

Australian Committee for UNICEF Limited
ABN 35 060 581 437
Annual Financial Report – 31 December 2018

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These financial statements are the financial statements of Australian Committee for UNICEF Limited. The financial statements are presented in Australian dollars.

The company owns the registered business name UNICEF Australia and may be referred to by that name in this report.

UNICEF Australia is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Australian Committee for UNICEF Limited
Level 19, 320 Pitt Street
Sydney NSW 2000

This report was authorised for issue by the Directors on 22 May 2019.

Directors' Report

The Directors present their report for the Australian Committee for UNICEF Limited for the year ended 31 December 2018.

Directors

The Directors in office during the whole of the financial year and up to the date of this report were:

Mr Matt Comyn
Ms Suzanne Dvorak
Mr Toby Hall
Ms Elizabeth Macgregor
Ms Ann Sherry
Mr Colin Storrie
Ms Olivia Wirth

The following were appointed as Directors during the year and continue in office at the date of this report:

	Date of appointment
Ms Jacqui De Lacy	9-May-18

The following were appointed as Directors after the close of the year and continue in office at the date of this report:

	Date of appointment
Mr Nigel Andrade	19-Mar-19
Ms Tharani Jegatheeswaran	19-Mar-19

The following Directors resigned during or after the close of the year:

	Date of resignation
Ms Deeta Colvin (McGeoch)	25-May-18
Ms Nadika Garber	30-Nov-18
Ms Megan Quinn	28-Jan-19

UNICEF Australia - Objectives

UNICEF Australia's vision is to provide a fair chance for every child. We will provide this fair chance by being the children's champion and inspiring Australians to connect with UNICEF by raising funds and by protecting and promoting children's rights.

2018 was the first year of UNICEF Australia's four year strategic plan. During the 2018-21 period UNICEF Australia's goal is to accelerate our impact for children locally, regionally and globally. UNICEF Australia will achieve this via four strategic pillars:

- (1) engage our supporters,
- (2) inspire a connection to our brand and work,
- (3) elevate our voice, and
- (4) advance a culture of excellence.

UNICEF Australia's efforts to accelerate impact for children are guided by the Convention on the Rights of Child which articulates every child's right to survive and thrive, to learn and grow, to make their voice heard and to reach their full potential. Our impact for children is measured through our contribution globally, regionally and locally.

Our global contribution includes distributing funds to UNICEF programs which deliver positive outcomes for children's nutrition, health, education, social inclusion, sanitation and support environments where children are protected and included. UNICEF Australia also directs funding to support humanitarian action in emergencies where children are especially vulnerable to disease, malnutrition and violence.

Our regional contribution across the East Asia & Pacific region is focused on water, sanitation and hygiene; early childhood development; child survival and child protection programs. To expand our impact across these thematic areas, UNICEF Australia works in collaboration with the Australian Government and private sector to mobilise additional resources for UNICEF programs and improve their effectiveness.

Our local contribution includes investment in community education which raises awareness of child rights' and invites active involvement from the Australian Community to protect and promote these for the benefit of children everywhere. UNICEF Australia works with key stakeholders including the government to assess the impact of social and economic policy on children's well-being and advocates for changes that improve outcomes for every child.

Principal activities and results in 2018

In 2018, UNICEF Australia, through the generous support of our donors and supporters, continued working to protect and advance the rights of children in Australia, our region and across the world and to ensure each child has a fair chance.

Total revenue in 2018 grew to \$36.4 million (2017: \$31.0 million) reflecting the continued generosity and compassion of the Australian community. In the second year since UNICEF Australia secured full accreditation with the Department of Foreign Affairs and Trade (DFAT) the organisation benefited from increased grant revenue received through the Australian NGO Cooperation Program (ANCP), rising from \$0.5 million in 2017 to \$3.0 million. UNICEF Australia received additional support through bequests in 2018 with \$2.7 million (2017: \$1.3 million) received through individuals leaving a legacy that transforms children's lives. Further revenue growth was observed in non-monetary donations and UNICEF PFP grants as the organisation successfully leveraged partnerships with the private sector and the wider UNICEF network to increase investment in fundraising and drive impact for children.

UNICEF Australia's contribution to children increased to \$18.9 million (2017: \$17.3 million) with a greater proportion of funds being directed to local and regional activities. Community Education expenditure rose to \$2.3 million (2017: \$1.5 million) in line with our strategic priority to elevate our voice and better engage with our supporters. The increase reflects additional investment in the Young Ambassador program which provides young people across Australia with a platform to speak up for children's rights and follows a national consultation of over 500 children and young people which identified 191 recommendations and culminated in the Children's Report to the United Nations Committee on the Rights of the Child. UNICEF Australia's investment in directly supported programs across the East Asia & Pacific region grew from \$4.0 million (2017) to \$6.5 million (2018) reflecting the additional funding received from DFAT for these activities.

UNICEF Australia's contribution to global programs reduced with reduced funding for humanitarian action in emergencies; down from \$3.9 million (2017) to \$2.8 million (2018) as the nutrition crises across South Sudan, Yemen, Somalia and Nigeria abated following distribution of \$2.5 million in funds in 2017.

UNICEF Australia continues to invest in its Global Parent pledge program. The objective of securing the commitment and support of long term regular givers (Global Parents) cannot be attained without significant short term investment; funded through UNICEF PFP grants as well as funding from the Australian community. While these programs result in short term costs they are expected to generate healthy long-term returns which will increase our impact and ensure more children not only survive but thrive.

UNICEF Australia continues to raise funds from UNICEF Change for Good, UNICEF Checkout for Children, public

appeals, other corporate partnerships, philanthropists, major donors and bequests. We would like to thank all our supporters for their continued support of UNICEF and its work around the world.

Key performance indicators

Key performance indicators measure UNICEF Australia's contribution to children and the efficiency and effectiveness of fundraising and administration activities.

	2018	2017
Total public expenditure*	\$30,234,834	\$27,243,818
Funds to international programs	\$15,826,842	\$15,246,555
Investment in program support costs	\$788,473	\$513,794
Investment in community education	\$2,297,724	\$1,542,610
Contribution to Children	\$18,913,039	\$17,302,959
% of public expenditure spent on children	63%	64%
Public Fundraising Costs	\$8,839,660	\$7,347,227
% of public expenditure spent on fundraising costs	29%	27%
Accountability and administration costs	\$2,482,135	\$2,593,632
% of public expenditure spent on accountability and administration costs	8%	9%

Whilst UNICEF Australia's contribution to children increased year on year, this fell as a proportion of public expenditure as the organisation increased its investment in fundraising with a view on driving longer-term impact for children. Accountability and administration costs include essential investments required to efficiently run the organisation and include staff costs for finance, human resources and administration as well as audit fees and insurances. Accountability and administration costs reduced in 2018, both in financial terms and also as a proportion of expenditure.

	2018	2017
Fundraising Revenue**	\$27,355,554	\$26,376,226
Return on Fundraising Investment (Fundraising Revenue / Public Fundraising Costs)	3.09	3.59

UNICEF Australia's return on fundraising investment reduced in 2018 as the organisation increased its investment in Global Parent acquisition activities for which revenue is substantially recognised in future years. Nonetheless, for every dollar of public expenditure invested in fundraising the organisation generated more than \$3 in revenue hence accelerating impact for children.

In line with our strategy to grow committed regular givers the following KPI's are also monitored:

	2018	2017
Number of Global Parents at year end	30,428	29,971
Total Global Parent income	\$13,541,718	\$13,587,535
% of Fundraising Revenue	50%	52%

The number of Global Parents increased in 2018 but not as significantly as expected. Higher than anticipated cancellation rates were observed following the termination of American Express cards by numerous banks which restricted our ability to process ongoing monthly gifts from our donors. Improved retention of Global Parent donations is a key focus for 2019 activity.

* Excludes amounts funded by UNICEF grants and non-monetary donations.

** Includes monetary donations and gifts, bequests and legacies and commercial activities income.

Operating Results

	2018	2017
	\$	\$
Revenue from continuing operations	36,368,798	30,986,408
Staff Expenditure	8,330,604	7,879,316
Marketing & Promotion Costs	7,380,975	4,791,733
Travel Expenditure	566,118	478,229
Operational Costs	1,893,609	1,871,506
Depreciation & Amortisation	268,351	245,908
Non-Monetary Expenditure	1,795,299	665,728
International Programs Expenditure	15,826,842	15,246,555
Total Expenditure	36,061,799	31,178,976
Excess/(deficiency) of revenue over expenditure for the year	306,999	(192,568)
Other comprehensive income	0	47,299
Excess/(deficiency) of comprehensive revenue over expenditure for the year	306,999	(145,269)

Australian Council For International Development (ACFID) Code of Conduct

The company is a member of the Australian Council for International Development (ACFID) and has applied the principles of the ACFID Code of Conduct for Non-Government Development Organisations. The application of these principles includes certain disclosures in the attached financial statements and notes.

Information on Directors

Ms Ann Sherry AO (Chair) is one of Australia's leading business executives with a career that spans Government, Banking and Cruise Tourism. She is currently Chairman of Carnival Australia, the largest cruise ship operator in Australasia and a division of Carnival Corporation & Plc. After joining as Chief Executive Officer in 2007, she has transformed the industry and growth has been in double digits each year since. Ann currently holds non-executive roles with National Australia Bank, Sydney Airport, Palladium Group, Australian Rugby Union, Cape York Partnerships, Museum of Contemporary Art Australia, Infrastructure Victoria and Committee for Sydney and Philanthropy Australia. The Australian Government awarded Ann the Centenary Medal in 2001 and in 2004 she was awarded an Order of Australia. In 2015, Ann was named as the overall winner of the Australian Financial Review 100 Women of Influence Award. Ann devotes considerable energy to her passion for women's rights, currently convening the MCC STEM group, opportunity for Indigenous communities, philanthropy and to the arts.

Mr Matt Comyn was appointed Chief Executive Officer of the Commonwealth Bank of Australia in April 2018. Matt has 20 years' experience in banking across business, institutional, retail and wealth management. Since joining Commonwealth Bank in 1999 he has held a number of senior leadership roles. Prior to his appointment as CEO, he was the Group Executive for the Retail Banking Services division, which accounts for half of the Bank's profit and leads development of digital products and services for the Bank. Between 2006 and 2010, Matt was Managing Director of CBA's biggest digital business, CommSec, overseeing a significant modernisation of its technology platform and growing market share and profitability. As CEO, Matt is focused on building a simpler bank fully aligned to meeting the needs of customers in core markets, underpinned by stronger risk management and a continuing commitment to innovation and customer service.

Ms Jacqui De Lacy is Abt Associates Australia's Managing Director. Abt Associates is a global company with over 3000 staff working across over 50 countries committed to improving the lives of disadvantaged people. Jacqui has a deep practical understanding of development issues and operations and has the capacity to shape, implement, and review individual programs and large development portfolios in ways that maximize impact. She is a thought leader on development issues in the Asia Pacific region. Prior to joining Abt in 2014, Ms De Lacy

represented the Australian Aid program (then AusAid, now DFAT) in multiple high-profile positions, including head of AusAid Indonesia, head of the Food Security Branch, Global Crisis Response Coordinator, and Head of the PNG Branch in Canberra. She has extensive experience representing Australia on UN funds and programs, at conferences, and in development policy and issues, including ASEAN, APEC, and the G20. Ms De Lacy holds a B.A. in Economics (Honours) from the University of Queensland, Australia.

Ms Suzanne Dvorak currently works as a consultant with The University of Melbourne. Until recently, she was the Executive General Manager, residential communities at Australian Unity. She has over 15 years' experience in health care, social and community support services. Over her extensive career she has held distinguished roles including CEO of Vivir Healthcare, CEO of Save the Children Australia and CEO of Marie Stopes International. Ms Dvorak spent much of her earlier career overseas, with roles at the United Nations Transitional Authority in Cambodia and Thailand and with Telstra in Cambodia and Vietnam. In 2005, Ms Dvorak was recognised for her outstanding career achievements when she was awarded the Hudson Community and Government Award as part of the National Telstra Business Women's Awards.

Mr Toby Hall was appointed CEO of St Vincent's Health Australia, Australia's second largest healthcare provider in April 2014. Prior to this, he was the CEO of Mission Australia, COO of World Vision Australia and CEO of South Taranaki District Council. He is a qualified accountant with an MBA. Toby is passionate about helping people "be the best they can be". Toby chaired ASX listed Sterihealth prior to delisting and was a director of Working Links the largest welfare to work provider to the U.K government. He has also been a director of Goodstart, Australia's largest provider of early learning services to over 60,000 children and various Christian community organisations. He has been a member of a range of government committees and advisory panels.

Ms Elizabeth Macgregor began her career as curator/driver of the Scottish Arts Council's Travelling Gallery. Taking exhibitions on board a converted bus to remote areas and inner city estates ignited her commitment to engaging new audiences with the work of living artists. In 1989 she was appointed director of Ikon Gallery, Birmingham and in 1999 she took up the directorship of Sydney's Museum of Contemporary Art when it was facing significant challenges. To secure its future, she negotiated a new funding model with government, sponsors and philanthropists. Committed to supporting artists and expanding the audience for art, she has initiated a unique program of partnerships in Western Sydney through the C3West project and with regional and interstate galleries through touring projects. She successfully negotiated a \$53m building redevelopment completed in 2012 which includes a National Centre for Creative Learning, connecting artists with audiences across Australia and around the world. Last year, the Museum attracted over 1m visitors. Ms Macgregor's innovation and contribution to the arts has been recognised with a Centenary Medal in 2003, the Veve Clicquot Business Woman Award in 2008 and the Australia Business Arts Foundation Dame Elisabeth Murdoch Arts Business Leadership Award in 2008. In 2011 she received an OBE in the Queen's Birthday Honours List and the Australia Council Visual Arts Medal. In 2016 she was named NSW Creative Laureate and one of Australia's True Leaders by the AFR Magazine.

Mr Colin Storie has over 20 years' experience in senior finance roles in listed companies, investment banking and government. This includes Group Treasurer, Deputy Chief Financial Officer and Chief Financial Officer roles within Qantas Airways Ltd and AMP Ltd. He has also held a number of director roles in both listed and non-listed companies. Currently, Colin is an independent non-executive Director of AIG Australia Ltd and is Chair of both its Board Audit and Risk Committees. He is also an independent non-executive director of North Queensland Airports. He holds a Bachelor of Commerce, a graduate diploma in management, is a fellow of the Australian Society of Certified Practising Accountants (FCPA) and a Graduate of the Australian Institute of Company Directors (GAICD).

Ms Olivia Wirth, as Chief Executive Officer, Qantas Loyalty, is responsible for leading the airline's Frequent Flyer and Business Rewards programs and the diversification of Qantas Loyalty into digital ventures across financial services, retail, health and wellbeing, and data and marketing. She is a member of the Qantas Group Management Committee and has been since 2012. Olivia joined Qantas in 2009 and has held several positions, including the role of Chief Customer Officer, Group Executive Brand Marketing & Corporate Affairs and Group

Executive for Government Relations and Corporate Affairs. She has over 20 years of experience in public affairs, marketing and government relations. Prior to Qantas, Olivia held senior executive roles for a number of organisations including lobby group, the Tourism & Transport Forum, the Australian Tourist Commission and the Princes' Trust in the UK. Olivia is also a Board Director of the Great Barrier Reef Foundation.

Meetings of Directors

The number of meetings of the company's Directors held during the year ended 31 December 2018 and the number of meetings attended by each Director were:

	Board Meetings (6 held)		Audit & Risk Committee (4 held)	
	<i>Meetings entitled to attend</i>	<i>Meetings attended</i>	<i>Meetings entitled to attend</i>	<i>Meetings attended</i>
D Colvin	2	2		
M Comyn	6	1		
J De Lacy	5	4		
S Dvorak	6	4		
N Garber	6	3	4	3
T Hall	6	5	3	3
E Macgregor	6	4		
M Quinn	6	3		
C Storrie	6	5	4	4
A Sherry	6	6		
O Wirth	6	4		

The directors of UNICEF Australia serve voluntarily and do not receive any remuneration for their services as directors. Expenses incurred by directors on behalf of the company are reimbursed on a cost only basis.

Liability of members

The liability of members is limited to contributing up to \$1.00 for payment of the company's debts and liabilities, and of the costs, charges and expenses of winding up and for adjustments of the rights of the contributions amongst themselves. There were 52 members as at 31 December 2018.

Dividends

The company's constitution does not permit dividends to be paid.

Indemnification and Insurance of Directors and Officers

UNICEF Australia maintains Association Liability Insurance which provides cover for all current and former directors and officers, against all costs and expenses involved in defending legal actions and any resulting payments arising from a liability to persons (other than the Company), except where the liability arises out of conduct involving a lack of good faith. The premium paid for the Association Liability insurance policy was \$4,200 (2017: \$3,900).

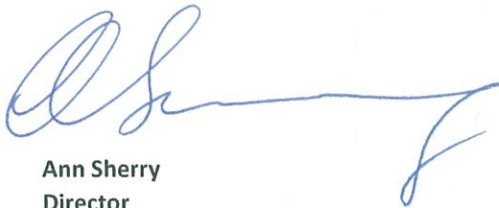
Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration that forms part of the Directors' Report is set out on page 9.

Auditor

KPMG continues in office in accordance with Section 60-C of the Australian Charities and Not-for-profits Commission Act 2012.

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

A handwritten signature in blue ink, appearing to read 'A Sherry', is written over a horizontal line.

Ann Sherry
Director

Sydney
22 May 2019



Lead Auditor's Independence Declaration under Subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of Australian Committee for UNICEF Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Australian Committee for UNICEF Limited for the financial year ended 31 December 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Stephen Isaac

Partner

Sydney

22 May 2019

Statement of Comprehensive Income

For the year ended 31 December 2018

	Notes	2018	2017
		\$	\$
CONTINUING OPERATIONS			
REVENUE			
Donations and Gifts			
- Monetary		24,656,808	25,053,335
- Non Monetary		1,795,299	665,728
Bequests and Legacies		2,694,201	1,322,891
Grants			
- Department of Foreign Affairs and Trade		2,982,028	546,585
- Overseas UNICEF		4,031,666	3,269,430
Commercial Activities Income		4,545	-
Investment Income		203,074	125,384
Other Income		1,177	3,055
TOTAL REVENUE		36,368,798	30,986,408
EXPENDITURE			
	2		
International Aid and Development Programs Expenditure			
International Programs			
Funds to international programs			
- UNICEF Australia directly supported programs		6,472,292	4,010,284
- UNICEF global programs		9,354,550	11,236,271
		15,826,842	15,246,555
- Program support costs		788,473	513,794
		16,615,315	15,760,349
Community Education		2,297,724	1,542,610
Total Contribution to Children		18,913,039	17,302,959
Fundraising Costs			
- Public		8,839,660	7,347,227
- Funded by UNICEF		4,031,666	3,269,430
		12,871,326	10,616,657
Accountability and Administration		2,482,135	2,593,632
Non-Monetary Expenditure		1,795,299	665,728
TOTAL EXPENDITURE		36,061,799	31,178,976
EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENDITURE		306,999	(192,568)
Other Comprehensive Income		-	47,299
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		306,999	(145,269)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2018

	Notes	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	3	8,831,286	7,889,581
Trade and other receivables	4	606,149	562,529
Prepayments	5	397,252	628,715
Total current assets		9,834,687	9,080,825
Non-current assets			
Financial assets	6	-	367,931
Plant and equipment	7	212,401	339,166
Intangibles	8	303,218	439,584
Total non-current assets		515,619	1,146,681
Total assets		10,350,306	10,227,506
Liabilities			
Current liabilities			
Trade and other payables	9	5,644,220	5,783,112
Provisions	10	338,480	374,507
Total current liabilities		5,982,700	6,157,619
Non-current liabilities			
Provisions	11	95,079	104,359
Total non-current liabilities		95,079	104,359
Total liabilities		6,077,779	6,261,978
Net Assets		4,272,527	3,965,528
Equity			
Reserves	14	4,272,527	3,965,528
Total Equity		4,272,527	3,965,528

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 December 2018

	Notes	Reserves \$
Balance at 1 January 2017		4,110,797
Excess of revenue over expenditure		(192,568)
Other comprehensive income		47,299
Balance at 31 December 2017		<u>3,965,528</u>
Excess of revenue over expenditure		306,999
Other comprehensive income		-
Balance at 31 December 2018	14	<u>4,272,527</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Donations, fundraising and bequests receipts		26,706,227	25,799,081
UNICEF investment grants received		4,040,031	3,232,572
Department of Foreign Affairs and Trade grants received		2,638,183	1,999,289
Commercial Activities Income received		4,545	-
Investment income received		189,657	127,617
Other income received		1,177	3,055
Project outgoings		(15,309,116)	(16,661,749)
Other outgoings		(17,634,069)	(14,156,558)
Net cash inflow from operating activities		636,635	343,307
Cash flows from investing activities			
Proceeds from sale of investment		310,291	-
Payments for plant and equipment		(5,221)	(347,963)
Payments for intangibles		-	(194,432)
Net cash inflow/(outflow) from investing activities		305,070	(542,395)
Net increase in cash and cash equivalents		941,705	(199,088)
Cash and cash equivalents at the beginning of the financial year		7,889,581	8,088,669
Cash and cash equivalents at end of year	3	8,831,286	7,889,581

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

As at 31 December 2018

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1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Australian Committee for UNICEF Limited ("UNICEF Australia"). UNICEF Australia is a company limited by guarantee. The liability of each member of the company is limited to \$1.00.

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations, the Corporations Act 2001, Australian charities and Not-for-profits Commission Act 2012 and the ACFID Code of Conduct. UNICEF Australia is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Compliance with Australian Accounting Standards – Reduced Disclosure Requirements

The financial statements of UNICEF Australia comply with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board (AASB).

New and amended standards adopted by the Company

The organisation adopted the following new standards, amendments to standards and interpretations which became effective for reporting periods beginning 1 January 2018.

AASB 9 Financial Instruments

AASB 9 replaces the previous guidance in AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

UNICEF Australia disposed of its unit trust investment during the year with realised investment losses recognised in the income statement as required by AASB 9. UNICEF Australia have completed a review of our other financial instruments against the requirements of AASB 9 with no material changes arising from implementation of the new standard.

Early adoption of standards

The Company has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 January 2018.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019, and have not been applied in preparing these financial statements.

AASB 15 Revenue from Contracts with Customers & AASB 1058 - Income of Not-for-Profit Entities

AASB 15 and AASB 1058 establish a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 *Revenue*, AASB 111 *Construction Contracts* and IFRIC 13 *Customer Royalty Programmes*.

UNICEF Australia have completed a review of its revenue streams against the requirements of AASB 15 and AASB 1058 and currently recognise revenue in accordance with the associated contracts and performance obligations. No material change is anticipated on adoption of these standards from 1 January 2019.

AASB 16 Leases

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items.

Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

AASB 16 replaces existing leases guidance including AASB 117 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019. Early adoption is permitted for entities that also adopt AASB 15 at or before the date of initial application of AASB 16.

UNICEF Australia has completed an assessment of the impact of AASB 16 and intend to apply the full retrospective approach. We anticipate this to result in a \$14,946 reduction in the 2018 surplus and a \$614,182 increase in assets and \$629,128 increase in liabilities as at 31 December 2018.

Historical Cost Convention

These financial statements have been prepared under the historical cost basis.

Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical results and other factors, including expectations of future events which are believed to be reasonable under the circumstances. Management has not made significant judgements that could have a material adjustment to the carrying amount of assets and liabilities within the next annual reporting period.

Compliance with ACFID Code

The financial statements of UNICEF Australia comply with the presentation and disclosure requirements of the ACFID Code of Conduct. The ACFID Code is available on the ACFID website www.acfid.asn.au.

(b) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into Australian currency using the average exchange rates calculated during the month the transactions take place. Foreign currency account balances are revalued on a monthly basis using the exchange rate prevailing at month end. Foreign exchange gains and losses resulting from the monthly revaluation and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised when the amount of the revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific performance obligations, where relevant, have been met.

(i) Donations and Gifts

Donation revenue is recognised when it is received.

(ii) Bequests and Legacies

Bequests and legacies are recognised when they are received.

(iii) Grants

Grants are recognised as revenue as they are expended on the programs or activities to which they relate. Unexpended grants are recognised as liabilities to reflect the obligation to perform those programs or activities that are yet to be completed.

(iv) Interest Income

Interest income is recognised on time proportion basis using the effective interest rate method.

(v) Non-monetary Donations

The group receives donated services such as legal support, advertising and media space.

Where the value of the non-monetary donation is material and a fair value is reasonably determinable the revenue and corresponding expense are recognised when the non-monetary donation is received.

(d) Income Tax

No income tax is payable, as the group has income tax exempt status with the Australian Taxation Office.

(e) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 14). Payments made under operating leases are charged to the income statement in the periods in which they are incurred.

(f) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, and deposits held at call with financial institutions.

(g) Trade Receivables

Trade receivables are due for settlement no more than 90 days from date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows.

The amount of the provision is recognised in the income statement. When a trade receivable for which a provision had been recognised becomes uncollectible in a subsequent period, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the income statement.

(h) Plant & Equipment

Plant and equipment are brought to account at historical cost less, where applicable, any accumulated depreciation or amortisation. These assets are depreciated over their useful lives. The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of the disposal, and is included in the income statement in the year of disposal.

The rates and basis of depreciation are as follows:

Leasehold Improvements	Straight line	3 years
Plant and Equipment	Straight line	4 years
Motor Vehicles	Straight line	4 years

(i) Intangibles

Intangibles are brought to account at historical cost less, where applicable, any accumulated amortisation. These assets are amortised over their useful lives. The gain or loss on disposal of all intangibles is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of the disposal, and is included in the income statement in the year of disposal.

The rates and basis of amortisation are as follows:

Software	Straight line	4 years
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(j) Other Financial Assets

Other financial assets are classified in the following categories: amortised cost, fair value through profit or loss and fair value through other comprehensive income. The classification depends on the business model for managing the financial asset and the characteristics of contractual cash flows. During the year, the company had financial assets falling into categories of amortised cost and fair value through profit or loss.

(i) Amortised cost

Loans and receivables are recognised fair value and subsequently measured at amortised cost. They arise when the company provides goods or services directly to a debtor with no intention of selling the receivable. The company assess at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. This occurs when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position (note 5).

(ii) Fair value through profit or loss

Financial assets are measured at fair value through profit or loss where they are not measured at amortised cost and for which contractual cash flows are not solely payments of principal and interest on the principal amount outstanding. Assets in this category are classified as current assets if they are expected to be settled within 12 months, otherwise they are classified as non-current. These assets are initially recognised at fair value and subsequently measured at fair value through profit or loss.

(k) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

(l) Program Funding Payable

The company strives to remit the maximum percentage of funds received to UNICEF international programs in accordance with a cooperation agreement. Funds due to UNICEF international programs under this agreement and which have not yet been remitted at balance date are calculated and accrued as a liability in the statement of financial position and remittance to UNICEF within six months of year end.

(n) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an expense.

(o) Employee Benefits

(i) Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including annual leave expected to be settled within 12 months of the reporting date are recognised in provisions 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. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long Service Leave

The liability for long service leave is recognised in provisions 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. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using the Australian Corporate Bond discount rate at the reporting date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflow.

(iii) Retirement Benefit Obligations

All employees of the company are entitled to benefits from superannuation on retirement, death or disability. The company contributes to defined contribution superannuation funds as nominated by the individual employees and these contributions are recognised as an expense as they become payable.

2 Expenditure

Expenditure has been classified by function in accordance with ACFID's guidelines in the Company's statement of comprehensive income. The table below presents expenditure by nature:

	2018 \$	2017 \$
Staff Expenditure	8,330,604	7,879,316
Marketing & Promotion Costs	7,380,975	4,791,733
Travel Expenditure	566,118	478,229
Operational Costs	1,893,609	1,871,506
Depreciation & Amortisation	268,351	245,908
Non-Monetary Expenditure	1,795,299	665,728
International Programs Expenditure	15,826,842	15,246,555
	<u>36,061,799</u>	<u>31,178,976</u>

Of the \$2,589,242 increase in Marketing & Promotion costs, \$1,584,410 was financed from increased UNICEF grants in 2018 and included additional investment in bequests and legacies campaigns which are anticipated to generate additional revenue in future years.

3 Current assets – Cash and cash equivalents

	2018 \$	2017 \$
Cash	1,077,261	1,985,556
Deposits	7,754,025	5,904,025
	<u>8,831,286</u>	<u>7,889,581</u>

4 Current assets - Trade and other receivables

	2018 \$	2017 \$
Trade receivables	-	13,416
Accrued income	162,013	88,473
Other receivables	496,235	470,367
Provision for impairment	(52,099)	(9,727)
	<u>606,149</u>	<u>562,529</u>

Other receivables include transactions and invoicing other than for the sale of merchandise. The receivables are non-interest bearing. At year end other receivables included \$382,459 (2017: \$287,724) receivable from the tax office for GST credits.

For details on intercompany balances see note 16 on related party transactions and balances.

5 Current assets - Prepayments

	2018 \$	2017 \$
Prepayments - UNICEF	250,437	506,852
Prepayments - Other	146,815	121,863
	<u>397,252</u>	<u>628,715</u>

6 Non-current assets – Financial assets available for sale

	2018	2017
	\$	\$
Opening value at the start of the year	367,931	320,632
Unrealised gain/(loss) recognised in other comprehensive income	-	47,299
Realised gain/(loss) recognised in statement of comprehensive income	(57,639)	-
Proceeds on disposal	(310,291)	-
Closing value at the end of the year	<u>-</u>	<u>367,931</u>

The company disposed of its unit trust investment during the year in line with its commitment to sustainable investment practices.

7 Non-current assets - Plant and equipment

	Lease-hold improvements	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$
At 31 December 2017				
Cost	298,217	179,477	16,642	494,336
Accumulated depreciation	(56,606)	(82,152)	(16,412)	(155,170)
Net book amount	<u>241,611</u>	<u>97,325</u>	<u>230</u>	<u>339,166</u>
Year ended 31 December 2018				
Opening net book amount	241,611	97,325	230	339,166
Additions	2,000	3,221	-	5,221
Depreciation charge	(100,716)	(31,194)	(76)	(131,986)
Closing net book amount	<u>142,895</u>	<u>69,352</u>	<u>154</u>	<u>212,401</u>
At 31 December 2018				
Cost	300,217	182,699	16,642	499,558
Accumulated depreciation	(157,322)	(113,347)	(16,488)	(287,157)
Net book amount	<u>142,895</u>	<u>69,352</u>	<u>154</u>	<u>212,401</u>

8 Non-current assets - Intangibles

	Software
	\$
At 31 December 2017	
Cost	896,660
Accumulated amortisation	(457,076)
Net book amount	<u>439,584</u>
Year ended 31 December 2018	
Opening net book amount	439,584
Amortisation charge	(136,365)
Closing net book amount	<u>303,218</u>
At 31 December 2018	
Cost	896,660
Accumulated amortisation	(593,441)
Net book amount	<u>303,218</u>

9 Current liabilities - Trade and other payables

	2018	2017
	\$	\$
Trade payables	642,288	831,796
Deferred Grants - Department of Foreign Affairs and Trade	1,153,879	1,497,724
Deferred Grants - UNICEF	26,195	17,830
Program funding payable	3,601,908	3,136,783
Other payables	219,950	298,979
	5,644,220	5,783,112

10 Current liabilities - Provisions

	2018	2017
	\$	\$
Annual leave provision	304,338	333,312
Provision for long service leave	32,323	39,376
Provision for make good on leased premises	1,819	1,819
	338,480	374,507

11 Non-current liabilities - Provisions

	2018	2017
	\$	\$
Provision for long service leave	55,079	64,359
Provision for make good on leased premises	40,000	40,000
	95,079	104,359

12 Contingencies

There are no contingent liabilities at balance date.

13 Commitments

(a) Lease commitments - non-cancellable operating lease

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2018	2017
	\$	\$
Within one year	478,748	478,748
Later than one year but not later than five years	228,868	707,616
	707,616	1,186,364

Operating leases

The company currently leases premises under an operating lease expiring in less than 5 years. The company also leases various plant and machinery under non-cancellable operating leases.

14 Reserves

Reserves are established to ensure that UNICEF Australia is able to meet its commitments, obligations and other contingencies, and deliver on its objectives in the unanticipated event of significant financial difficulties. It is UNICEF Australia's policy to retain only sufficient reserves to safeguard the continuity of its operations. The board of UNICEF Australia reviews and approves the level of reserves held periodically.

15 Related party transactions

(a) Transactions with related parties

The following transactions occurred with related parties:

Nature of Relationship and Transactions

UNICEF

The Company is a UNICEF National Committee, one of 34 such Committees around the world. The Company's operations are subject to performance in accordance with the cooperation agreement with UNICEF. Under this agreement the Company strives to remit 75% of funds raised to UNICEF international programs.

	2018	2017
	\$	\$
<i>Outstanding balances arising from transactions:</i>		
Aggregate amount payable to UNICEF international programs at balance date	3,601,908	3,136,783
<i>Value of transactions:</i>		
During the year UNICEF approved and remitted funds to the company to undertake market development and fundraising activities. Funds unspent at year end remain a liability to UNICEF Australia until spent.	26,195	17,830
Total remittances to UNICEF international programs during the period	15,826,842	15,246,555
During the year UNICEF approved funds to the company to undertake market development and fundraising activities. Total expenditure funded by UNICEF during the year	4,031,666	3,269,430
Reimbursement by UNICEF for expenses incurred	-	15,760
Payments to UNICEF Mutual Assistance Fund	8,466	-
Payments to UNICEF during the year	9,730	3,012
UNICEF or a National Committee may on occasion enter into a fundraising relationship with a global company that operates in multiple markets in which other National Committees have a presence. Where revenue is collected centrally it is then soft credited to the National Committee in whose market the funds were raised, as income and recognised as a 100% contribution back to UNICEF international programs. In 2018 the company received soft credits from a multitude of global corporate partners.		
Soft Credited Income received, also included in funds remitted to UNICEF international programs	584,659	573,614

UNICEF National Committees & Country Offices

On occasion the company transacts directly with other UNICEF committees and offices.

Outstanding balances arising from transactions:

Amount receivable from the UNICEF USA office for expenses incurred locally	-	13,416
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Value of transactions:

Payment to the UNICEF New Zealand office for cost of joint Board orientation	2,273	-
Payment to the UNICEF Cambodia country office for expenses incurred locally	-	1,641

Key Management Personnel

Key management personnel are those persons who have the authority and responsibility for planning, directing and controlling the activities of the Company.

	2018	2017
	\$	\$
<i>Value of transactions:</i>		
Compensation for key management personnel:		
- short term benefits	1,019,319	871,514
- post-employment benefits (superannuation contributions)	98,581	82,862
- termination benefits	30,287	-
Total compensation for key management personnel	<u>1,148,187</u>	<u>954,376</u>

Directors' Transactions

The directors of UNICEF Australia serve voluntarily and do not receive any remuneration for their services as directors. Expenses incurred by directors on behalf of the company are reimbursed on a cost only basis. An amount of \$4,200 (2017: \$3,900) was paid for Directors and Officers liability insurance.

Mr Matt Comyn is Chief Executive Officer, of the Commonwealth Bank of Australia (CBA). During the year, UNICEF Australia received interest from CBA of \$44,182 (2017: \$39,863) and made payments of \$73,466 (2017: \$23,978) for bank fees. Mr Comyn did not receive any benefit from this association.

Ms Olivia Wirth is Chief Executive Officer, Loyalty at Qantas Airways Ltd. During the year, UNICEF Australia received donation income and non-monetary support from Qantas of \$80,850 (2017: \$101,545). Ms Wirth did not receive any benefit from this association.

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

16 Economic dependency

The operations of the company depends to a significant extent on the use of the UNICEF name, which is granted under a Cooperation Agreement with UNICEF.

17 Fundraising appeals income and expenses

Donation income includes funds raised for UNICEF programs from public appeals, the UNICEF Global Parent monthly giving program, UNICEF Change for Good, UNICEF Checkout for Children, other corporate partnerships and legacies and bequests.

Non-monetary donations includes donated services such as pro-bono legal and research services, voluntary help, community service radio and television announcements, and advertising support. Where the value of the non-monetary donation is material and a fair value is reasonably determinable, the revenue and corresponding expense are recognised when the non-monetary donation is received. As the non-monetary donation is not a cash donation and cannot be allocated to programs (or otherwise) the value has been excluded from the analysis below.

	2018 \$	2017 \$
Gross Proceeds from Fundraising Activities ¹	24,656,808	25,053,335
Less: Total Costs of Fundraising ²	8,598,332	7,065,463
Net Surplus	16,058,477	17,987,872

^{1 & 2} Excludes legacies & bequests and non-monetary donations

Total Costs of Fundraising	8,598,332		7,065,463	
Gross proceeds from fundraising	24,656,808	35%	25,053,335	28%
Net surplus from fundraising	16,058,477		17,987,872	
Gross proceeds from fundraising	24,656,808	65%	25,053,335	72%

Appeals in which traders were engaged UA used external agencies for Face to Face and Telemarketing Recruitment of Global Parents in 2018

Gross Income ³	6,846,001	4,869,212
Direct Costs	3,464,731	1,855,754

³ Gross income has been extrapolated to reflect the full expected benefit from the acquisition of a Global Parent assuming an average monthly gift of \$28.77 (2017: \$39.09) and attrition of 2.64% per month (2017: 2.04%)

18 Events occurring after the balance sheet date

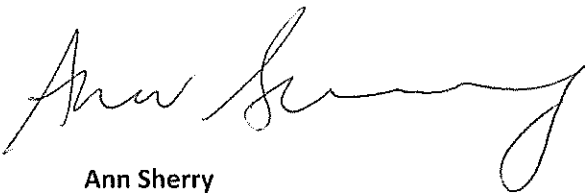
No matters have arisen since the end of the financial year which have a material impact on these financial statements and notes as presented.

Directors' declaration

In the opinion of the directors of Australian Committee for UNICEF Limited (the Company):

- (a) the financial statements and notes that are set out on pages 10 to 25 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the ACFID Code of Conduct, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Regime and the Australian Charities and Not-for-profits Commission Regulation 2013 ; 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;
- (c) the accounts give a true and fair view of all income and expenditure with respect to fundraising appeals;
- (d) the company has complied with the provisions and regulations of the Charitable Fundraising Act 1991 (NSW) and the conditions attached to the fundraising authority; and
- (e) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

Signed in accordance with a resolution of the directors:



Ann Sherry
Director

Sydney
22 May 2019



Independent Auditor's Report

To the members of Australian Committee for UNICEF Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report**, of the Australian Committee for UNICEF Limited (the Company).

In our opinion, the accompanying **Financial Report** of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2018, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Reduced Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- iii. The Company complied in all material respects with the financial reporting requirements of the Australian Council for International Development (ACFID) Code of Conduct.

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2018.
- ii. Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration of the Company.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Other information

Other Information is financial and non-financial information in Australian Committee for UNICEF Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosures Requirements, the ACFID Code of Conduct and the ACNC.
- ii. Preparing the Financial Report in accordance with Section 24(2) of the Charitable Fundraising (NSW) Act 1991 and Regulations and with Section 15(1) and 15(2) of the WA Charitable Collections Act 1946 and Regulations 1947 (the Acts and Regulations).
- iii. Implementing necessary internal control 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.
- iv. Assessing the Company's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they 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 objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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.

As part of an audit in accordance with the Australian Auditing Standards, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:



- i. Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- iii. Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- iv. Concludes on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- v. Evaluates the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Report on Other Legal and Regulatory Requirements

Opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- i. the Financial Report gives a true and fair view of the Company's financial result of fundraising appeal activities for the financial year ended 31 December 2018;
- ii. the Financial Report has been properly drawn up, and the associated records have been properly kept for the period from 1 January 2018 to 31 December 2018, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- iii. money received as a result of fundraising appeal activities conducted during the period from 1 January 2018 to 31 December 2018 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- iv. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.



Opinion pursuant to the Charitable Collections Act (WA) 1946 and Charitable Collections Regulations (WA) 1947

In our opinion, the Company has complied, in all material respects, with the requirements of the *Charitable Collections Act (WA) 1946* and *Charitable Collections Regulations (WA) 1947* for the year ended 31 December 2018.

I, Stephen Isaac, am currently a member of Chartered Accountants Australia and New Zealand and my membership number is 374502.

KPMG

Tower Three,
International Towers Sydney,
300 Barangaroo Avenue,
Sydney, Australia

Stephen Isaac

Partner

Sydney

22 May 2019