term objectives are to:

- create lasting and positive change in Ethiopia by tackling problems of poverty, ill health and poor education.

Strategies

To achieve these objectives, the entity has adopted the following strategies:

- targeting more supporters through direct mail advertising and improved messaging; and
- contributing directly to worthwhile community projects in Ethiopia

Key Performance Measure

The company measures its own performance by periodic reviews of the projects which it has provided funding for.

Information on Directors

Daniel McKinnon	-	Director
Qualifications	-	Bachelor of Commerce, Bachelor of Arts, Grad Dip Bus, Grad Cert Migration Law, FCPA
Experience	-	Director and Member since 2007. 20 Years commercial and accounting experience (nine years in the non-profit sector).
Leanne Neale	-	Director
Qualifications	-	Bachelor of Science (Hons)
Experience	-	Director of Fundraising and Mobilisation at Amnesty International Brazil (2013 – current), Amnesty International Australia (2010 – 2013). Ethiopiaid Australia Charity Manager from 2008 to 2009. Member since 2009 and Director since 2010.

DIRECTORS REPORT

Information on Directors (continued)

Jennifer Johannesen	-	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.
Alexandra Chapman	-	Director
Qualifications	-	MA 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.
Elise Gold	-	Director
Qualifications	-	<i>Bachelor of Commerce (Hons), Bachelor of Laws (Hons)</i>
Experience	-	Elise is currently an Investment Director at the Trawalla Group. Elise previously created and managed two businesses - the first was acquired by one of Australia's largest online retailers, CatchOfTheDay, and the second involved raising investor capital to launch a multi-unit hospitality concept.
Robert Macdonald	-	Director (Secretary)
Qualifications	-	<i>CPA FAICD (Fellow - Australian Institute of Company Directors)</i>
Experience	-	Robert is Chair and Executive Director of the Bayside Group - A specialist recruitment business driven by the vision - 'Partnering in the future of People'. Robert is passionate about living this vision which creates win-win commercial outcomes as well as fuels his passion to help out in the not for profit sector. Robert is an active fundraiser for many charities across Australia including Smith Family, Children's Medical Research Institute, LifeLine, Cancer Council, and Beyond Blue just to name a few. His specialties include Corporate Governance, Finance, Mergers & Acquisitions, Strategy, HSE and Quality.

DIRECTORS REPORT

Information on Directors (continued)

Qualifications	-	
Experience	-	Paul's vision is to help not-for-profits increase their impact by growing their fundraising. With ten years experience working in fundraising and communications with leading non-profits in the UK and Australia, Paul helps charities realise their revenue potential by working with senior leadership teams and boards to align the organisation's vision, agree an effective fundraising strategy, and support delivery by providing advice on structure, systems and processes.
Melanie Wilson	-	Director
Qualifications	-	
Experience	-	Melanie is Director and Manager for the Bayside Group; a specialist recruitment business covering sectors across health, automotive, technology, finance and management. Her field of focus is in corporate strategy and marketing, and she is heavily involved in developing and driving business initiatives that add value for customers; from clients, to job seekers, to the Bayside workforce. Melanie is also a passionate volunteer in the not-for-profit sector and has extensive experience as fundraiser and convenor for Amnesty International Australia.
Martin Hoffman	-	Director
Qualifications	-	
Experience	-	Martin is Head of Business Development at Precedence Health Care and is responsible for leading the development and implementation of strategic customer relationship and new business initiatives. He has over 35 years of senior management experience acquired in key national business development roles on behalf of leading investment banks, funds management and specialist trustee companies. Martin was formerly a Division Director at Macquarie Bank and a Director at Westpac Institutional Bank. He has a Bachelor of Business (Accounting) degree, as well as post-graduate diplomas from the Securities Institute of Australia and Australian Investor Relations Association. Martin is also a committee member on The Royal Children's Hospital Bioethics Board

Meetings of Directors

During the financial year, 5 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	7	7
Alexandra Chapman	7	6
Leanne Neale	1	1
Jennifer Tetstall	3	2
Elise Gold	7	4
Robert Macdonald	4	4
Paul Bailey	4	4
Melanie Wilson	3	3
Martin Hoffman	3	3

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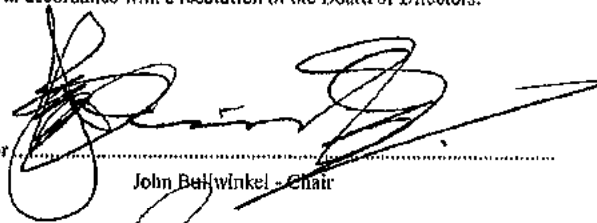
DIRECTORS REPORT

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 2018 the total amount that members of the company are liable to contribute if the company is wound up is \$14 (2017: \$10).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 6 of the financial report.

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


Director

John Bellwinkel - Chair

Director

Dated at Melbourne, this 14 Day of SEPT, 2018

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 2018 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 14th Day of ~~September~~ 2018

Liability limited by a scheme approved under Professional Standards Legislation

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
Revenue	2	1,295,259	1,357,283
Ethiopian partner funding	3	(370,815)	(736,947)
Depreciation and amortisation	3	(2,800)	-
Employee benefits expense		(161,033)	(133,162)
Fundraising and promotion expense		(509,108)	(390,147)
Administration & other expense		<u>(91,667)</u>	<u>(36,700)</u>
Current year surplus/(deficit) before income tax		159,836	60,327
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Net current year surplus/(deficit)		<u>159,836</u>	<u>60,327</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>159,836</u>	<u>60,327</u>
Total comprehensive income/(loss) attributable to trustees of the entity		<u>159,836</u>	<u>60,327</u>

The accompanying notes for part of these financial statements

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Notes	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	4	666,695	1,123,645
Trade and other receivables	5	26,019	8,746
Other current assets	6	<u>167</u>	<u>25,165</u>
TOTAL CURRENT ASSETS		<u>692,881</u>	<u>1,157,556</u>
NON-CURRENT ASSETS			
Plant & Equipment		<u>2,800</u>	<u>5,600</u>
TOTAL NON-CURRENT ASSETS	7	<u>2,800</u>	<u>5,600</u>
TOTAL ASSETS		<u>695,681</u>	<u>1,163,156</u>
CURRENT LIABILITIES			
Trade and other payables	8	<u>35,049</u>	<u>662,360</u>
TOTAL CURRENT LIABILITIES		<u>35,049</u>	<u>662,360</u>
TOTAL LIABILITIES		<u>35,049</u>	<u>662,360</u>
NET ASSETS		<u>660,632</u>	<u>500,796</u>
EQUITY			
Retained surplus		<u>660,632</u>	<u>500,796</u>
TOTAL EQUITY		<u>660,632</u>	<u>500,796</u>

The accompanying notes for part of these financial statements

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings \$
Balance at 1 July 2016	<u>440,469</u>
Deficit for the year attributable to members of the entity	60,327
Balance at 30 June 2017	<u>500,796</u>
Surplus for the year attributable to members of the entity	159,836
Balance at 30 June 2018	<u>660,632</u>

The accompanying notes for part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from donors		1,275,980	1,379,400
Interest received		1,839	1,593
Payments to suppliers		(732,207)	(538,996)
Payments to projects		<u>(1,002,562)</u>	<u>(235,370)</u>
Net cash generated from operating activities	9	<u>(456,950)</u>	<u>606,627</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Computers		<u>-</u>	<u>(5,600)</u>
Net cash generated from investing activities		<u>-</u>	<u>(5,600)</u>
Net increase/(decrease) in cash held		(456,950)	601,027
Cash and cash equivalents at beginning of the financial year		<u>1,123,645</u>	<u>522,618</u>
Cash and cash equivalents at end of the financial year	4	<u><u>666,695</u></u>	<u><u>1,123,645</u></u>

The accompanying notes for part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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 14 September 2018 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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) **Partner Payments**

Partner payments are now recognized as and when the payments are made as per the agreement with the partners. This, along with a need to invest in the fundraising program to ensure long term sustainability, have resulted in lower partner payments compared to prior years.

(j) **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.

(k) **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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
NOTE 2: REVENUE AND OTHER INCOME		\$	\$
Revenue			
- Donations		1,109,493	1,099,683
- Related party donations		<u>183,760</u>	<u>256,007</u>
		<u>1,293,253</u>	<u>1,355,690</u>
- Other revenue		<u>2,006</u>	<u>1,593</u>
Total Revenue		<u><u>1,295,259</u></u>	<u><u>1,357,283</u></u>
NOTE 3: PROFIT / (LOSS) FOR THE YEAR			
(a) Expenses			
Depreciation and amortization			
- Computer and peripherals		<u>2,800</u>	-
Audit fees		<u>3,700</u>	<u>3,700</u>
Project expenses			
- JeCCDO		43,415	177,500
- WAHA International		25,000	25,000
- Hope for Tomorrow		112,000	102,000
- Hamlin Fistula Ethiopia		-	-
- APDA		90,400	220,600
- Dignity Period		-	30,000
- AWSAD		-	68,000
- Healing Hands of Joy		<u>100,000</u>	<u>113,847</u>
		<u><u>370,815</u></u>	<u><u>736,947</u></u>
NOTE 4: CASH AND CASH EQUIVALENTS			
Cash at bank		<u><u>666,695</u></u>	<u><u>1,123,645</u></u>
NOTE 5: TRADE AND OTHER RECEIVABLES			
Accrued Interest		662	-
GST refundable		<u>25,357</u>	<u>8,746</u>
		<u><u>26,019</u></u>	<u><u>8,746</u></u>
NOTE 6: OTHER ASSETS			
CURRENT			
Prepayments		<u><u>167</u></u>	<u><u>25,165</u></u>
NOTE 7: PLANT & EQUIPMENT			
Computer		5,600	5,600
Accumulated Depreciation		<u>2,800</u>	-
		<u><u>2,800</u></u>	<u><u>5,600</u></u>

ETHIOPIAID AUSTRALIA LTD ATF ETHIOPIAID AUSTRALIA FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES		
CURRENT		
Donation payable	-	652,663
Trade Creditors	10,978	-
Acoruals	4,900	5,000
Superannuation liability	4,828	2,596
Workcover payable	1,639	-
PAYG payable	7,176	-
Employee benefits	5,528	2,101
	<u>35,049</u>	<u>662,360</u>

NOTE 9: CASH FLOW INFORMATION

Profit/(loss) after income tax	159,836	60,327
Non cash flows		
- Depreciation	2,800	-
Change in assots and liabilities		
- (Increase)/decrease in prepayments	24,998	(24,299)
- (Increase)/decrease in other receivables	(17,273)	23,710
- (Decrease)/increase in other payables	(627,311)	546,889
	<u>(456,950)</u>	<u>606,627</u>

NOTE 10: ENTITY DETAILS

The registered office & prlnolpal place of business of the trustee company is:
 Ethioplaid
 Level 3 484 St Kilda Road
 MELBOURNE VIC 3004

NOTE 11: 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 2018, the number of members was 7 (2017: 5).

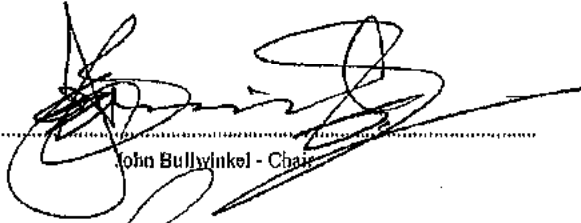
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DIRECTORS DECLARATION OF THE TRUSTEE COMPANY

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 7 to 14, 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 2018 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

John Bullywinkel - Chair

Director

Robert Macdonald - Director

Dated at Melbourne, this 17 Day of SEPT 2018

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Ethiopiaid Australia Foundation, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss 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 accompanying financial report of Ethiopiaid Australia Foundation has been prepared in accordance with Div 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note 1, and Div 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 registered entity in accordance with 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.

Emphasis of Matter – Basis of Accounting

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 registered entity's 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. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity 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' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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 this financial report.

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

As part of an audit in accordance with the 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 registered entity'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 the 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 registered entity'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 registered entity 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

C. W. Stirling
C. W. STIRLING & CO.
Chartered Accountants

John A. Phillips
John A. Phillips
Director

Dated at Melbourne, this ²¹~~14~~ Day of September 2018