
THE FREEDOM PROJECT LIMITED
As trustee of THE FREEDOM PROJECT
ABN: 37 220 593 382

Special Purpose
Financial Statements

For the Year Ended 31 March 2016

The Freedom Project Limited, the trustee for The Freedom Project, is a public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

19 Collins Road
ST Ives NSW 2075
Australia

THE FREEDOM PROJECT LIMITED DIRECTORS' REPORT

Your directors present their report on The Freedom Project Limited (referred to hereafter as the company) for the year ended 31 March 2016.

Directors

The following persons were directors of The Freedom Project Limited during the whole of the financial year and up to the date of this report:

Michael Newton-Brown (Chairman)
Michael Codling
Robert Stewart
Erica Sainsbury

Principal activities

During the year the principal continuing activities of the company were:

- (a) to engage and equip the Australian community in the fight to end human trafficking and slavery by creating awareness
- (b) to support local and global projects working in the prevention, rescue and restoration of those trapped in the cycle of this injustice.

Dividends

The company's constitution precludes the payment of dividends.

Review of operations

The profit of the company for the year ended 31 March 2016 was \$176,554 (for the year ended 31 March 2015 \$129,738).

Significant changes in the state of affairs

The company was incorporated on 9 November 2010 and commenced operations as a non-for-profit charitable enterprise from that date. There were no significant changes in the state of affairs of the company during the year to 31 March 2016.

Matters subsequent to the end of the financial year

No matters or circumstance have arisen since 31 March 2016 which significantly affected, or may significantly affect:

- a) the company's operations in future financial years
- b) the results of those operations in future financial years
- c) the company's state of affairs in future financial years.

Environmental regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' benefits

During or since the end of the financial period, no director of the company has received or become entitled to receive any benefit.

Indemnification of officers

During the period, the company did not pay any premiums to insure the directors of the company; nor has the company, during or since the financial period, indemnified or agreed to indemnify a director or auditor of the company.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings. The company was not party to any such proceedings during the reporting period.

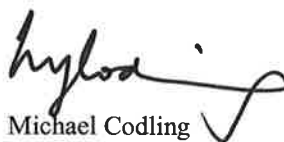
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of directors.



Michael Newton-Brown
Director



Michael Codling
Director

Sydney
25 November 2016

Sydney
25 November 2016

**THE FREEDOM PROJECT LIMITED
AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE FREEDOM PROJECT LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2016 there have been:

1. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

Name of Firm: G.B. Wilkinson
Name of Partner: Graham Wilkinson
Date: 25 November 2016
Address: 98 Wallalong Crescent, West Pymble, NSW 2073

**THE FREEDOM PROJECT LIMITED
INDEPENDENT AUDITOR'S REPORT**

To the members of The Freedom Project Limited

Report on the Financial Report

I have reviewed the accompanying financial report of The Freedom Project Limited, which comprises the Balance Sheet as at 31 March 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls 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.

Auditor's Responsibility

My responsibility is to express a conclusion on the financial report based on my review. I conducted my review in accordance with the Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report – Company Limited by Guarantee*, in order to state whether, on the basis of procedures described, I have become aware of any matter that makes me believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 March 2015 and of its performance for the year ended on that date; and complying with the Australian Accounting Standards and *Corporations Regulations 2001*. ASRE 2415 requires that I comply with the ethical requirements relevant of the financial report.

A review of a financial report consist of making enquires primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Accounting Standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly I do not express an audit opinion.

Independence

In conducting my review, I have complied with the independence requirements of the *Corporations Act 2001*. I confirm the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of The Freedom Project Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on my review, which is not an audit, I have not become aware of any matter that makes me believe that the financial report of The Freedom Project Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the company's financial position as at 31 March 2016 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and *Corporation Regulations 2001*.

Report on Other Legal and Regulatory Requirements

No report.



Graham B Wilkinson
Auditor

~~25 November 2016~~ 3 DEC 2016
98 Wallalong Crescent
West Pymble, 2073

THE FREEDOM PROJECT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Revenue from ordinary activities			
Donations		275,214	246,961
Interest income		3,508	2,560
Events income (net)		1,393	10,981
Total revenue from ordinary activities		<u>280,115</u>	<u>260,502</u>
Expenses from ordinary activities			
Employee benefits expense (including leave provisions)		-	-
Depreciation and amortisation expense		-	-
Other expenses from ordinary activities		17,561	15,147
Total expenses from ordinary activities		<u>17,561</u>	<u>15,147</u>
Net surplus/(deficit) for the year prior to grants		<u>262,554</u>	<u>245,355</u>
Grants paid	2	86,000	115,617
Net surplus/(deficit) for the year after grants		<u>176,554</u>	<u>129,738</u>
Other comprehensive income		-	-
Total comprehensive income/(loss)		<u><u>176,554</u></u>	<u><u>129,738</u></u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

THE FREEDOM PROJECT LIMITED
BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	3	325,281	148,727
Investments	4	-	-
Receivables	5	10	10
Other assets	6	-	-
Total current assets		<u>325,291</u>	<u>148,737</u>
Non-current assets			
Plant and equipment	7	-	-
Total non-current assets		<u>-</u>	<u>-</u>
Total assets		<u>325,291</u>	<u>148,737</u>
Current liabilities			
Trade and other payables	8	-	-
Provisions	9	-	-
Total current liabilities		<u>-</u>	<u>-</u>
Non-current liabilities			
Provisions	10	-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>-</u>	<u>-</u>
Net assets		<u>325,291</u>	<u>148,737</u>
Equity			
Settled funds		10	10
Retained earnings		325,281	148,727
Total equity		<u>325,291</u>	<u>148,737</u>

The above balance sheet should be read in conjunction with the accompanying notes.

**THE FREEDOM PROJECT LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	2016	2015
	\$	\$
Balance as at 1 April 2015	148,737	18,999
Total comprehensive income for the period	176,554	129,738
Balance as at 31 March 2016	<u>325,291</u>	<u>148,737</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

THE FREEDOM PROEJCT LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from donations and events income		276,607	245,942
Payments to suppliers and employees		(17,561)	(15,147)
Interest received		3,508	2,560
Grants paid		(86,000)	(98,249)
Net cash inflow/(outflow) from operating activities	11	176,554	135,106
Cash flows from investing activities			
Net transfers (to)/from investments		-	-
Payments for plant and equipment		-	-
Net cash inflow/(outflow) from investing activities		-	-
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash inflow/(outflow) from financing activities		-	-
Net increase/(decrease) in cash held		176,554	135,106
Cash at the beginning of the financial period		148,727	13,621
Cash at the end of the financial period		325,281	148,727

The above statement of cash flows should be read in conjunction with the accompanying notes.

THE FREEDOM PROJECT LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

Note 1. Summary of significant accounting policies

(a) Basis of accounting

Special purpose financial report

The Freedom Project Limited is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared for the sole purpose of complying with the *Corporations Act 2001* requirements.

The financial report has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and other mandatory professional requirements in Australia. It contains only those disclosures considered necessary by the directors to meet the needs of the members.

Reporting Basis and Conventions

The financial report has been prepared under the historical cost convention as modified by the revaluation of investments at fair value. It does not take into account changing money values or, except for investments, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Significant accounting judgements, estimates and assumptions

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transaction and other events is reported.

In the application of Australian Accounting Standards management is required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no areas of the financial statements which involve higher degrees of judgment or complexity, or areas where assumptions and estimates were significant to the financial statements.

THE FREEDOM PROJECT LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

(b) Revenue recognition

Revenue is recognised at the fair value of consideration received or receivable, when The Freedom Project Limited is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Revenue from fundraising

Income is brought to account on an accruals basis. Cash donations have been recognised as revenue to the extent that they have been deposited in the bank and recorded in The Freedom Project Limited's accounting records, which is the point at which The Freedom Project Limited gains control of the contributions.

Interest income

Interest income is recognised as it accrues.

(c) Expenditures

All expenditures are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the categories.

(d) Depreciation of plant and equipment

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment over its expected useful life to The Freedom Project Limited. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful life for plant and equipment is 3-5 years.

(e) Employee entitlements

(i) Salaries, annual leave and sick leave

Liabilities for salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised as a liability in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

(iii) Superannuation

Contributions to employee superannuation plans are charged as an expense as the contributions are paid or become payable.

THE FREEDOM PROJECT LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD YEAR 31 MARCH 2016

(f) Income tax

(i) Goods and Services Tax

Revenue, expenses and assets are recognised net of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the acquisition cost of the asset or as an item of expense.

Receivables and payables are stated at amounts that include GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the cash flow statement on a net basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(ii) Income Taxation

The Freedom Project Limited is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997. This exemption has been confirmed by the Australian Taxation Office. The Freedom Project Limited holds deductible gift recipient status and has been endorsed as a charity.

(g) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and deposits at call.

(h) Investments

The Freedom Project Limited invests in term deposits and classifies these investments as “held to maturity” in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*.

THE FREEDOM PROJECT LIMITED

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**

	2016 \$	2015 \$
Note 2. Grants paid		
Mindanao Education / Child Soldier Program	48,250	68,538
Greater Mekong Education Project	35,750	32,679
The Freedom Project India	2,000	14,400
	86,000	115,617
Note 3. Current assets - Cash and cash equivalents		
Bank accounts	325,281	148,727
	325,281	148,727
Note 4. Current assets - Investments		
Deposits – 3 months	-	-
Deposits – 6 months	-	-
	-	-
Note 5. Current assets - Receivables		
Interest income receivable	-	-
GST receivable	-	-
Other receivables	10	10
	10	10
Note 6. Current assets – Other assets		
Prepayment	-	-
	-	-
Note 7. Non-current assets – Plant and equipment		
Office and computer equipment - at cost	-	-
Less: Accumulated depreciation	-	-
	-	-
Note 8. Current liabilities – Trade and other payables		
Trade creditors	-	-
Sundry accruals	-	-
Deferred revenue	-	12,000
	-	12,000

THE FREEDOM PROJECT LIMITED

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2016**

	2016	2015
	\$	\$
Note 9. Current liabilities – Provisions		
Employee Entitlements	-	-
Provision for Grants (see below)	-	-
Pay As You Go Withholding Tax payable	-	-
	<u>-</u>	<u>-</u>

Note 10. Non-current liabilities - Provisions

Employee entitlements	-	-
	<u>-</u>	<u>-</u>

Note 11. Reconciliation of net surplus to net cash inflow from operating activities

Net surplus/(deficit) for the period	176,554	129,738
Depreciation	-	-
(Increase)/decrease in receivables	-	-
(Increase)/decrease in other assets	-	17,368
Increase/(decrease) in creditors	-	(12,000)
Increase/(decrease) in provisions	-	-
Net cash inflow from operating activities	<u>176,554</u>	<u>135,106</u>

Note 12. Lease commitments

Commitments in relation to leases contracted for at reporting date but not recognised as liabilities payable.

Within one year	-	-
Later than one year but not later than 3 years	-	-
Later than 3 years but not later than 5 years	-	-
More than 5 Years	-	-
	<u>-</u>	<u>-</u>

Note 13. Contingent Liabilities and Contingent Assets

The Freedom Project Limited has no material contingent liabilities or assets at balance date.

Note 14. Events Occurring After Balance Date

No matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of The Freedom Project Limited.

THE FREEDOM PROJECT LIMITED

DIRECTORS' DECLARATION

As stated in Note 1 (a) to the financial statements, in the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements. These are special purpose financial statements that have been prepared to meet the *Corporations Act 2001* requirements.

The financial statements have been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in Note 1.

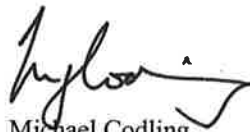
In the directors' opinion:

- a) the financial statements and notes set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards and other mandatory professional reporting requirements as detailed above, and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the company's financial position as at 31 March 2016 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date; and
- b) 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 directors and is signed for and on behalf of the directors by:



Michael Newton-Brown
Director



Michael Codling
Director

Sydney
25 November 2016

Sydney
25 November 2016

