

RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT To the Directors of Hearts4Heart

Opinion

We have audited the financial report of Hearts4Heart ("the Company"), which comprises the Balance Sheet as at 30 June 2017 and the Profit and Loss Statement for the year then ended ("financial report").

In our opinion, the accompanying financial report of the Company presents fairly, in all material respects, the financial position of the Company as at 30 June 2017 and its performance for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



RSM AUSTRALIA PTY LTD



P A RANSOM
Director

Melbourne, Victoria
Dated: 1 November 2017

HEARTS4HEART
ABN. 16 789 232 707

BALANCE SHEET
AS AT 30 JUNE 2017

	2017 \$	2016 \$
TRUST FUNDS		
Accumulated Profits (Losses) Brought Forward	\$ 28,731	-5417
Profit Earned this Year	<u>\$ 110,793</u>	<u>34148</u>
		<u>28731</u>
TOTAL TRUST FUNDS	<u><u>\$ 139,524</u></u>	<u><u>28731</u></u>
Represented By:		
ASSETS		
CURRENT ASSETS		
Cash at Bank	\$ 159,416	36221
Cash at Bank	<u>\$ 54</u>	<u>54</u>
TOTAL CURRENT ASSETS	<u><u>\$ 159,470</u></u>	<u><u>36275</u></u>
NON CURRENT ASSETS		
Fixed Assets		3366
Software		-3366
Less: Accumulated depreciation		
	<u>\$ -</u>	<u>0</u>
TOTAL FIXED ASSETS	<u><u>\$ -</u></u>	<u><u>0</u></u>
Intangible Assets		
Balancing amounts	\$ 64	
TOT NON CURRENT ASSETS	<u>\$ 64</u>	
TOTAL ASSETS	<u><u>\$ 159,534</u></u>	<u><u>36275</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Tanya Leave Accrual 2016 (10 days)	\$ 4,209	
Tanya Expenses accrual (June expenses)	\$ 3,172	
Tanya Leave Accrual 2015 (5 Days)	\$ 2,104	7544
Tanya - Telephone liability owing	\$ 1,299	
Tanya - accrued Wages (June 2017)	\$ 5,927	
Ethical St (Invoice 1660)	<u>\$ 3,300</u>	
TOTAL CURRENT LIABILITIES	<u>\$ 20,011</u>	<u>7544</u>
TOTAL LIABILITIES	<u><u>\$ 20,011</u></u>	<u><u>7544</u></u>
NEW ASSETS (LIABILITIES)	<u><u>\$ 139,524</u></u>	<u><u>28731</u></u>

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PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
INCOME		
Donations Received	\$ 250.00	37
Funding and Grants	\$ 247,107.00	144,458
	<u>247,357</u>	<u>144,495</u>
OTHER INCOME		
Interest received	48.22	31
	<u>247,405</u>	<u>144,526</u>
EXPENSES		
Amortisation		1,461
Audit Fee	\$ 165.00	110
Depreciation		2,524
Consulting	\$ 16,450.00	
Catering	\$ 95.78	
DropBox	\$ 139.00	
Computer hardware	\$ 769.00	
Graphic Design		1,007
Hire of equipment / Studio		382
Insurance	\$ 2,749.02	1,395
Printing , Stationary and Postage	\$ 1,414.79	3,168
Parking	\$ 1,082.76	
Subscriptions		291
Sundry Expenses	\$ 77.75	457
Superannuation contributions	\$ 8,551.11	7,798
Telephone	\$ 1,827.85	240
Travelling, Accommodation and conferences	\$ 3,784.83	6,821
Wages	\$ 75,310.00	82,082
Website Costs	\$ 248.67	132
Work cover	\$ 2,158.71	2,510
ATO withholding	\$ 21,788.00	
	<u>136,612</u>	<u>110,378</u>
PROFIT (LOSS)	<u>110,793</u>	<u>34,148</u>