

SurfAid International Australia Limited

ABN 31 111 343 287

Financial Statements

For the Year Ended 31 March 2014

Surf Aid International Australia Limited

ABN 31 111 343 287

For the Year Ended 31 March 2014

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Surf Aid International Australia Limited

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Directors' Report

31 March 2014

Your directors present their report on the company for the financial year ended 31 March 2014 and the auditor's report thereon.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Mr Harry Robert Hodge

Mr Ray John Wilson

Mr Paul Mitchell

Mr Charlie Lanchester

Mr Mathew Gilmour

Mr Stephen Nolan

Mr Jason Collins

Appointed 10 February 2014

Appointed 10 February 2014

Appointed 10 February 2014

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

Company Secretary

Ray Wilson was Company Secretary at the start of the financial year. Paul Mitchell assumed the position on 21 August 2013.

Principal Activities

SurfAid, in partnership with communities and government, works to prevent disease, suffering and death through educational programs and health promotion that aim to change poor health behaviours and reduce the risk from natural disasters.

SurfAid's goal is to empower communities to help themselves and build local capacity so their improved health resilience is sustainable. We advocate health and wellbeing for all and create collaborative relationships with other stakeholder groups wherever we can so as to further sustained change in behaviour and development.

Our community-based health programs involve education in nutrition, hygiene, healthy environments, and disease prevention, including mosquito net distribution. In response to an unfortunately frequent need, we have built an award-winning capacity in Emergency Preparedness and have delivered practical, locally based Emergency Responses.

There have been no significant changes in the nature of Surf Aid International Australia Limited's principal activities during the financial year.

The company's short-term objectives are to:

- To deliver the contracted and donor-committed programs in Indonesia
- To raise sufficient funds to finance the planned programs in Indonesia
- To establish new donor contracts

The company's long-term objectives are to:

- To build recurrent income streams for programs
- To continue to build the organisational systems

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

- Capacity development in Indonesia, which is driving systematic improvements in program delivery, reporting and accountability.
- Fundraising initiatives such as the SurfAid Corporate Cup
- Focus on DFAT and New Zealand MFAT relationships and deliverables.

Key Performance Measures

SurfAid 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 short-term and long-term objectives are being achieved.

Achievement of budget income

Expenses kept to budget

Delivery of budgeted funds to international programs

Operating Results and Review of Operations

The net deficit for the year of Surf Aid International Australia Limited amounted to \$-361,388 (2013: -\$81,854).

After balance date events

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Surf Aid International Australia Limited, the results of those operations or the state of affairs of Surf Aid International Australia Limited in future financial years.

Environmental Issues

Surf Aid International Australia Limited's operations are not subject to significant environmental regulation under the laws of the Commonwealth and State.

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Non-audit services

The board of directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the APES 110 Code of Ethics for Professional Accountants.

Insurance of Officers

During the financial year, Management Liability Insurance was held with AON

Director Information

Mr Harry Robert Hodge

Appointed Director:

10 October 2004

Harry is a major shareholder and Executive Chairman of ksubi.. He is also chairman of Kelly Slater's accessory company, Komunity Project.

In 1982 Harry became Quiksilver's first Marketing Director. He moved to France in 1984 and founded Quiksilver Europe. He led the company until 1999 and continued to act as CEO and Chairman until 2003. Quiksilver Europe is regarded as one of the most remarkable success stories in the surfing industry growing turnover from one million USD in 1984 to over 500 million in 2005.

Mr Ray John Wilson

Appointed Director:

10 October 2004

Ray Wilson is a Director of the Plenary Group, an infrastructure development company specialising in the structuring, development and ownership of public private partnership projects.

Prior to joining Plenary Group, Ray spent eleven years at ABN AMRO responsible for a market leading business in infrastructure financing. Prior to joining ABN AMRO, Ray was a chartered accountant with Price Waterhouse, Sydney.

Mr Charlie Lanchester

Appointed Director

30 March 2011

Charlie is a private investor. Charlie has 21 years funds management industry experience, including 14 years at Perpetual. Prior to joining Perpetual, Charlie was Global Communications Analyst at Platinum Asset Management and a UK Equities Analyst at Schroders in London.

Mr Paul Mitchell OAM

Appointed Director:

3 June 2010

Paul Mitchell is a director of the consultancy EMGA Mitchell McLennan. Previously he was President of the International Council on Mining and Metals [ICMM] in London; ICMM is the mining industry's peak representative body. From

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2000-2003 he was CEO of CARE Australia. His earlier career was in town planning and environmental consulting as Managing Director of ERM Australia and Mitchell McCotter & Associates.

In 2004 he was admitted to the Order of Australia and he has qualifications in earth and engineering sciences, and town planning.

Matthew Gilmour
Appointed Director

10 February 2014

Matt has over 20 years experience in financial services in Australia and overseas, holding senior positions with Westpac, Bankers Trust and UBS before founding OzForex in 1998. Matt held the position of Managing Director of OzForex until 2010. Matt has been recognised with a number of awards as a leading entrepreneur in the financial markets sector. Matt also serves on the Board of Eyes for Africa, an Australian based charity focused on eye care in Ethiopia

Stephen Nolan
Appointed Director

10 February 2014

Stephen works as a Respiratory and Intensive Care Physician in Sydney. He has skills in the organisation of medical services and their provision to the community. He is currently the Director of Medical Services in a large private hospital and also the Director of Medicine in an Area Health Service in Sydney which serves more than 1 million people.

Jason Collins
Appointed Director

10 February 2014

Jason is a Managing Director and Head of Institutional Client Business, Australia at BlackRock Australia. Jason has over 15 years' experience in funds management and investment banking. He was Chief Operating Officer and head of Australia at the Ascalon group, a private equity business that is owned by Westpac. Previously Jason headed up the Australian business and was a Director of Communications and Marketing at Deutsche Bank Asia Pacific.

Meetings of Directors

During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Mr Ray John Wilson	5	5
Mr Harry Robert Hodge	5	4
Mr Paul Mitchell	5	5
Mr Charlie Lanchester	5	5
Mr Matthew Gilmour	1	1
Mr Jason Collins	1	1
Mr Stephen Nolan	1	1

Remuneration of Directors

No director has received or become entitled to receive, during or since the end of financial period any remuneration for time and services provided.

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Directors' Report

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No director has received or become entitled to receive, during or since the end of financial period, a benefit because of a contract made by the company, or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest, other than the benefits as disclosed in Note 5 and 12 to the financial statements.

Indemnities

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of Surf Aid International Australia Limited.

Proceedings on Behalf of 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

The lead auditor's independence declaration for the year ended 31 March 2014 has been received and can be found on page (5) of the financial statements.

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

Director: 

RAY WILSON

Dated this 23 day of JULY 2014



WalterAllanHall
ASSURANCE & FINANCIAL REPORTING

Surf Aid International Australia Limited

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Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Directors of Surf Aid International Australia Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2014 there has been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Don Walter
Director
Walter Allan Hall Pty Ltd
Authorised Audit Company 424505

Dated: 23-7-14

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WalterAllanHall

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Walter Allan Hall Pty Ltd, Authorised Audit Company 424505 ABN 39 158 928 011

Liability Limited by a scheme approved under the Professional Standards Legislation

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2014

	Note	2014 \$	2013 \$
Revenue	3	1,366,232	1,254,203
Direct costs from operations		(250,340)	(150,020)
Salaries and wages		(335,730)	(377,311)
Administration expenses		(166,117)	(124,897)
Marketing expenses		(41,679)	(131,788)
Other expenses			
Project and grant expenses		(933,754)	(552,041)
(Deficit)/Surplus before income tax		(361,388)	(81,854)
Income tax expense		-	-
Net (deficit)/surplus for the year		(361,388)	(81,854)
Other comprehensive income for the year		-	-
Total comprehensive (loss)/income for the year		(361,388)	(81,854)

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As at 31 March 2014

	Note	2014 \$	2013 \$
ASSETS			
Current assets			
Cash and cash equivalents	2a	86,802	574,283
Trade and other receivables	7	43,015	45,870
Total current assets		129,817	620,153
Non-current assets			
Plant and equipment	8	-	2,200
Total non-current assets		-	2,200
TOTAL ASSETS		129,817	622,353
LIABILITIES			
Current liabilities			
Trade and other payables	9	33,220	180,492
Short-term provisions	10	29,926	33,787
Total current liabilities		63,146	214,279
Non Current liabilities			
Long-term provisions	11	19,985	-
Total Non Current liabilities		19,985	-
TOTAL LIABILITIES		83,131	214,279
NET ASSETS		46,686	408,074
EQUITY			
Accumulated Surplus		46,686	408,074
TOTAL EQUITY		46,686	408,074

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 31 March 2014

	Accumulated Surplus \$	Total \$
Balance at 1 April 2012	489,928	489,928
Surplus/(Deficit) for the year	(81,854)	(81,854)
Balance at 31 March 2013	408,074	408,074
Surplus/(Deficit) for the year	(361,388)	(361,388)
Balance at 31 March 2014	46,686	46,686

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 31 March 2014

	Note	2014 \$	2013 \$
Cash from operating activities:			
Net receipts from operations		1,233,430	1,347,158
Payment for creditors, fundraising, administration and programs		(1,725,784)	(1,383,227)
Interest received		8,003	8,566
Net cash generated from operating activities	2b	<u>(484,351)</u>	<u>(27,503)</u>
Cash flows from investing activities:			
Payment for purchase of fixed assets		-	(1,993)
Intercompany Loans		(3,130)	(12,278)
Net cash used in investing activities		<u>(3,130)</u>	<u>(14,271)</u>
Net (decrease) in cash held		(487,481)	(41,774)
Cash at beginning of financial year		<u>574,283</u>	<u>616,057</u>
Cash at end of financial year	2a	<u>86,802</u>	<u>574,283</u>

The accompanying notes form part of these financial statements.

