



Pink Hope Community Limited

ABN 43 159 082 792

Financial Report

For the Year Ended 30 June 2016

Pink Hope Community Limited

ABN 43 159 082 792

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For the Year Ended 30 June 2016

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Pink Hope Community Limited

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For the Year Ended 30 June 2016

Chairmans' Report

It has been (and continues to be) a very exciting year for Pink Hope. Since becoming a standalone charity in 2012, Pink Hope has certainly come a long way.

Four year ago, Pink Hope began by providing individuals at risk of breast and ovarian cancer to the latest information regarding their breast and ovarian health. Fast forward to 2016, Pink Hope has evolved to be able to provide its community with not only education, but personalised support. Later this year, Pink Hope will also be announcing two key new pillars to the organisation; research and genetic testing.

Pink Hope exists to ensure the (estimated) 660,000 women at moderate to high risk of breast and ovarian cancer in Australia are empowered, educated and inspired to take control of their health and therefore reduce their risk of developing of cancer. The not-for-profit also understands the significant physical, mental and financial burden carrying a genetic predisposition or being at risk of breast and ovarian cancer can have on women, men and their families. Therefore, providing services that enable the increased risk journey easier to navigate is at the heart of the charity.

I am very proud that Pink Hope has gone beyond raising awareness of hereditary breast and ovarian cancer, but rather taken steps to help Australians take control of their health and potentially change their future.



Mark Barter
Chairman

Dated 19 December 2016

Pink Hope Community Limited

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For the Year Ended 30 June 2016

Chief Executive Officers' Report

Wow what a year we have had, we have continued to experience significant growth and more importantly more people are coming to us because of it.

Within a short period, Pink Hope has grown to become a charity and community that provides support and inspiration to thousands of families around the country. Pink Hope connects with over 65,000 people on daily basis via its communication platforms, equipping them with knowledge and power to take control of their breast and ovarian health. In 2016, Pink Hope introduced four key pillars of the organisation; Education, Support, Research and Genetic Testing.

Prior to Pink Hope there was not a unique Australian based organisation focussed on the needs and issues faced by families at increased risk of breast and ovarian cancer. As an organisation, Pink Hope is at the forefront of preventive breast and ovarian health.

In 2014, the demand for Pink Hope's services and educational tools increased by 701% (this was influenced by Angelia Jolie's announcement regarding her BRCA status). Due to this increasing demand, Pink Hope redeveloped its website, therefore providing its community with an easy-to-navigate resource. The updated Pink Hope website enables the community access to the latest information related to breast and ovarian health as well as unique and innovative tools to help individuals assess, understand and manage their breast and ovarian cancer risk. In 2016, Pink Hope's website came in as a finalist (top 5) for an Australia and New Zealand Internet Award (ANZIA Award) in Information. The ANZIA's recognise the most innovative online resources, websites, real-world projects and products within the Southern Hemisphere. This recognition highlights Pink Hope's success in providing information to its community to ensure that they engaged, empowered and educated in breast and ovarian health.

Bright Pink Lipstick Day is an annual campaign run through the month of September to raise the profile of Pink Hope and its mission by encouraging families to wear their brightest and boldest pink lipstick and commit to a lifesaving conversation about their breast and ovarian cancer risk. In 2015, Pink Hope's Bright Pink Lipstick Day campaign reached an impressive 25 million people via social and digital platforms. Also, in regards to television advertisement promoting the education campaign – the total viewer circulation surpassed 2.6 million.

In March 2016, Pink Hope launched its 'Know Your Risk' tool. A Pink Hope survey revealed that two in three Australian women do not know their risk of developing breast and ovarian cancer. The Know Your Risk tool is designed to encourage all Australians to assess their individual cancer risk, find the estimated 660,000 Australian women at moderate to high risk of breast and ovarian cancer and provide them with personalised support, information and education regarding how to manage their risk and take preventative steps. Since March, more than 13,228 women have used this tool.

In June 2016, Pink Hope initiated its trademark Pinky Promise campaign. Pink Hope's Pinky Promise is a preventative health campaign, targeting "besties" to make a promise to have one another's back when it comes to health. The Pink Hope campaign gained the support of Elle Australia, and in turn secured a front cover activation with the magazine. The cover featured real-life friends and wellness advocates, Lily Aldridge and Rosie Huntington-Whitely. As a result of this activation, Pink Hope's social media engagement and community growth increased by more than 10% in the month of June. Furthermore, more than 5,000 Australians accessed Pink Hope's 'Know Your Risk' tool during this campaign and Pink Hope's 'Ask Our Genetic Counsellor' services also saw an increase of 89%. This campaign enabled Pink Hope an opportunity to connect with young women who may not have previously assessed or understood their individual cancer risk and provided these women with an opportunity to learn about risk and prevention.

This year, Pink Hope was also able to introduce a Programs Manager who has been guiding, shaping and growing our invaluable programs and support services to better service the community at every touch point of the at-risk journey.

The importance of our fundraising, events and donation income to our organisation is highlighted in this financial report. With most our funding coming from our events and community fundraising, like our inaugural gala in Sydney and Melbourne. These fundraising streams are imperative to our organisations growth and our ability meet the current demand on our services. In 2016 and beyond we will be focusing on diversifying our funding streams to ensure long term sustainability for the organisation.

There is no doubt that the future is looking bright for Pink Hope. We are continuing to engage people to assess, understand and reduce their risk of breast and ovarian cancer. We are passionate about quantifying our work and we will be focusing on showing our impact over the next financial year.

Pink Hope Community Limited

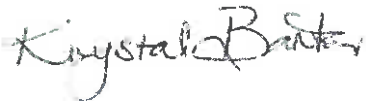
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For the Year Ended 30 June 2016

Chief Executive Officers' Report (continued)

In late 2016, Pink Hope intends to launch two new initiatives. These are The Bonnie Rose Project and Pink Hope's Genetic Testing Grant Program. These initiatives are aimed at changing the future for the next generation at risk of cancer, while providing adorable and accessible those families currently assessing and navigating through their moderate to high risk journey.

I am so proud of the organisation I founded and how far we have come, but at the end of the day it is you. Our supporters who continue to make the biggest impact and we are so thrilled to continue to work with you now and in the future.



Krystal Barter
Founder and Chief Executive Officer

Dated 19 December 2016

Pink Hope Community Limited

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Directors' Report

For the Year Ended 30 June 2016

The directors present their report on Pink Hope Community Limited for the financial year ended 30 June 2016.

1. General information

Information on directors

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

Mark Barter

Qualifications

Qualified Engineer, Member of the Australian Institute of Company

Experience

Business executive with over 35 years as both CEO and Managing Director of multinational companies.

Special responsibilities

Chairman of the Board

Ian Jones

Qualifications

B. Ed (Maths), MBA (MGSB and Harvard Business School)

Experience

Head of Sales and Marketing of a large corporation

Special responsibilities

Business Strategy

Melissa Hayes

Qualifications

B. Mass Communications, MBA (Melb Business School)

Experience

Executive leader with over 15yrs in Senior roles for major multinationals Industrial and consumer marketing sectors

Special responsibilities

Branding, marketing and consumer engagement

Elise Stanberg

Qualifications

Microsoft-INSEAD Business Strategy and Financial Acumen

Experience

Executive leader with over 15yrs in Senior roles in Information Technology, sales and marketing

Special responsibilities

Information and technology management

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 Pink Hope Community Limited during the financial year was to ensure every individual can assess, manage and reduce their risk of breast and ovarian cancer, while providing personalised support for at risk women.

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

Short term objectives

The Company's short term objectives are to:

- Provide tools and information to help the general population assess their risk of breast and ovarian cancer.
- Promote open discussion around family cancer history in the general population through targeted campaigns and educational tools.
- Provide support and information to members of the at-risk community to help them appropriately manage and navigate their risk.

Directors' Report

For the Year Ended 30 June 2016

General Information (continued)

- Encourage at-risk women to be vigilant and proactive with their breast and ovarian health, resulting in a much earlier diagnosis and better treatment.
- Work collaboratively with healthcare providers to ensure a better transition for at-risk women as they move through each key touch point of their journey.
- Advocate for at-risk families.

Long term objectives

The Company's long term objectives are to:

- Ensure each family is empowered to take control of their breast and ovarian cancer risk.
- Empower individuals to assess their risk of breast and ovarian cancer.
- Provide personalised support for at-risk women.

Strategy for achieving the objectives

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

- Provide information & tools for individuals to assess their breast and ovarian cancer risk for example: our online risk assessment tool and ask our genetic counsellor program.
- Activate education campaigns that inform the community of cancer risk and family health history: for example Bright Pink Lipstick Day & Pinky Promise.
- Provide personalised support to at-risk women for example - peer to peer support, mentor program and outreach ambassador program.
- Give access to a qualified genetic counsellor.
- Raise awareness and advocate for the cause in the community of risk and hereditary cancer: through various media activations and healthcare partnerships.

Key Performance Measures

Qualitative and quantitative benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

- 'Know Your Risk' tool developed and launched to enable all Australians to assess their individual cancer risk.
- Re develop the Pink Hope website including information and support resources to meet the growing needs and demand of the at-risk Community.
- Fundraising and increasing donations to further fund and grow our programs and support services to better service the community at every touch point of the at-risk journey.

Results of achievement:

- Since its launch in March 2016, more than 13,228 women have used Pink Hope's 'Know Your Risk' tool.
- Pink Hope's online 'Ask Our Genetic Counsellor' service enquiries increase by **89%** following the launch of Pink Hope's updated website information and resources, and Pinky Promise campaign.
- Pink Hope's website was a finalist (top 5) for an Australia and New Zealand Internet Award (ANZIA Award) in Information.
- Corporate sponsorship increased by 109% to further fund and grow our programs and support services.

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Directors' Report

For the Year Ended 30 June 2016

General Information (continued)

Members guarantee

Pink Hope Community Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for non-corporate members, subject to the provisions of the company's constitution.

At 30 June 2016, the collective liability of members was \$40 (2015: \$60).

2. Operating results and review of operations for the year

Operating results

The profit/(loss) of the Company after providing for income tax amounted to (\$1,827) (2015: \$137,921).

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Matters or circumstances arising after the end of the year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Meetings of directors

During the financial year, 3 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mark Barter	3	3
Ian Jones	3	2
Melissa Hayes	3	3
Elise Stanberg	3	3

Pink Hope Community Limited

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Directors' Report

For the Year Ended 30 June 2016

Other items (continued)

Auditor's independence declaration

The lead auditor's independence declaration as required under Section 60-40 of the Australian Charities and Not for Profits Commission Act 2012 is given on page 8 of the financial report.

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

Director: 
Mark Barter

Dated 19 December 2016

W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



Auditor's Independence Declaration To The Directors of Pink Hope Community Limited

In accordance with the requirements of section 60-40 of the Australian Charities and Not for Profits Commission Act 2012, as lead auditor for Pink Hope Community Limited, 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 independence requirements of 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.

W. W. Vick & Co
Chartered Accountants

Peter Vlahopol
Partner

5th Floor
379-383 Pitt Street
Sydney NSW 2000

Dated *19th* December 2016

W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



Independent Audit Report to the members of Pink Hope Community Limited

Report on the Financial Report

We have audited the accompanying financial report of Pink Hope Community Limited, which comprises the statement of financial position as at 30 June 2016, 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, notes comprising a summary of significant accounting policies, other explanatory information and 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 the Australian Charities and Not-for-Profits Commission Act 2012, and the Australian Charities and Not-for-Profits Commission Regulation 2013, and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that 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 entity'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 directors, as well as evaluating the overall presentation of the financial report.

Additional scope pursuant to the Charitable Fundraising Act 1991

In addition, our audit report has been prepared for the members of the Company in accordance with Section 24(2) of the *Charitable Fundraising Act 1991*. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors. These additional procedures included obtaining an understanding of the internal control structure for fund raising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *Charitable Fundraising Act 1991* and Regulations. It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal period end financial adjustments for such matters as accrual, prepayments, provisioning and valuation necessary for period end financial statement preparation. The performance of our audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial statements. The review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems. The audit opinion expressed in this report pursuant to the *Charitable Fundraising Act 1991* and Regulations has been formed on the above basis.

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

Fayworth House, Suite 503, 5th Floor, 379-383 Pitt Street, Sydney, NSW 2000
PO Box 20037, World Square, NSW 2002
Phone : 02 9266 0881 Fax : 02 9266 0886



Liability limited by
scheme approved
under Professional
Standards Legislation

Independent Audit Report to the members of Pink Hope Community Limited

Basis for Qualified Opinion

It is not always practicable for the Company to establish accounting controls over all forms of donations prior to receipt of these funds and accordingly it is not possible for our examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the Company.

In respect to the qualification above, based on our review of the internal controls, nothing has come to our attention, which would cause us to believe that the internal controls over income from fundraising and donations by the Company are not appropriate.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Pink Hope Community Limited is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2016, and its financial performance and its cash flows for the year then ended; and
- b) complies with Australian Accounting Standards - Reduced Disclosure Requirements and Div 60 of the Australian Charities and Not-for-Profits Commission Act 2012, and the Australian Charities and Not-for-Profits Commission Regulations 2013.

Report on Other Legal and Regulatory Requirements

Qualified Opinion pursuant to the Charitable Fundraising Act 1991

In our opinion, except for the effects, if any of the qualification set out above:

- (a) The financial report of Pink Hope Community Limited gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 30 June 2016;
- (b) The financial report has been properly drawn up, and the associated records have been properly kept for the period 1 July 2015 to 30 June 2016, in accordance with the Charitable Fundraising Act 1991 and its Regulations;
- (c) Money received as a result of fundraising appeal activities conducted during the period from 1 July 2015 to 30 June 2016 has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and its Regulations ; and
- (d) There are reasonable grounds to believe that Pink Hope Community Limited will be able to pay its debts as and when they fall due.

W W Vick & Co
Chartered Accountants



Peter Vlahopol - Partner
Registered Company Auditor - No 4554

Dated *19th* December 2016

Pink Hope Community Limited

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016	2015
		\$	\$
Revenue	9	621,393	503,915
Employee benefits expense	10	(236,745)	(107,156)
Depreciation and amortisation expense		(5,538)	(2,549)
Finance costs		(4,163)	(2,856)
Other expenses	10	(376,774)	(253,433)
Surplus before income tax		(1,827)	137,921
Income tax expense	1(c)	-	-
Net surplus and total comprehensive income for the year		(1,827)	137,921

The accompanying notes form part of these financial statements.

Pink Hope Community Limited

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Statement of Financial Position

30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	642,077	580,953
Trade and other receivables	3	74,340	73,959
Inventories	4	5,381	8,361
TOTAL CURRENT ASSETS		721,798	663,273
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,389	4,070
Intangible assets	6	7,918	2,888
TOTAL NON-CURRENT ASSETS		13,307	6,958
TOTAL ASSETS		735,105	670,231
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	83,779	25,460
Other liabilities	8	315,200	306,818
TOTAL CURRENT LIABILITIES		398,979	332,278
TOTAL LIABILITIES		398,979	332,278
NET ASSETS		336,126	337,953
EQUITY			
Accumulated Surplus		336,126	337,953
TOTAL EQUITY		336,126	337,953

The accompanying notes form part of these financial statements.

Pink Hope Community Limited

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Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2015	337,953	337,953
Total comprehensive income/(loss) attributable to members	<u>(1,827)</u>	<u>(1,827)</u>
Balance at 30 June 2016	<u>336,126</u>	<u>336,126</u>

2015

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2014	200,032	200,032
Total comprehensive income/(loss) attributable to members	<u>137,921</u>	<u>137,921</u>
Balance at 30 June 2015	<u>337,953</u>	<u>337,953</u>

The accompanying notes form part of these financial statements.

Pink Hope Community Limited

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Statement of Cash Flows

For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from sale of merchandise and fundraising/function events	246,877	240,237
Government grant received	-	250,000
Donations received	118,207	181,287
Sponsorship received	258,091	67,167
Payments to suppliers and employees	(552,577)	(344,818)
Finance costs	(4,163)	(2,856)
Interest received	6,576	3,120
Net cash provided by operating activities	<u>73,011</u>	<u>394,137</u>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(4,794)	(4,420)
Payments to acquire intangible assets	(7,093)	(240)
Net cash used by investing activities	<u>(11,887)</u>	<u>(4,660)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents held	61,124	389,477
Cash and cash equivalents at beginning of year	580,953	191,476
Cash and cash equivalents at end of financial year	2 <u>642,077</u>	<u>580,953</u>

The accompanying notes form part of these financial statements.

Pink Hope Community Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2016

1. Summary of Significant Accounting Policies

The financial statements are for Pink Hope Community Limited as an individual entity, incorporated and domiciled in Australia. Pink Hope Community Limited is a not-for-profit Company limited by guarantee.

The functional and presentation currency of Pink Hope Community Limited is Australian dollars.

(a). Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements, the Australian Charities and not-for-profits Commission Act 2012, the Australian Charities and not-for-profits Regulations 2013 and the Charitable Fundraising Act 1991.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated.

(b). Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

(c). Income Tax

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

(d). Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised against liability and amortised on a straight-line basis over the life of the lease term.

(e). Revenue and other income

Revenue consist of donations from the general public, sale of merchandise, proceeds from functions & fundraising events and sponsorship income from benefactors. They are recognised when the amount of the revenue is received/receivable (for donations, and functions & fundraising) or when it can be measured reliably and when it is probable that economic benefits associated with the transaction will flow to the entity (for sponsorships and sale of merchandise).

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

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1. Summary of Significant Accounting Policies continued

(e). Revenue and other income (continued)

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Interest revenue

Interest is recognised using the effective interest method.

(f). Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g). Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(h). Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(j) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1. Summary of Significant Accounting Policies continued

(h). Plant and Equipment

Depreciation continued

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office Equipment	25%
Computer Software	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(i). Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Notes to the Financial Statements

For the Year Ended 30 June 2016

1. Summary of Significant Accounting Policies continued

(i). Financial instruments (continued)

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

(j). Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(k). Intangible Assets

Patents and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised on a straight-line basis over their useful life ranging from 8 to 10 years.

(l). Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 June 2016

Summary of Significant Accounting Policies (continued)

(m). Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current trade and other payables in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(n). Trade and other payables

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

(o). Critical Accounting Estimates and Judgements

The directors do not consider estimates of depreciation and calculation of employee benefits to be significant estimates and judgements used in the preparation of the financial statements.

Pink Hope Community Limited

ABN 43 159 082 792

Notes to the Financial Statements

For the Year Ended 30 June 2016

2. Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank and in hand	<u>642,077</u>	<u>580,953</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the cash and cash equivalent items in the statement of financial position as follows:

Cash and cash equivalents	<u>642,077</u>	<u>580,953</u>
---------------------------	----------------	----------------

3. Trade and other receivables

CURRENT

Trade receivables

<u>74,340</u>	<u>73,959</u>
---------------	---------------

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

4. Inventories

CURRENT

At cost:

Merchandise

<u>5,381</u>	<u>8,361</u>
--------------	--------------

<u>5,381</u>	<u>8,361</u>
--------------	--------------

5. Plant and equipment

PLANT AND EQUIPMENT

Office equipment

At cost

10,464	5,670
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Accumulated depreciation

(5,355)	(1,949)
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Total office equipment

<u>5,109</u>	<u>3,721</u>
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Computer software

At cost

1,050	1,050
-------	-------

Accumulated depreciation

(770)	(701)
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Total computer software

<u>280</u>	<u>349</u>
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Total plant and equipment

<u>5,389</u>	<u>4,070</u>
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Notes to the Financial Statements

For the Year Ended 30 June 2016

5. Plant and equipment (continued)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Office Equipment \$	Computer Software \$	Total \$
Year ended 30 June 2016			
Balance at the beginning of the year	3,721	349	4,070
Additions	4,794	0	4,794
Depreciation expense	(3,406)	(69)	(3,475)
Balance at the end of the year	5,109	280	5,389

6. Intangible Assets

	2016 \$	2015 \$
Patents, trademarks and other rights		
Cost	12,305	5,212
Accumulated amortisation and impairment	(4,387)	(2,324)
Total Intangibles	7,918	2,888
	Patents, trademarks and other rights \$	Total \$
Year ended 30 June 2016		
Balance at the beginning of the year	2,888	2,888
Additions	7,093	7,093
Amortisation charge	(2,063)	(2,063)
Closing value at 30 June 2016	7,918	7,918

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Notes to the Financial Statements

For the Year Ended 30 June 2016

7. Trade and other payables

	2016	2015
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	724	6,617
Net GST payable	8,531	1,207
Sundry payables and accrued expenses	61,306	12,159
Annual leave accrual	13,218	5,477
Total trade and other payables	<u>83,779</u>	<u>25,460</u>

8. Other Liabilities

CURRENT		
Unearned revenue	<u>315,200</u>	<u>306,818</u>

9. Revenue

Revenue		
- sale of goods	<u>39,514</u>	<u>50,776</u>
Other revenue		
- donations	118,207	184,569
- Functions & Fundraising	207,364	182,119
- Sponsorships	249,709	75,989
- Interest Received	6,576	3,120
- other revenue	23	7,342
	<u>581,879</u>	<u>453,139</u>
Total Revenue	<u>621,393</u>	<u>503,915</u>

10. Expenses

The result for the year includes the following significant expenses:

Wages and Salaries (Note A)	208,113	92,021
Superannuation contributions (Note B)	19,732	8,348
Other employee costs - (Note C)	8,900	6,787
Total Employee benefits expenses	<u>236,745</u>	<u>107,156</u>
Stock- merchandise cost	8,434	40,533
Rent	26,001	-

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Notes to the Financial Statements

For the Year Ended 30 June 2016

10. Expenses (continued)

Fundraising Expenses

	Note	2016 \$	2015 \$
Contract labour		60,684	28,144
Advertising and Promotion		29,662	15,985
Website Development		31,787	8,601
Employee benefits expenses (80% allocation)		139,762	85,725
Finance cost		4,163	2,856
Depreciation		5,538	2,549
Other fundraising expenses	14(a)	214,450	149,834
Total Fundraising expenses	14(a)	<u>486,046</u>	<u>293,694</u>

The following includes further breakdown of employment related expenses into Programs, Information and General categories:

Note A - Programs (\$83,245), Information (\$83,245) and General (\$41,623)

Note B - Programs (\$7,893), Information (\$7,893) and General (\$3,946)

Note C - Programs (\$3,560), Information (\$3,560) and General (\$1,780)

Note D - Programs (\$60,684)

11. Members' Guarantee

If the Company 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 Company. At 30 June 2016, the number of members were 4 (2015: 6).

12. Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$97,367 (2015: \$74,789).

13. Other Related Parties

Other related parties include close family member of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

There are no other related party transactions during the year (2015 None).

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Notes to the Financial Statements

For the Year Ended 30 June 2016

14. Information and Declaration furnished under the Charitable Fundraising Act 1991

The Company is registered under the Charitable Fundraising Act 1991 to conduct public fundraising activities.

(a). Details of aggregated gross income and expenses of fundraising activities

	2016	2015
	\$	\$
Donations	118,207	184,569
Functions & Fundraising	207,364	182,119
Sponsorships	249,709	75,989
Sale of merchandise	39,514	50,776
Total Income	614,794	493,453
Program, Support and Campaign expenses	259,344	152,301
Information, resources, website and merchandise expenses	125,368	79,683
General administration expenses	51,019	45,085
Travel related expenses	40,614	11,220
Finance charges	4,163	2,856
Depreciation and amortisation	5,538	2,549
Total expense (note 10)	486,046	293,694
Surplus from fundraising activities	128,748	199,759

(b). Statement showing how funds were applied for charitable purposes

The Company applies its funds towards the management of its Pink Hope programs, support services, information, tailored resources and community access to a Pink Hope Programs Manager and Health specialist. Pink Hope helps families access, understand and reduce their risk of breast and ovarian cancer.

(c). Fundraising appeals conducted throughout the year

During the financial period ended 30 June 2016, there were numerous fundraising activities held on behalf of the company by external and independent individuals acting as volunteers for the company's missions and objectives, out of which there being 5 major fundraising events as follows:

High Tea Melbourne	July 2015
Bright Pink Lipstick Day	September 2015
Run for Hope Victoria	February 2016
Pink Hope Movie Night	March 2016
Pink Hope Gala	June 2016

Pink Hope Community Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2016

15. Leasing Commitments

Operating leases

	2016	2015
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	26,602	24,639
- between one year and five years	26,522	53,125
	<u>53,124</u>	<u>77,764</u>

Pink Hope Community Limited entered into a non-cancellable office rental lease agreement for the period 15 June 2015 to 14 June 2018. Two months' rent free period has been received as a lease incentive. Rental increase of 7.7% on the first anniversary (15 June 2016). Increase in commitments following second anniversary in line with CPI or 4%, whichever is higher.

16. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2016 (30 June 2015: None).

17. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2016	2015
		\$	\$
Financial Assets			
Cash and cash equivalents	2	642,077	580,953
Loans and receivables	3	74,340	73,959
Total financial assets		<u>716,417</u>	<u>654,912</u>
Financial Liabilities			
Trade payables	7	724	6,617
Total financial liabilities		<u>724</u>	<u>6,617</u>

18. Auditors' Remuneration

Remuneration of the auditor of the company for:

- auditing and reviewing the financial statements	3,200	3,000
Total	<u>3,200</u>	<u>3,000</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2016

19. [Events Occurring After the Reporting Date](#)

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

20. [Company Details](#)

The registered office of and principal place of business of the company is:

Pink Hope Community Limited
Suite 305
20 Dale Street, Brookvale,
NSW 2100

Pink Hope Community Limited

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 11-26, are in accordance with the Australian Charities and Not-for-Profit Commission Act 2012 and Australian Charities and Not-for-Profit Commission Regulations 2013, and:
 - a. complies with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2016 and of the performance and cashflows for the year ended on that date of the Company.
2. 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.
3. pursuant to the Charitable Fundraising Regulation 2015:
 - a. the income statement is drawn up so as to give a true and fair view of income and expenditure of the Company for the year ended 30 June 2016 with respect to fundraising appeals;
 - b. the statement of financial position and statement of cash flows are drawn up so as to give a true and fair view of the state of affairs of the Company as at 30 June 2016 with respect to fundraising appeals;
 - c. the provisions of the *Charitable Fundraising Act 1991* and the regulations under the Act and the conditions attached to the Company have been complied with for the year ended 30 June 2016; and
 - d. the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of the fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.

Director
Mark Barter

Dated 19 December 2016