

Friends Of Heal Foundation Limited
ABN: 39 161 310 550

Financial Report for the Period Ended 30 June 2013

DIRECTORS REPORT

Your directors present this report on the entity for the financial year ended 30 June 2013.

Principal Activities

The principal activity of the entity during the financial year was:

- receiving donations
- sale of products for charity

No significant changes in the nature of the entity's activity occurred during the financial year.

Objectives

Friends of HEAL foundation's charitable purpose is the direct relief of suffering in young newly arrived refugees by providing mental health service and settlement assistance. The foundation will achieve this by establishing promotion plans, operation plans and operation processes to raise public awareness of the foundation's work.

How performance is measured – KPI's

The KPI's are a mixture of financial and non-financial measures and are detailed in four milestones which span from May 2013 to March 2015. The four milestones will be monitored closely by the Board.

Operating Results

The profit of the entity for the period to 30 June, 2013 amounted to \$1,694.

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year apart from as disclosed in the Notes to the financial statements.

After Balance Date 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 entity, the results of those operations, or the state of affairs of the entity in future financial years, apart from as disclosed in Notes to the financial statements.

Future Developments

The entity expects to pursue fundraising initiatives and to provide schools in Brisbane with access to appropriate therapies.

Meetings of Directors

Directors have met regularly during the financial year.

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

Information on Directors

The particulars of the qualifications, experience and special responsibilities of each Director during the year are as follows:

Adele Rice (Chair of the Board) – 28 years as Principal of Milpera State High School; recognised with many awards including: a Churchill Fellowship, the Save the Children White Flame award, a Paul Harris Fellowship (Rotary), Queensland Multicultural Achiever award,

Friends Of Heal Foundation Limited
ABN: 39 161 310 550

Financial Report for the Period Ended 30 June 2013

DIRECTORS' REPORT

and was recently named joint winner of the Professor Betty Watts Memorial Award for an Outstanding Contribution to Teaching. She was made an honorary Fellow of the Australian College of Educational Leaders in 2011. She was a People of Australia Ambassador for 2012.

Tim Medhurst (Board Member) – Tim has had a 35 year involvement with Outward Bound Australia (as Instructor, Operations Director, Executive Director and Board Member). His involvement with Outward Bound International involves 15 years as a Consultant/Advisor/Board Member helping new schools get established, safety reviews and executive coaching. He has also enjoyed service overseas, including 3 years as Country Director for CARE Australia in Fiji (1995-97), and 3 years as Glaciologist leading scientific expeditions across Antarctica (1982-85). He and his wife are currently parenting two young Afghan men along with their own children.

Lisa Siganto (Board Member) – Lisa is the Queensland Director of Social Ventures Australia (since March 2010). Since 1992 Lisa has also been the Managing Director of Lisa Siganto Consulting, offering executive support to the corporate world. She has been involved in initiatives involving philanthropy, education, and social issues, including being a Founding Member of AFAR (Airmiles for All Refugees) from 2006; a Committee Member for Home Hospice for three years to 2010; a Board Director of the Queensland College of Teachers (since February 2012) and has been a team member of the Terrace Timor Network from August 2006 to present.

William Griffin (Board Member) – Commencing in 1984 William was a builder and property developer. He was a joint Managing Director of Lennon Property, and later (OPD) Office Park Developments, and retired in 2010. He and his family have assisted various young CALD people in their neighbourhood, and in their home, enlarging their family to include a Vietnamese daughter, a South Sudanese son, and an Afghan son.

Philip Wikman (Board Member) – Non-executive director roles, previously CEO of a large trans-Tasman services company (14 years), Institute of Chartered Accountants Professional Year, B Bus (accounting) QUT

Company Secretary

William Griffin has performed the role of Company Secretary since appointed on 20/11/2012.

Meeting of Directors

The number of Directors' meetings held during the year

2013 Meetings		
Name	No. held	No. attended
Adele Rice	5	3
Tim Medhurst	5	5
Lisa Signato	5	5
William Grittin	5	4

Signed in accordance with the resolution of the Board of Directors of Friends of Heal Foundation



Adele Rice
Chair of the Board

Auditor's Independence Declaration

As auditor of Friends of Heal Foundation Limited for the period ended 30 June 2013, 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 *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Friends of Heal Foundation Limited during the period.



CROWE HORWATH BRISBANE



BRENDAN WORRALL
PARTNER

Signed at Brisbane, 21 March 2014

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD
ENDED 30 JUNE 2013**

	Note	2013
Income		\$
Donations		511
Sales		1183
	2	<u>1,694</u>
Profit/(loss) before income tax		<u>1,694</u>
Income tax expense		-
Profit/(loss) after income tax		<u>1,694</u>
Other comprehensive income		-
Total Comprehensive Income		<u>1,694</u>

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3	1,694
TOTAL CURRENT ASSETS		1,694
TOTAL ASSETS		1,694
TOTAL LIABILITIES		NIL
NET ASSETS		1,694
EQUITY		
Retained Earnings		1,694
TOTAL EQUITY		1,694

The accompanying notes form part of these financial statements.

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2013**

	Retained Earnings	Total
	\$	\$
Balance of 1 July 2012	-	-
Profit attributable to the entity	1,694	1,694
Balance at 30 June 2013	1,694	1,694

The accompanying notes form part of these financial statements.

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

STATEMENT OF CASH FLOWS AS AT 30 JUNE 2013

	Note	2013 \$
CASH FLOWS - OPERATING ACTIVITIES		
Receipts from donations and seminars		1,694
Net cash from/(used in) operating activities		<u>1,694</u>
CASH FLOWS - INVESTING ACTIVITIES		
Net cash from/(used in) investing activities		<u>-</u>
CASH FLOWS - FINANCING ACTIVITIES		
Net cash from/(used in) financing activities		<u>-</u>
Net increase/(decrease) in cash held		-
Cash and cash equivalents at the start of financial year		<u>-</u>
Cash and cash equivalents at end of financial year	3	<u><u>1,694</u></u>

The accompanying notes form part of these financial statements.

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is for Friends Of Heal Foundation Limited as an individual entity, incorporated and domiciled in Australia. Friends Of Heal Foundation Limited is a company limited by guarantee.

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of the members.

This special purpose financial report has been prepared in accordance with the mandatory requirements of the *Corporations Act 2001*, and the disclosure requirements of the following application Australian Accounting Standards and Australian Accounting Interpretations:

AASB 101: Presentation of Financial Statements

AASB 107: Statement of Cash Flows

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 110: Events after the Reporting Date

AASB 1031: Materiality

The complete disclosure requirements of other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standard Board have not been applied.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which fair value basis of accounting has been applied

Accounting Policies

a. Revenue

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

b. 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.

c. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997* up to 30 June 2013.

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

f **Going Concern**

The Company has recorded an operating profit of \$1,694, and as such, the financial report has been prepared on a going concern basis.

The company's ability to continue as a going concern is contingent upon receiving further donations or grant monies as applied. The Directors believe that the Company will be successful in obtaining contributions sufficient to cover operating costs and accordingly, have prepared the financial statements on a going concern basis.

However, if the required contributions are not received, the going concern basis may not be appropriate with the result that the company may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial statements. No adjustments have been made relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Currency

The financial statements are presented in Australian dollars and rounded to the nearest one dollar

g.

New Accounting Standards for Application in Future Periods

- AASB9: *Financial Instruments* (December 2010) and AASB 2010-7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (applicable for annual reporting periods commencing on or after 1 January 2015)

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made accounting requirements that may impact the company are:

- o Simplifying the classification of financial assets into those carried at amortised cost and those carried at fair value; and
- o Allowing an irrevocable election on initial recognition or present gains and losses on investment in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairments or recycling on disposal of the instruments.

The company has not yet establish the impact of these pronouncements on its financial statements.

- AASB 10: *Consolidated Financial Statement*, AASB 11: *Joint Arrangements*, AASB 12: *Disclosure of Interest in Other Entities*, AASB 127: *Separate Financial Statements* (August 2011) and AASB 128: *Investment in Associates and Joint Ventures* (August 2011) (as amended by AASB 128: 2012-10), and AASB 2011-7: *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: *Consolidated and Separate Financial Statements* (March 2008, as amended) and Interpretation 112: *Consolidation – Special Purpose*

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Entities. AASB 10 provides a revised definition of "control" and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to significantly impact the company's financial statements.

AASB 11 replaces AASB 131: *Interests in Joint Ventures* (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (Where the parties that have joint control of the arrangements have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed). This Standard is not expected to significantly impact the company's financial statements.

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities.

To facilitate the application of AASBs 10, 11 and 12, revised version of AASB 127 and AASB 128 have also been issued. The revisions made to AASB 127 and AASB 128 are not expected to significantly impact the company's financial statements.

- AASB 13: *Fair Value Measurements* and AASB 2011-8: *Amendments to Australian Accounting Standards arising from AASB 13* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, set out in single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

AASB 13 requires:

- o inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- o enhanced disclosures regarding all assets and liabilities (including, but not limited to financial assets and financial liabilities) to be measured at fair value.

These Standards are not expected to significantly impact the company's financial statements.

- AASB 119: *Employee benefits* (September 2011) and AASB 2011-10: *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)* (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The company does not have any defined benefit plans and so is not impacted by the amendments.

AASB 119 (September 2011) also includes changes to:

- o Require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employee render the related services to be classified as short-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- o The accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - i. For an offer that may be withdrawn – when the employee accepts;
 - ii. For an offer that cannot be withdrawn – when the offer is communicated to affect employees; and
 - iii. Where the termination is associated with the restructuring of activities under AASB 137: *Provisions, Contingent Liabilities and Contingent Assets* and if earlier than the first two conditions – when the related restructuring costs

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

are recognised.

These changes are not expected to significantly impact the company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

NOTE 2: REVENUE

Donations	511
Sales	1,183
Other revenue	-
Total Revenue	1,694

NOTE 3: CASH AND CASH EQUIVALENTS

Cash at bank	1,694
Total cash and cash equivalents	1,694

NOTE 4: ENTITY DETAILS

The registered office of the entity, and principal place of business is:

2 Parker Street
Chelmer, QLD 4068

NOTE 5: MEMBERS' GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity 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 2013 the number of members was 8.

NOTE 6: CAPITAL RISK MANAGEMENT

The entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide benefits for stakeholders and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the entity may sell assets to reduce its debt.

Consistent with other industry, the entity monitors capital on the basis of the net gearing ratio. Net debt is calculated as total borrowings less cash and cash equivalents.

Friends Of Heal Foundation Limited

ABN: 39 161 310 550

DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the company declare that:

- A. The financial statements and notes, as set out on pages 3 to 11, are in accordance with the *Corporations Act 2001* and:
- i. comply with Australian Accounting Standards; and
 - ii. give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date in accordance with the accounting policy described in Note 1 of the financial statements.
- B. In the directors' opinion there are reasonable grounds to believe that the company 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)

Dated this

21st

day of

MARCH 2014

Independent Auditor's Report

To the Members of Friends of Heal Foundation Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Friends of Heal Foundation Limited, which comprises the statement of financial position as at 30 June 2013, 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.

Board Members' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Friends of Heal Foundation Limited, would be in the same terms if given to the directors as at the time of the auditor's report.

Basis for Qualified Opinion

As is common for entities of this type, it is not practical for the Friends of HEAL Foundation to maintain an effective system of internal control over donations and other fund raising activities until their initial entry into the accounting records. Accordingly, our audit in relation to these activities was limited to amounts recorded in the financial records and therefore we are unable to express an opinion as to whether revenue recognised is complete.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Friends of Heal Foundation Limited is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2013 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 the *Corporations Regulations 2001*.

Emphasis of Matter – Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw your attention to Note 1 (f) in the financial statement which indicate that the company's ability to continue as a going concern is contingent upon receiving further donations or grants monies as applied. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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 *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.



CROWE HORWATH BRISBANE



BRENDAN WORRALL

Partner

Signed at Brisbane, 28 March 2014