



Birth for HumanKIND Limited

(A company limited by guarantee)

ACN 605 254 340

**Financial Report
Year ended 30 June, 2016**

Birth for HumanKIND Limited
(A company limited by guarantee)
ACN 605 254 340

FINANCIAL REPORT
FOR THE YEAR ENDED
30 June, 2016

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Birth for HumanKIND Limited
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ACN 605 254 340
Year Ended 30 June, 2016

DIRECTORS' REPORT

The directors present their report on the financial statements of the Company for the year ended 30 June, 2016.

DIRECTORS

The Directors of the Company in office at any time since the beginning of the year are:

Mei Lai Swan, *CEO & Founding Director*
Kirstan Flannery, *Co-Founder and Chair of the Board*
Sarah Jefford, *Secretary - resigned July 2016*
Raj Gopiraj, *Treasurer*
Carly Lord, *General Director*
Kerryn O'Rourke, *General Director*

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

INFORMATION ON DIRECTORS

The following are particulars of the qualifications of each of the Directors :

Kirstan Flannery – Programs Manager & Co-Founder, Chairperson of the Board

Kirstan is the Co-founder of Birth for HumanKIND and a certified doula working in private practice as Birth Wise. She believes 'mothering the mother' and nurturing babies within thriving environments is a significant key to creating healthy communities. Motivated by and committed to social change in action, Kirstan has provided mentoring and philanthropic support to various non-profit enterprises. She ensures projects are designed with sustainable foundations in order to generate long-term service and availability in the community. Collaborative projects include Centre for Social Change and Recre8 Bush Adventure Therapy. Her community spirit and special interest in maternal child health care prevails in both her work and personal relationships.

Mei Lai Swan – CEO & Founding Director

Mei Lai is the founder of Birth for HumanKIND and currently manages our rapidly growing organisation, with a hands-on and participatory approach. Her inspiration for Birth for HumanKIND came through a diverse background in social work/community development, as a doula, and as a yoga teacher – all fuelled by immense amounts of passion and a desire for a socially just and thriving world. She has experience developing, managing and delivering psycho-social and community development programs for Aboriginal communities, youth, and asylum seekers, and is currently completing her Master of Social Work with a focus on cross-cultural counselling and community development. For Mei Lai, it's a simple equation: Birth for HumanKIND = Birth Support + Social Justice + Heart, for healthier mums, babies and communities.

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Raj Gopiraj – Treasurer

Raj has more than 10 years experience in both commercial and non-for-profit sectors and has lived and worked in Australia and USA. Raj serves as a non-executive director for Asha Global (appointed March 2015) and Bendigo Bank – Prahran and Windsor branch (appointed May 2015), and is an advisor to Australian Red Cross on corporate partnerships and relationship management. Raj began his career as a consultant at AECOM and interned with the United Nations in New York on Project Umoja. He is currently the priority account portfolio manager within PwC. Raj brings a vast array of skills in business development, financial & risk management, business strategy planning and partnerships. Raj has previously been nominated and shortlisted for the International New Face of Engineering Award, sponsored by the US National Engineers Week Foundation.

Carly Lord – General Director

Carly is the young mum who was the inspiration behind Birth for HumanKIND, after Mei Lai was her volunteer doula in 2013. Carly has been involved as an adviser, advocate and presenter for various projects at the Royal Women's Hospital. She is a powerful spokesperson and advocate for young mums, and currently works in mental health facilitating peer support groups. Carly is also involved with Birth for HumanKIND's education program, creating resources and programs for young parents.

Kerryn O'Rourke – General Director

Kerryn comes to us with an extensive background in public health, nursing, women's health, adolescent and refugee health, consulting, and management. She is currently the Principal Program Officer – Health Equity at VicHealth. She established and co-ordinated a MamaBake group in Brunswick to support local mothers, and is also the mother of two children with a deep appreciation and passion for the role of doulas.

The following table sets out the number of meetings of the company's directors (including committees of directors) held during the year ended 30 June, 2016, and the number of meetings attended by each director.

<i>Board member</i>	<i>No of meetings attended</i>	<i>No of meetings eligible to attend</i>
<i>Mei Lai Swan</i>	<i>7</i>	<i>7</i>
<i>Kirstan Flannery</i>	<i>7</i>	<i>7</i>
<i>Sarah Jefford</i>	<i>4</i>	<i>7</i>
<i>Raj Gopiraj</i>	<i>7</i>	<i>7</i>
<i>Carly Lord</i>	<i>6</i>	<i>7</i>
<i>Kerryn O'Rourke</i>	<i>7</i>	<i>7</i>

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PRINCIPAL ACTIVITIES

Our services and programs include:

- Pregnancy and birth support: one-on-one care for women in need from our volunteer doula team, including prenatal home visits, support during labour and birth, and help at home after the baby comes
- An education and peer-support program for young pregnant women, run in partnership with Melbourne City Mission
- Access to English-language interpreting services, as needed
- Referrals to relevant community support services for our clients and their families, as needed
- Comprehensive induction training, supervision and ongoing professional development for our volunteer doulas
- An annual fully-funded scholarship for a bilingual community member to undertake doula training

The organisation's short-term objectives:

- Continue to build our doula support program in Victoria to provide 1:1 support to women in need
- Continue to develop our young mums education program by offering four programs each year
- Develop workshops for new migrants and women from refugee and asylum seeker backgrounds on navigating the Australian maternal health system
- Develop an education and peer support program for pregnant women and new mothers from migrant, refugee and asylum seeker backgrounds
- Raise the public profile of Birth for HumanKIND and the role of doulas, and grow community participation in Birth for HumanKIND activities
- Lay the foundations for evidence-based research and advocacy to influence birth culture, public policy and sectoral change
- Develop, implement and refine funding, operational and governance strategies to support the growth of the organisation

The organisation's long-term objectives:

Birth for HumanKIND's vision is that every mother has the care and support she needs to make empowered choices and have the best birth and early parenting experience possible for herself, her baby and growing family.

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Strategy for achieving objectives:

Objective: Continue to build our doula support program in Victoria to provide 1:1 support to women in need

Strategies:

- Recruited and trained additional volunteer doulas – have held information sessions twice per year and training sessions twice per year
- Contacted midwifery training universities to promote to recommended students
- Promoted program amongst birthwork and doula networks
- Connected with relevant agencies to invite them to refer eligible women to our service

Objective: Continue to develop our young mums education program by offering four programs each year

Strategies:

- Ran first program in April 2016 in partnership with Melbourne City Mission
- Trial different locations in Melbourne to run the program based on need and interest
- Recruit and train volunteer childbirth educators and young mums to help deliver future programs

Objective: Develop workshops for new migrants and women from refugee and asylum seeker backgrounds on navigating the Australian maternal health system

Strategies:

- Explore partnerships for delivery of program
- Connect with health service providers to contribute to the program and present at workshops
- Recruit volunteers and past clients to be involved in program delivery

Objective: Develop an education and peer support program for pregnant women and new mothers from migrant, refugee and asylum seeker backgrounds

Strategies:

- Establish partnerships with settlement /community agencies for delivery of pilot program
- Recruit volunteers and past clients to be involved in program delivery

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Objective: Raise the public profile of Birth for HumanKIND and the role of doulas, and grow community participation in Birth for HumanKIND activities.

Strategies:

- Developed and implemented a communications strategy and campaign plans to build awareness of our work
- Developed our online and social media
- Review and update Birth for HumanKIND's print and online materials

Objective: Lay the foundations for evidence-based research and advocacy to influence birth culture, public policy and sectoral change.

Strategies:

- Implemented a client data collection system
- Created research advisory committee
- Connect with researchers, universities, other partnerships
- Conduct population-wide survey about doulas and birth support
- Review evaluation of service delivery to identify key issues to shape advocacy plan
- Identify and join existing agency/advocacy networks for maternal health and/or specific client groups

Objective: Develop, implement and refine funding, operational and governance strategies to support the growth of the organisation

Strategies:

- Developed funding strategy including trusts and foundations, community fundraising, regular giving, corporate partnerships
- Established financial management systems
- Developed organisational database
- Developed and implemented relevant organisational and governance policies

Key performance measures

Birth for HumanKIND measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

TRADING RESULTS

The attached financial statements show that the operations for the year resulted in a surplus after tax of \$34,677 (2015 - \$Nil).

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REVIEW OF OPERATIONS AND SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In 2016, Birth for HumanKIND appointed six board members and employed a total of seven part-time staff members to manage our support and education programs, as well as our administration and operations.

Birth for HumanKIND also received significant unexpected funding from The Flannery Foundation which has enabled the organisation to further progress towards our short and long-term objectives.

MATTERS SUBSEQUENT TO THE YEAR END

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

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATION

In 2017, with our new staff members and increased capacity we expect to increase the number of women and families we support through our doula support and education programs, and we will develop our relationships with referral agencies. We expect to consolidate our administration and operations functions, and grow our profile and engagement with the community.

OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

ENVIRONMENTAL ISSUES

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

DIVIDENDS

The Company has no power to declare or pay dividends under its Constitution.

INDEMNIFYING OFFICER OR AUDITOR

In accordance with its constitution, during the year, the company paid or agreed to pay insurance premiums as follows :

- The company has paid premiums to insure all of the directors and officer bearers against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity of director or office bearer of the company, other than conduct involving a wild breach of duty in relation to the company. The premium amounted to approximately \$2,337.

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PROCEEDINGS ON BEHALF OF THE COMPANY

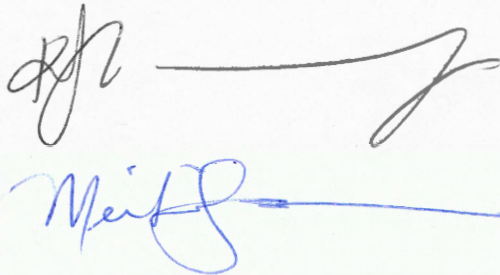
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under s60-40 of the Australian Charities and Not – for – profits Commission Act 2012 (ACNC) is included at page 10 of this financial report and forms part of the Directors' report.

Signed in accordance with a resolution of the Board of Directors

The image shows two handwritten signatures. The top signature is in black ink and appears to be 'Kirstan Flannery'. The bottom signature is in blue ink and appears to be 'Mei Lai Swan'. Both signatures are followed by a horizontal line.

Kirstan Flannery

Director

Mei Lai Swan

Director

Place: Melbourne

Date: 13 October, 2016

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS
OF BIRTH FOR HUMANKIND LIMITED**

Report on the Financial Report

I have audited the accompanying financial report of Birth for HumanKIND Limited, which comprises the statement of financial position as at 30 June, 2016, the statement of profit and loss and other comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not – for – profits Commission Act 2012 (ACNC) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 and fair presentation of the financial report 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Charities and Not – for – profits Commission Act 2012 (ACNC).

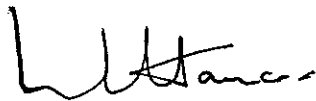
Ahead For Business Pty Ltd
Level 10, 420 St Kilda Road
Melbourne Victoria 3004
Phone 03 . 9867 7711
Fax 03 . 9867 7226
email admin@aheadforbusiness.com.au

Liability limited by a scheme approved under
Professional Standards Legislation

Audit Opinion

In my opinion:

- a) the financial report of Birth for HumanKIND Limited is in accordance with the Australian Charities and Not – for – profits Commission Act 2012 (ACNC), including :
 - i) Giving a true and fair view of the Company's financial position at 30 June, 2016 and of its performance and cash flows for the year ended on that date and
 - ii) Complying with Accounting Standards in Australia – Reduced Disclosure Requirements and the Australian Charities and Not – for – profits Commission Regulation 2013.



Wendy Hancox

Registered Company Auditor No. 7409

Place: Melbourne

Date: 14 October, 2016

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF BIRTH FOR HUMANKIND LIMITED**

In accordance with the requirements of s 60 – 40 of the Australian Charities and Not – for – profits Commission Act 2012 (ACNC), I declare that for the year ended 30 June, 2016, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Australian Charities and Not – for – profits Commission Act 2012 (ACNC) in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Wendy Hancox

Melbourne

Date : 14 October, 2016

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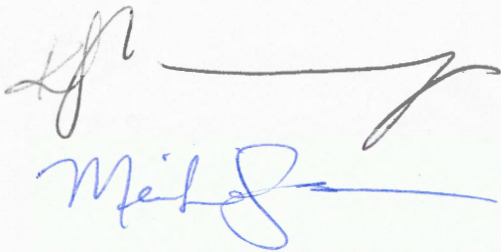
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DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 12 to 24 are in accordance with the Australian Charities and Not – for – profits Commission Act 2012 (ACNC) and :
 - a) Comply with the Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b) Give a true and fair view of the company's financial position as at 30 June, 2016 and of its performance for the year ended on that date;
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

The image shows two handwritten signatures. The top signature is in black ink and appears to be 'Kirstan Flannery'. The bottom signature is in blue ink and appears to be 'Mei Lai Swan'.

Kirstan Flannery **Director**

Mei Lai Swan **Director**

Place: Melbourne

Date: 13 October, 2016

Birth for HumanKIND Limited
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STATEMENT OF FINANCIAL POSITION
AS AT 30 June, 2016

	Note	2016	2015
CURRENT ASSETS			
Cash and cash equivalents	14	72,406	-
Term Deposits		280,000	
Trade & other receivables	4	5,243	-
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		357,649	-
		<hr/>	<hr/>
NON CURRENT ASSETS			
Property, plant & equipment		-	-
		<hr/>	<hr/>
TOTAL NON CURRENT ASSETS		-	-
		<hr/>	<hr/>
TOTAL ASSETS		357,649	-
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade & other payables	6	19,134	-
Restricted Use Donations in Advance	3	300,000	-
Short term provisions	7	3,838	-
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		322,972	-
		<hr/>	<hr/>
NON CURRENT LIABILITIES			
Funding in advance		-	-
Long term provisions	7	-	-
		<hr/>	<hr/>
TOTAL NON CURRENT LIABILITIES		-	-
		<hr/>	<hr/>
TOTAL LIABILITIES		322,972	-
		<hr/>	<hr/>
NET ASSETS		34,677	-
		<hr/>	<hr/>
ACCUMULATED FUNDS			
Unrestricted Reserves	16	34,677	-
Restricted Reserves	16	-	-
TOTAL ACCUMULATED FUNDS		<hr/>	<hr/>
		34,677	-
		<hr/>	<hr/>

Notes to and forming part of these accounts are set out on pages 15 to 24.

Birth for Humankind Limited
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STATEMENT OF PROFIT AND LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 June, 2016

	Note	2016	2015
CLASSIFICATION OF EXPENSES BY NATURE			
Revenue	2	189,294	31,596
Program Costs			
Travel & accommodation		1,206	1,018
Marketing, advertising		950	5,019
Education		316	136
Events		10,296	4,462
Other		-	-
Administration		19,869	5,440
Staff and contractors		121,980	15,521
Surplus before income tax expense	3	34,677	-
Income tax expense		-	-
Net surplus for the year		34,677	-

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 June, 2016

	Note	Unrestricted Reserves	Restricted Reserves	Total
Balance at 30 June, 2015		-	-	-
Surplus for the year		34,677	-	34,677
Transfer to Restricted Reserves	16	-	-	-
Balance at 30 June, 2016		34,677	-	34,677

Notes to and forming part of these accounts are set out on pages 15 to 24.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 June, 2016

	Note	2016	2015
Cash flows from operating activities :			
Payments to suppliers and employees		(135,977)	(31,596)
Receipts from customers		485,913	31,596
Interest received		2470	-
Interest paid		-	-
		<hr/>	<hr/>
Net cash (absorbed)/provided from operating activities	13	352,406	-
		<hr/>	<hr/>
Cash flows from investing activities :			
Investment in Term Deposits		(280,000)	-
		<hr/>	<hr/>
Net cash used in investing activities		(280,000)	-
		<hr/>	<hr/>
Net increase in cash held		72,406	-
Cash at beginning of year/period		-	-
		<hr/>	<hr/>
Cash at end of year/period	14	72,406	-
		<hr/> <hr/>	<hr/> <hr/>

Notes to and forming part of these accounts are set out on pages 15 to 24.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June, 2016

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Australian Charities and Not – for – profits Commission Regulations 2013.

The company has applied AASB 1053 for the year. This standard establishes a differential reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements being Tier 1 – Australian Accounting Standards and Tier 2 – Australian Accounting Standards – Reduced Disclosure Requirements. The company being classed as Tier 2, continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

Basis of Preparation

The accounting policies have been consistently applied to all periods presented.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on a cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June, 2016

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the costs of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

b) Depreciation

The depreciation amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, are depreciated over their useful lives to the economic entity commencing from the time the assets are held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation Rate
Plant and equipment	25 - 50% pa Straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c) Income Tax

The company is exempt from income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June, 2016

d) Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e) Employee Entitlements

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Long service leave is accrued on a pro-rata basis after 5 years.

f) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefit will result and that outflow can be reliably measured.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June, 2016

h) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts or rebates allowed.

Where restricted use contracted funding or donation revenue and the expenditure for such revenue during the year has not occurred or is incomplete and there is likely to be an obligation to repay, the resulting amount is carried forward in Funding in Advance and will be brought to account in future years as expenditure is incurred.

Restricted use may be designated the funder, donor or the organisation.

Non restricted use contracted funding and donations are recognised at the time of receipt.

Interest income and service fees are recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Sponsorship income is taken up in the year to which it relates on an accruals basis.

i) Goods & Services Tax

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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

j) Critical accounting estimates and judgements

The directors evaluate estimates and judgements 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 company.

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June, 2016

2. REVENUE

	2016	2015
<i>Operating activities :</i>		
Restricted Use Donations		
Donations brought forward	-	-
Donations received	300,000	-
Donations carried forward	(300,000)	-
	<hr/>	<hr/>
Total Restricted Use Donations	-	-
	<hr/>	<hr/>
Unrestricted Use Donations		
Foundations, philanthropic & public donations	186,598	31,596
Interest received from banks	2,696	-
	<hr/>	<hr/>
Total Unrestricted Use Donations	189,294	31,596
	<hr/>	<hr/>
Total revenue	<u>189,294</u>	<u>31,596</u>

3. SURPLUS BEFORE INCOME TAX EXPENSE

	2016	2015
Surplus from ordinary activities before income tax expense has been determined after:	34,677	-
Depreciation of property, plant & equipment	-	-
Movement provision for employee entitlements	3,838	-
Rental expense on operating leases	8,755	-
	<hr/>	<hr/>
Remuneration of Auditors :		
Audit of the financial report	4,000	-
Other services	1,000	-
	<hr/>	<hr/>

4. TRADE & OTHER RECEIVABLES

CURRENT	2016	2015
Trade debtors	274	-
Prepayments and recoverable	4,743	-
Interest receivable	226	-
	<hr/>	<hr/>
	<u>5,243</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June, 2016

5. PROPERTY, PLANT & EQUIPMENT

	2016	2015
Plant and equipment, at cost	-	-
Accumulated depreciation	-	-
	<hr/>	<hr/>
Total	-	-
	<hr/>	<hr/>

Movements in Carrying Amounts

Balance at the beginning of the period	-	-
Additions	-	-
Disposals	-	-
Depreciation	-	-
	<hr/>	<hr/>
Balance at the end of the year/period	-	-
	<hr/>	<hr/>

6. TRADE & OTHER PAYABLES

CURRENT

	2016	2015
<i>Unsecured liabilities</i>		
Trade creditors and accrued expenses	19,134	-
	<hr/>	<hr/>
	19,134	-
	<hr/>	<hr/>

7. PROVISIONS

CURRENT

	2016	2015
Employee entitlements at start of period	-	-
Employee entitlements used	(4,532)	-
Additional provisions	8,370	-
	<hr/>	<hr/>
TOTAL	3,838	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June, 2016

8. LEASE AND HIRE PURCHASE COMMITMENTS

	2016	2015
a) Operating leases		
Commitments in relation to non-cancellable Operating leases are payable as follows :		
Due within 1 year	-	-
Due within 2-5 years	-	-
Due after 5 years	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

The Nest Coworking shared office space arrangement is on monthly basis and rent is payable in advance.

9. MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June, 2016, the number of members was 6.

10. KEY MANAGEMENT PERSONNEL COMPENSATION

	2016	2015
Short term benefits	41,022	9,765
Other long term benefits	-	-
	<hr/>	<hr/>
Total	41,022	9,765
	<hr/>	<hr/>

11. POST BALANCE SHEET EVENTS

There were no significant post balance sheet events after the financial year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 June, 2016

12. FINANCIAL RISK MANAGEMENT

Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rate and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted average effective interest rate		Floating Interest Rate		Fixed Interest Rate	
	2016	2015	2016	2015	2016	2015
	%	%	\$	\$	\$	\$
Financial Assets						
Cash at Bank	.05	-	.05	-	-	-
Term Deposits	2.55	-	-	-	2.55	-

Interest rate risk is managed using a combination of floating rate and fixed interest rate finance and varying deposit terms. The fixed interest rate deposit represents a longer term investment.

Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in meeting its fixed spending obligations. The company manages this risk through tight budgetary control.

Credit Risk

Exposure to credit risk relating to financial assets arises from the non performance of counterparties of contract obligations that could lead to financial loss.

Credit risk is managed by ensuring that an adequate level of funding is received prior to providing services. Risk is also minimised by investing surplus funds only in institutions with a high credit rating.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

The company receives its funding primarily from private foundations. Donations are received in advance of provision of services.

Price Risk

The company is not exposed to any material commodity price risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 June, 2016

Net Fair Value

The net fair value of assets and liabilities approximates to their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the accounts.

13. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH SURPLUS AFTER INCOME TAX

	2016	2015
Surplus after income tax	34,677	-
Depreciation	-	-
(Increase)/decrease in debtors	(5,243)	-
(Decrease)/Increase in creditors	19,134	-
(Decrease)/Increase in funding in advance	300,000	-
Increase/(decrease) in provisions	3,838	-
	<hr/>	<hr/>
Net cash (absorbed)/ provided from operating activities	352,406	-
	<hr/> <hr/>	<hr/> <hr/>

14. CASH & CASH EQUIVALENTS

	2016	2015
Cash at bank and in hand	72,406	-
	<hr/>	<hr/>

The weighted average interest rate on bank balances was 0.05%pa (2015 – n/a)

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows :

Cash at bank and in hand	72,406	-
Cash per cash flow statement	72,406	-
	<hr/>	<hr/>

Credit Standby Arrangement & Loan Facilities

The company had a \$4,000 (2015 - \$0) credit card facility at the year end.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June, 2016**

15. RELATED PARTY TRANSACTIONS

During the year Mei Lai Swan, a director became an employee of the company. The terms and conditions of her employment were set by the Board of Directors and Ms Swan was not involved in this process.

The terms and conditions of her employment were set on a commercial basis and are no more favourable than those available to other parties.

16. RESERVES

Non restricted reserve records deferred revenue to be used in future years at the discretion of the board.

Restricted Reserves records philanthropic funds, donations and other funding to be expended only on specific program activities and operational needs or capital projects as restricted by the donor.

17. SEGMENT REPORTING

The company acts solely within Australia.

18. CAPITAL COMMITMENTS

As at 30 June, 2016, the company had no capital commitments.

19. COMPANY DETAILS

The company is a company limited by guarantee and incorporated in Australia. Its registered office and principal place of business are:

829A High Street
Thornbury Victoria 3071
Australia

The average number of employees during the year was 7 (2015 – 0).