

Financial Basics Foundation

Financial Statements for the year ended 30 June 2015

FINANCIAL BASICS FOUNDATION

ACN 114 612 270

RESPONSIBLE ENTITIES' REPORT

Your directors present their report on the Financial Basics Foundation Limited (the Foundation) for the financial year ended 30 June 2015.

Directors

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

David Liddy (resigned 04/12/2014)
Tarryn McMullen
Katrina Birch
Aaron Street
Joseph Cole
Tim Devine
Paul Freer (appointed 21/08/2014)
Julie-Anne Shafer (appointed 30/10/14)

Directors have been in office since the start of the financial year and up to the date of this report, unless otherwise stated.

Principal Activities

The Financial Basics Foundation pursues its mission and engages its networks through a series of programs which are designed to educate Australian secondary school students about financial issues; facilitate dialogue and professional development for educators, and establish opportunities for engagement between our sponsors and the communities in which they operate.

Early in 2015, the board reviewed the strategic direction of the company and agreed to broaden the scope of our work to include all young people between the ages of 12-24 years and to include the delivery of programs outside of the Australian secondary education system. To that end, we re-envisioned our future with a new vision statement:

That every young person in Australia has the knowledge, skills and confidence that will enable them to make informed financial choices and manage their money now, and into the future.

The Financial Basics Foundation has:

- Produced a financial literacy resource called Operation Financial Literacy that has been distributed to and used by almost 4,000 teachers in Australian secondary schools
- Created ESSI Money (Earning Saving Spending and Investing) an online financial literacy simulation game developed for Australian schools. To date, ESSI Money has been played by over 98,000 students with over 34,500 students completing the full 26 week simulation
- Created and published three 'open access' online resources – FLIP's (Financial Literacy in Practice) to date
- Hosted a national financial literacy competition (the BOQ ESSI Money Challenge) in September 2014 which saw over 5,100 students compete for the chance to win \$1,000 for themselves and \$4,000 for their school
- Conducted a financial literacy quiz as part of the implementation of the BOQ ESSI Money Challenge, which sought to identify knowledge, skills and trends of young people in relation to their consumer behaviour and financial literacy
- Established a strong presence in the professional development arena by presenting at state and local conferences throughout the year
- Published and distributed e-newsletters, blogs and online content to over 4000 subscribers

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RESPONSIBLE ENTITIES' REPORT

Review of Operations

Early in 2015, the board reviewed the strategic direction of the company and agreed to broaden the scope of our work to include all young people between the ages of 12-24 years and to include the delivery of programs outside of the Australian secondary education system. To that end, we re-envisioned our future with a new vision statement:

That every young person in Australia has the knowledge, skills and confidence that will enable them to make informed financial choices and manage their money now, and into the future.

In simple terms:

Financial Basics Foundation makes learning about money, easy (ESSI) and fun!

With a clear understanding that addressing the social challenge of developing youth financial literacy is more than an end goal – but rather a means to an end – Financial Basics Foundation is now working to develop a program that draws upon the expertise of our corporate partners to address this social challenge in a scalable manner. This period has seen us take a strategic approach to doing business in a way that considers shared benefits for our corporate partners and Financial Basics Foundation. Working with corporate partners allows us to drive change and optimise our ability to address challenges that we cannot address alone.

This year we commenced planning an education program to help young people acquire debt literacy and understand best practice for avoiding 'bad' or unmanageable debt. The aim of this is to help young people become 'debt literate' and develop an understanding of debt through topics such as:

- how people can get into debt that they cannot later manage
- the consequences of not controlling debt or meeting repayment obligations
- addressing strategies to solve a debt problem before it escalates

There is a lack of current and practical classroom resources which address 'over-indebtedness'. We believe that by helping young people develop debt literacy they will be better equipped to avoid future fiscal hardship and financial exclusion.

The opportunity to establish a staff volunteer program with Collection House with a focus on presenting this material in the classroom is now being considered. The vision of the volunteer program is to have trained volunteers visit secondary schools in their local area to deliver a debt literacy lesson based on the key points extracted from the debt literacy FLIP and subsequent module.

With FBF's materials now in use in 68% of all Australian secondary schools, the contribution made by FBF cannot be over-stated. FBF's initiatives are equipping young Australians with the skills and knowledge to better manage their finances.

In the next twelve months the Foundation will:

- Look for opportunities to expand our work outside of the secondary education system
- Complete the rewrite, review and update of the remaining modules within of Operation Financial Literacy to ensure ongoing relevance and accuracy of the material
- Continue to explore opportunities to fund a new version of ESSI Money
- Implement activities that promote shared benefits for FBF and our corporate partners
- Oversee the implementation of strategic activities to broaden our revenue stream, including a sponsorship acquisition program

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RESPONSIBLE ENTITIES' REPORT

Information on Directors

David Liddy MBA – Chairman/Director (Resigned 4th December 2014)

Mr Liddy was appointed as Chairman of Financial Basics Foundation in January 2012. Mr Liddy is a well known business leader, with an executive career covering 40 years in banking, most recently as MD and CEO of the S&P/ASX 100 company Bank of Queensland Limited (BOQ) from 2001 to his retirement in August 2011. Prior to joining BOQ, David spent 33 years at Westpac Banking Corporation.

Mr Liddy is also Chairman of Collection House Limited and Financial Basics Community Foundation, a Non Executive Director of Emerchants Limited, a Non-executive Director of Steadfast Group Limited, a Senior Fellow of the Financial Services Institute of Australasia and a Fellow of the Australian Institute of Company Directors. He was awarded the Centenary Medal in 2003 for distinguished service to business and commerce in Banking and Finance, and AB&F's 'Financial Services Executive of the Year' in 2009.

Mr Liddy resigned as Director and Chairman of the Financial Basics Foundation on the 4th of December, 2014.

Julie-Anne Schafer – Chairman/Director

Ms Schafer is an accomplished Director with experience across a broad range of industries. She has worked in a number of Non-Executive Director roles with a focus on business outcomes, customers, risk management and governance.

She is currently a Non-Executive Director of Collection House Limited, Catholic Church Insurance and Aviation Australia Pty Ltd.

Ms Schafer was previously the Chair of RACQ and RACQ Insurance, with former directorships including Queensland Rail and was Commissioner of the National Transport Commission. She was a Non-Executive Director of the Territory Insurance Office prior to its sale. Ms Schafer is a facilitator for the Australian Institute of Company Directors in Governance, Strategy and Risk Management. She is also a member of the Australian and New Zealand Institute of Insurance and Finance.

Ms Schafer was appointed to the Board of Financial Basics Foundation on the 30th October, 2014 and elected as Chairman on the 4th December, 2014.

Tarryn McMullen MBA B.Bus, Grad. Cert Bus (Philanthropy and Non-Profit Studies) – Director/Secretary

Tarryn has several years experience in both the corporate and not-for-profit industries, including being the inaugural staff member of Financial Basics Foundation (formerly Collection House Foundation) and working in fundraising and marketing for the Royal Children's Hospital Foundation.

Tarryn currently works with consulting firm Social Money Solutions, prior to this she worked at Bank of Queensland for seven years as Head of the Managing Director's Office.

Katrina Birch – Director

Katrina has been a consultant to the Foundation since 2004 and was appointed as CEO and Director in 2011.

Katrina has worked in the youth sector for 20 years with experience in government and not-for-profit organisations. A strong advocate for young people, Katrina was involved in the deinstitutionalisation of disabled clients from residential institutions in Queensland. Prior to commencing with the Financial Basics Foundation, Katrina was the State Manager of CanTeen Queensland (the organisation supporting young people living with cancer).

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RESPONSIBLE ENTITIES' REPORT

Aaron Street – Director/Treasurer

Aaron is a Partner of KPMG Australia.

He has over 18 years experience, with the past 13 years with KPMG in providing a range of accounting, taxation and general business advisory services to a broad range of private clients.

Joseph Cole B.Bus, CFA – Director

Joe has extensive experience in funds management and banking, gained both offshore and within Australia. He specialises in applying quantitative techniques and solutions to investment management in order to provide consistent, risk-controlled absolute returns to clients.

Joe is currently Senior Portfolio Manager at Q Super Limited. Prior to this role, Joe was with QIC in Brisbane where he was Portfolio Manager of a quantitative Asian equities hedge fund.

He is passionate about financial education and strongly believes in empowering young people to make their own informed financial decisions.

Joe has a Bachelor of Business with post-graduate Honours and holds the Chartered Financial Analyst (CFA) designation.

Tim Devine LLB – Director

Tim is a lawyer with over thirteen years' experience providing legal advice on corporate and commercial matters, both in private practice and in-house. He currently works as part of an in-house legal team for an ASX top 100 company.

Tim was appointed as a member and Director of the Foundation on 5 December 2013.

Paul Freer ACIB MAICD – Director

Paul was appointed as Chief Operating Officer for Collection House in March 2013 overseeing the Group's business divisions of Lion Finance, MCC, CLH Legal Group and Collection House International.

He has over 25 years experience across financial services incorporating over 13 years in General Management leadership positions covering Receivables Management, Risk Management, Corporate and Retail Banking and Fund Management. During his career Paul has gained international experience throughout Africa, Europe, the Indian Ocean, the Middle East, the USA and the UK working with organisations such as Barclays Plc, Lloyds Bank Plc, Fleet Financial Group Inc and National Commercial Bank of Saudi Arabia.

Paul was appointed as a member and Director of the Foundation on 21 August 2014.

Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

Company Secretary

Tarryn McMullen was appointed Company Secretary on 24 October 2012 and still holds the position.

Refer above for information of the qualifications and experience of the Company Secretary's.

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RESPONSIBLE ENTITIES' REPORT

Meetings of the Board of Directors

During the financial year 7 meetings of directors were held. Attendances by each director during the year were as follows:

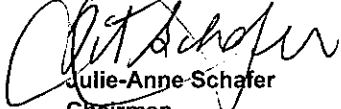
<i>Director</i>	<i>Directors Meetings</i>	
	<i>Meetings eligible to attend</i>	<i>Meetings attended during period</i>
David Liddy	4	4
Tarryn McMullen	7	6
Julie-Anne Shafer	5	5
Katrina Birch	7	7
Aaron Street	7	7
Joseph Cole	7	4
Tim Devine	7	5
Paul Freer	6	6

The Foundation is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2015, the total amount that members of the Foundation are liable to contribute if the Foundation is wound up is \$140 (2014: \$120).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 7 of the financial report.

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


Julie-Anne Schafer
Chairman

Dated this 7th day of OCTOBER 2015

FINANCIAL BASICS FOUNDATION

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO FINANCIAL BASICS FOUNDATION**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been:

- (a) no contraventions of the auditors' independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF Hacketts Audit

**Shaun Lindemann
Partner**

Brisbane, 7 October 2015

FINANCIAL BASICS FOUNDATION

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Revenues	2	120,402	133,523
Expenses	3	<u>(374,046)</u>	<u>(223,120)</u>
Profit/(Loss) before income tax		<u>(253,644)</u>	<u>(89,597)</u>
Income tax expense	1(h)	-	-
Profit/(Loss) for the year attributable to members of the entity		<u>(253,644)</u>	<u>(89,597)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income attributable to members of the entity		<u>(253,644)</u>	<u>(89,597)</u>

The accompanying notes form part of these financial statements.

FINANCIAL BASICS FOUNDATION

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BALANCE SHEET AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	440,181	478,186
Receivables	5	12,623	15,617
TOTAL CURRENT ASSETS		<u>452,804</u>	<u>493,803</u>
NON-CURRENT ASSETS			
Property plant and equipment	6(a)	3,500	3,500
Intangible assets	6(b)	-	123,188
TOTAL NON-CURRENT ASSETS		<u>3,500</u>	<u>126,688</u>
TOTAL ASSETS		<u>456,304</u>	<u>620,491</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	7	105,675	17,303
Provisions	8	10,302	9,217
TOTAL CURRENT LIABILITIES		<u>115,977</u>	<u>26,520</u>
TOTAL LIABILITIES		<u>115,977</u>	<u>26,520</u>
NET ASSETS		<u>340,327</u>	<u>593,971</u>
EQUITY			
Retained profits		<u>340,327</u>	<u>593,971</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
Balance at 1 July	593,971	683,568
Profit/(loss) attributable to the entity	<u>(253,644)</u>	<u>(89,597)</u>
Balance at 30 June	<u>340,327</u>	<u>593,971</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from operating activities		123,781	129,829
Cash payments from operating activities		(172,634)	(246,006)
Interest received		10,848	17,305
Net cash provided by (used in) operating activities	10	<u>(38,005)</u>	<u>(98,872)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for intangible assets		-	-
Payments for PPE		-	-
Net cash (used in) investing activities		<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Funds provided to related parties		-	-
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		(38,005)	(98,872)
Cash at the beginning of the year		478,186	577,058
Cash at the end of the year	4	<u>440,181</u>	<u>478,186</u>

The accompanying notes form part of these financial statements.

FINANCIAL BASICS FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Financial Basics Foundation (the Foundation) as an individual entity, incorporated and domiciled in Australia. The Foundation is a company limited by guarantee.

The directors have prepared the financial statements on the basis that the Foundation is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements prepared in order to meet the requirements of the *Australian Charities and Not-For-Profits Commission Act 2012*. The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-For-Profits Commission Act 2012*, and the significant accounting policies described below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs.

The financial statements were authorised for issue on 7 October 2015 by the directors of the Foundation.

Accounting Policies

a. Revenues

Donations to the Foundation are recognised as revenue on receipt.

Fundraising revenues are recognised as revenue as soon as the net proceeds of the function or activity can be calculated.

Interest revenue is recognised as it accrues using the effective interest rate method.

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

b. Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturity of three months or less.

c. Receivables

Trade and other receivables are recognised and carried at original invoice amounts. Receivables expected within 12 months of the end of the reporting period are classified as current assets. All other receivables classified as non-current assets.

d. Intangible assets - software

Software is recorded at cost, and assessed annually to ensure it is carried at fair value. The software is not amortised, as it is regularly maintained, and as a consequence has not depreciated in value during the year. The cost of maintenance is expensed in the period in which it is incurred.

e. Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Foundation during the period which remain unpaid. Liabilities for trade creditors and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Foundation. Balance is normally paid within 30 days of recognition of the liability.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

f. Employee Provisions

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

Contributions are made by the Foundation to an employee superannuation fund and are charged as expenses when incurred.

g. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from or payable to the ATO is included in the balance sheet.

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

h. Income tax

No provision for income tax has been made in the financial report as the Foundation is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

i. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Foundation.

Key estimates — Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. An impairment loss of \$123,188 was recognised in the current year (refer to Note 6 (b)).

j. New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Foundation has decided not to early adopt. These changes are not expected to have a significant impact on the Foundation's financial statements.

NOTE 2: REVENUE	2015 \$	2014 \$
Sponsorship	109,250	110,750
Donations	-	-
Interest	10,575	16,997
Sundry revenue	204	3,176
ESSI Money	-	2,500
Copyright Reimbursement	373	100
Total Revenue	120,402	133,523

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities has been determined after:		
Expenses		
Consultancy fees	71,913	40,487
Game expenses	36,467	34,233
Payroll	110,497	101,310
Rent	3,900	3,900
Workcover	3,207	2,756
Website expenses	-	18,137
Bad debts written-off	299	
Sundry expenses	24,575	22,297
Impairment loss	123,188	-
Total Expenses	374,046	223,120
 NOTE 4: CASH ASSETS		
Cash at bank	440,181	478,186
	440,181	478,186
 NOTE 5: TRADE & OTHER RECEIVABLES		
Trade receivables	11,600	14,321
Interest accrual	1,023	1,296
	12,623	15,617
 NOTE 6(a): PROPERTY PLANT AND EQUIPMENT		
Office equipment	915	915
Accumulated Depreciation	(915)	(915)
Scam module	3,500	3,500
	3,500	3,500
 NOTE 6(b): INTANGIBLE ASSETS		
ESSI Money Game Software	-	123,188
	-	123,188

The Directors have determined that the costs required to repair and upgrade the ESSI Money Game Software exceeded the carrying value at balance date. The Directors have impaired the intangible asset to a carrying value of nil as at 30 June 2015.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
NOTE 7: PAYABLES		
Trade payables	3,549	4,466
Financial Basics Community Foundation	90,000	-
Creditors accrual	814	1,361
Payroll liabilities	8,420	7,967
GST payable	2,892	3,509
	<u>105,675</u>	<u>17,303</u>

NOTE 8: PROVISIONS

Annual leave provision	10,302	9,217
	<u>10,302</u>	<u>9,217</u>

NOTE 9: EQUITY

The company is limited by guarantee. If the Foundation is wound up, the constitution states that each member of the Foundation is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Foundation. At 30 June 2015, the members of the Foundation stood at 7 (2014: 6).

Capital management

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Directors ensure that the overall risk management strategy is in line with this objective.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manage the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since prior year. The strategy of the entity is to ensure that sufficient cash is on hand to meet trade and sundry payables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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NOTE 10: CASH FLOW INFORMATION	NOTE	2015 \$	2014 \$
a. Reconciliation of Cash			
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:			
Cash at Bank	4	440,181	478,186
b. Reconciliation of cash flows from operating activities with profit after income tax			
Profit after income tax		(253,644)	(89,597)
Non-cash flows in profit:			
Impairment Loss		123,188	-
Changes in assets and liabilities:			
(Increase)/decrease in trade & other debtors		2,994	2,298
Increase/(decrease) in creditors and other payables		88,372	(17,221)
Increase/(decrease) in provisions		1,085	5,648
Net cash provided by (used in) operating activities		(38,005)	(98,872)

NOTE 11: SEGMENT INFORMATION

The Foundation operates in one business segment, being the provision of financial literacy strategies, and in one geographical segment, being Australia.

NOTE 12: CONTINGENT LIABILITIES

At the end of the financial year the Foundation had no contingent liabilities or any pending, to the knowledge of the directors.

NOTE 13: EVENTS OCCURRING AFTER 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 Foundation, the results of those operations, or the state of affairs of the Foundation in subsequent financial years.

NOTE 14: ENTITY INFORMATION

Registered office of the Foundation is:

Level 7, 515 St Pauls Terrace
FORTITUDE VALLEY QLD 4006

The principal place of business is:

Level 7, 525 Flinders Street
Melbourne Vic 3000

FINANCIAL BASICS FOUNDATION

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RESPONSIBLE ENTITIES' DECLARATION

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

In the directors' opinion:

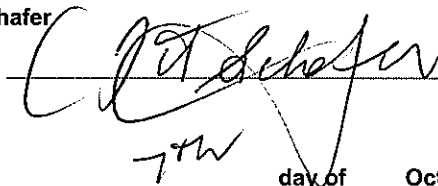
1. The financial statements and notes, as set out on pages 8 to 16 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:
 - a. complying with Accounting Standards as described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - b. giving a true and fair view of the Foundations financial position as at 30 June 2015 and of its performance for the year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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

Julie-Anne Schafer

Chairman



7th

Dated this

day of

October

2015

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FINANCIAL BASICS FOUNDATION**

We have audited the accompanying financial report, being a special purpose financial report, of Financial Basics Foundation, which comprises the statement of financial position as at 30 June 2015, the statement of profit and 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 and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial report of Financial Basics Foundation is in accordance with 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 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for any other purpose.

PKF Hacketts Audit

Shaun Lindemann
Partner

Brisbane, 7 October 2015