

School For Life Foundation Australia Limited

ACN: 134 595 681

Annual Financial Report 30 June 2013



Registered office:
Unit 5 / 1 The Crescent
Mosman, NSW 2088

School For Life Foundation Australia Limited

Contents

Directors' Report	2
Lead Auditor's Independence Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Cash Flow Statement	9
1 Summary of significant accounting policies	10
2 Accounting estimates and assumptions	12
3 Expenses	13
4 Current assets – Cash and cash equivalents	13
5 Current assets –Trade and other receivables	13
6 Current assets – Prepayments	13
7 Non-current assets – Plant and equipment	13
8 Current liabilities – Trade and other payables	13
9 Retained earnings	13
10 Members' guarantee	14
11 Dividends	14
12 Cash flow reconciliation	14
13 Financial instruments	14
14 Key Management Personnel disclosures	14
15 Commitments and contingent liabilities and contingent assets	15
16 Charitable Fundraising Act disclosures	15
17 Events subsequent to the end of the year	15
Directors' Declaration	16
Independent Auditor's Report	17

School For Life Foundation Australia Limited
Directors' Report
For the year ended 30 June 2013

The Directors of School For Life Foundation Australia Limited ("the Company"), previously named School For Life Foundation Limited, present their report together with the Financial Report of the Company for the year ended 30 June 2013, the state of the Company's affairs as at 30 June 2013 and the Independent Auditor's Report thereon.

Directors

The Directors of the Company at any time during or since the end of the financial year ("the Directors") are:

Ms Annabelle Chauncy
(Joint Managing Director &
Company Secretary)

Ms Chauncy is co-founder of the Company, Board member and Company Secretary since registration on 12 December 2008. Ms Chauncy has volunteered in Africa providing medical assistance, educational services and leading a school building project with an Australian Organisation. Ms Chauncy has a combined Arts Law degree from University of Sydney majoring in English, Government and International Relations and is studying Masters of Business Administration at University of NSW.

Mr David Everett
(Joint Managing Director)

Mr Everett is co-founder of the Company and Board member since registration on 12 December 2008. Mr Everett has volunteered in Africa on a number of infrastructure projects. Mr Everett has a Development Studies degree from Macquarie University and is studying Masters of Development Studies at Macquarie University.

Mr Darren Perry
(Chairman)

Mr Perry joined the Board as Chairman on 1 February 2010. Mr Perry is a Senior Partner at Herbert Smith Freehills where he is experienced in commercial law, in particular employment, executive remuneration and benefits, corporate governance and industrial relations. Mr Perry commenced at Freehills in January 1997, was admitted as legal practitioner in April 1997 and Partner in July 2001. Mr Perry holds a Bachelor of Arts and Laws (Hons) degree from University of Sydney.

Mr William Britten
(Non-Executive Director &
Treasurer)

Mr Britten joined the Board as Treasurer on 1 June 2010. Mr Britten is Managing Director and CEO of Akindred Pty. Previously, Mr Britten was Head of Credit Suisse Asset Management in Australia. Mr Britten joined Credit Suisse in July 2011 from BlackRock Australia where he was CEO. Mr Britten was the former CEO of Barclays Global Investors for Australia and New Zealand having spent 12 years in various roles. Mr Britten is also a Board member of Grace Gala Committee. Mr Britten holds a Bachelor of Business degree from University of Technology, Sydney.

Mr Jack Elliott
(Non-Executive Director)

Mr Elliott joined the Board on 22 August 2009 as a representative of the Company's partner organisation, Rotary Australia World Community Service Limited. Mr Elliott is the Honorary Treasurer of Rotary Australia World Community Service Limited Eastern Region, Australia. Mr Elliott is the recipient of an Order of Australia.

Mr Matthew Day
(Non-Executive Director)

Mr Day joined the Board on 22 August 2009. Mr Day is a Director of Day Bukh Architects bringing 11 years experience in the building and construction industry particularly in sustainable and environmental design both in Australia and Denmark. Mr Day provided the architectural plans for the Company's education centre. Mr Day has a Bachelor of Science (Architecture) degree and a Bachelor of Architecture degree from the University of Sydney.

School For Life Foundation Australia Limited
Directors' Report
For the year ended 30 June 2013

Directors (continued)

		Date Appointed	Date of Cessation	Board Meetings	
				A	B
Ms Annabelle Chauncy	Joint Managing Director	12 Dec 2008	-	5	5
Mr David Everett	Joint Managing Director	12 Dec 2008	-	5	5
Mr Darren Perry	Chairman	1 Feb 2010	-	5	5
Mr William Britten	Treasurer	1 June 2010	-	5	5
Mr Matthew Day	Non-Executive	22 Aug 2009	-	5	5
Mr Jack Elliott	Non-Executive	22 Aug 2009	-	4	5

A – Number of meetings attended B – Number of meetings held during the time the director held office during the year

Principal activity

The principal activity of the Company during the financial year was fundraising through events, donations and sponsorship to fund the construction and operations of an education centre located in Uganda, named Katuuso.

Review and results of operations

The Company recorded a net loss of \$32,055 for the year ended 30 June 2013 (2012: \$83,385 surplus). The loss has arisen due to \$290,000 (2012: \$94,500) Funds sent to Uganda which was greater than profit generated during the financial year and was funded by the previous surplus. The amount of Funds sent to Uganda correlates to the cashflow requirements of the Ugandan operations. Highlights for 2013, made possible by the Company's fundraising activities, include:

- Completion of construction of Katuuso Primary and Vocational School including four classrooms, a staffroom, library, outdoor shade hut and kitchen, health rooms, a reception and storage area. This finalises the construction of the education centre and will enable a total of 320 students to receive an education.
- Providing 180 children in pre-Primary to Primary Three with high quality education in a safe and positive learning environment.
- Providing six children with a range of disabilities with specialised treatment and care. This includes three deaf students, one with Downs Syndrome and two with epilepsy which has led to brain damage. The children's learning is supported by a special needs teacher dedicated to their classes as well as outside medical treatment and attention.
- Providing employment to over 30 Ugandans, including cooks, cleaners, maintenance, security, builders and teachers.
- Providing three nutritious meals per day to all staff and students at Katuuso, using local produce and produce grown on our land.
- Providing clean drinking water to the entire community, as well as maintaining the upkeep and good condition of the deep-set borehole.
- Providing free quarterly health care clinics to the entire community, giving treatment for malaria and other diseases, testing for HIV, nutritional guidance and counselling.
- Providing education to local farmers and students on better farming practices. The remaining eight acres of land owned by the Company has been cropped with chillies and coffee (revenue raising crops) and bananas, yams, cabbage, tomatoes and mangoes (subsistence crops to assist with feeding students).
- Implementing a solar electricity system on site which includes a generator, fridge, freezer, printers, computers and other associated technology.
- Katuuso Primary and Vocational School was officially opened by the Honourable Amelia Kyambadde, Ugandan Foreign Minister for Trade, on 18th April 2013 in the company of 30 guests from Australia, staff, students and more than 650 Katuuso community members.

The Ugandan operation is currently sourcing 30 acres of land in close proximity to Katuuso on which to build a secondary boarding school to complete the students' education.

Dividends

No dividends were paid or declared by the Company for the financial year ended 30 June 2013 (2012:\$Nil).

School For Life Foundation Australia Limited
Directors' Report
For the year ended 30 June 2013

Significant changes in the state of affairs

During the financial year, \$290,000 (2012: 94,500) was sent to the Ugandan operations which correlates to the cashflow requirements for completing construction of the Katuuso Primary and Vocational School.

Events subsequent to the end of the year

There has not arisen in the interval between the end of the current financial year and the date of this report any item, transaction or event of a material or unusual nature, likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of operations, or the state of the affairs of the Company, in future financial years.

Likely developments

The Company will continue to pursue its principal activities during the next financial year.

Directors' remuneration

The amount of remuneration paid by the Company to Directors of the Company in connection with their responsibilities for the Company is detailed in Note 14.

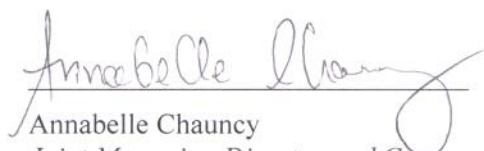
Indemnities and insurance of officers and auditors

Since the end of the previous financial year, the Company has not indemnified or agreed to indemnify any person who is or has been an officer of the Company or an auditor of the Company against any liability.

Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001

The external auditor's independence declaration is set out on page 5 and forms part of the Directors' Report for the year ended 30 June 2013.

Signed in accordance with a resolution of the Directors:



Annabelle Chauncy
Joint Managing Director and Company Secretary

Dated at Sydney, 22 October 2013



William Britten
Treasurer

Dated at Sydney, 22 October 2013



WATKINS COFFEY MARTIN
CHARTERED ACCOUNTANTS

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
THE DIRECTORS FOR
SCHOOL OF LIFE FOUNDATION LIMITED
A.B.N. 44 134 595 681

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2013 there have 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 that audit.

WATKINS COFFEY MARTIN
CHARTERED ACCOUNTANTS

RICHARD WATKINS FCA

Partner

65 Hill Street
Roseville NSW 2069

Dated this 22nd day of October, 2013

Business Services

- Advisory
- Coaching
- Structuring
- Succession Planning
- Tax Strategies

Compliance

Audit

Self Managed Super

Bookkeeping

Cloud Accounting



Liability is limited by a scheme
approved under Professional
Standards Legislation

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School For Life Foundation Australia Limited
Statement of Comprehensive Income
For the year ended 30 June 2013

	Notes	2013 \$	2012 \$
Revenue and other income			
Donations & Sponsorships		242,210	196,851
Fundraising events		255,008	197,510
Interest income		3,248	2,763
Total revenue and other income		500,466	397,124
Auditor's remuneration		(1,925)	(1,733)
Tax and Accounting fees		(2,017)	(1,045)
Fundraising expenses		(128,012)	(154,635)
Ugandan support expenses		(48,083)	(26,130)
Management and administration expenses		(56,090)	(32,629)
Depreciation expense		(1,386)	(571)
Other expenses		(5,008)	(2,496)
Total expenditure	3	(242,521)	(219,239)
Operating profit		257,945	177,885
Less: Funds sent to Uganda		(290,000)	(94,500)
Net (loss)/surplus for the year		(32,055)	83,385
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(32,055)	83,385

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

School For Life Foundation Australia Limited
Statement of Financial Position
As at 30 June 2013

	Notes	2013 \$	2012 \$
Current assets			
Cash and cash equivalents	4	183,349	219,195
Trade and other receivables	5	3,700	-
Prepayments	6	2,374	2,641
Total current assets		<u>189,423</u>	<u>221,836</u>
Non-current assets			
Plant and equipment	7	957	2,343
Total non-current assets		<u>957</u>	<u>2,343</u>
Total assets		<u>190,380</u>	<u>224,179</u>
Current liabilities			
Trade and other payables	8	(9,866)	(11,610)
Total current liabilities		<u>(9,866)</u>	<u>(11,610)</u>
Total non-current liabilities		-	-
Total liabilities		<u>(9,866)</u>	<u>(11,610)</u>
Net assets		<u>180,514</u>	<u>212,569</u>
Equity			
Retained Earnings	9	180,514	212,569
Total equity		<u>180,514</u>	<u>212,569</u>

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

School For Life Foundation Australia Limited
Statement of Changes in Equity
For the year ended 30 June 2013

	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2012	212,569	212,569
Net loss for the year	(32,055)	(32,055)
Other comprehensive income	-	-
Total comprehensive income	(32,055)	(32,055)
Balance as at 30 June 2013	180,514	180,514
Balance as at 1 July 2011	129,184	129,184
Net surplus for the year	83,385	83,385
Other comprehensive income	-	-
Total comprehensive income	83,385	83,385
Balance as at 30 June 2012	212,569	212,569

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

School For Life Foundation Australia Limited
Cash Flow Statement
For the year ended 30 June 2013

	Note	2013 \$	2012 \$
Cash flows from operating activities			
Cash receipts from:			
Donations & Sponsorships		238,765	196,851
Fundraising events		254,753	199,160
Interest received		3,248	2,763
Payments to suppliers and employees		(242,612)	(252,139)
Funds sent to Uganda		(290,000)	(94,500)
Net cash (outflow)/inflow from operating activities	12	(35,846)	52,135
Cash flows from investing activities			
Payment for plant and equipment		-	(2,772)
Net cash outflow from investing activities		-	(2,772)
Net cash utilised in financing activities			
		-	-
Net increase in cash and cash equivalents		(35,846)	49,363
Cash and cash equivalents at the beginning of the year		219,195	169,832
Cash and cash equivalents at the end of the year	4	183,349	219,195

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

School For Life Foundation Australia Limited
Notes to Financial Statements
For the year ended 30 June 2013

1 Summary of significant accounting policies

School For Life Foundation Australia Limited (“the Company”) is a company limited by guarantee, incorporated and domiciled in Australia.

The Financial Report as at and for the year ended 30 June 2013 was authorised for issue by the Directors on

(a) Statement of compliance

The Financial Report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (“AASBs”) – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (“AASB”).

(b) New Accounting Standards

Certain new or amended Accounting Standards have been published that are not mandatory for this reporting period. Based on management’s assessment, the recently issued or amended Accounting Standards are not expected to have a significant impact on the amounts recognised or disclosures made in these Financial Reports when restated for the application of the new or amended Accounting Standards.

(c) Changes in Accounting Standards and Regulatory requirements

The Company has adopted all the mandatory new and amended Accounting Standards issued that are relevant to its operations and effective for the current reporting period.

There was no material impact on the Financial Report as a result of the mandatory new and amended Accounting Standards adopted.

(d) Early adoption of standards

The Company has elected to apply AASB 1053 “Application of Tiers of Australian Accounting Standards” (“AASB 1053”) and AASB 2010-2 “Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements” (“AASB 2010-2”) to the annual reporting period beginning 1 July 2010.

The adoption of AASB 1053 and AASB 2010-2 allowed the Company to remove a number of disclosures. There was no other impact on the current or prior year Financial Report.

(e) Basis of preparation

The Financial Report is presented in Australian dollars, which is the Company’s functional currency.

The Financial Report has been prepared on the basis of the historical cost conventions.

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Refer to Note 2 for significant areas of estimation.

The accounting policies have been applied consistently throughout the Company for the purposes of this Financial Report.

The significant policies that have been adopted in the preparation of this Financial Report are set out below.

School For Life Foundation Australia Limited
Notes to Financial Statements
For the year ended 30 June 2013

1 Summary of significant accounting policies (continued)

(f) Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable.

Revenue is recognised for the major activities as follows:

Donation, Fundraising event and Sponsorship income

Donations, Fundraising event and Sponsorship income collected, including cash and goods for resale, are recognised as revenue when the Company gains control, economic benefits are probable and the amount received can be measured reliably.

Interest income

Interest income is recognised in the Statement of Comprehensive Income as it accrues using the effective interest method and if not received at balance date, is reflected in the Balance Sheet as a receivable.

(g) Goods and services tax

The Company is not registered for Goods and Services Tax ("GST") purposes. As such, revenues, expenses and assets are recognised gross of the amount of GST as the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Cash Flow Statement on a gross basis.

(h) Income tax

No Income tax is payable as the Company is a charitable institution for the purposes of Australian taxation legislation. The Company has partnered with Rotary Australia World Community Service Limited which holds deductible gift recipient status.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits with financial institutions.

(j) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment. Collectability of trade receivables is reviewed on an ongoing basis and at balance date, specific impairment losses are recorded for any doubtful accounts.

(k) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Plant and equipment is recognised at fair value at the date the Company obtains control of the asset.

Plant and equipment is depreciated straight-line over the expected useful lives of the assets as follows:

Computer equipment two years

Derecognition of plant and equipment is on disposal when an item is no longer used in the operations of the Company or when it has no sale value. Any gain or loss arising on derecognition of the asset is included in the Statement of Comprehensive Income in the year the asset is derecognised.

(l) Impairment of assets

The carrying amounts of the Company's assets are reviewed at each balance date, to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

School For Life Foundation Australia Limited
Notes to Financial Statements
For the year ended 30 June 2013

1 Summary of significant accounting policies (continued)

(l) Impairment of assets (continued)

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any losses that exceed the previous revaluation recognised through the Statement of Comprehensive Income.

Calculation of recoverable amount

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Receivables are individually assessed for impairment.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use.

Reversals of impairment

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

(m) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid. The carrying amount of Trade and other payables reflects fair value.

2 Accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

School For Life Foundation Australia Limited
Notes to Financial Statements
For the year ended 30 June 2013

	Note	2013 \$	2012 \$
3 Expenses			
Salaries and wages (including superannuation)		76,032	50,665
4 Current assets – Cash and cash equivalents			
Cash at bank		<u>183,349</u>	219,195
The effective interest rate for Cash at bank as at 30 June 2013 was 2.75% (2012: 3.5%).			
5 Current assets – Trade and other receivables			
Trade and other receivables		<u>3,700</u>	-
6 Current assets – Prepayments			
Prepayments		<u>2,374</u>	2,641
7 Non-current assets – Plant and equipment			
		Computer Equipment	Total
Cost		\$	\$
At 1 July 2011		650	650
Additions		2,772	2,772
At 30 June 2012		<u>3,422</u>	<u>3,422</u>
Additions		-	-
At 30 June 2013		<u>3,422</u>	<u>3,422</u>
Accumulated depreciation			
At 1 July 2011		(508)	(508)
Depreciation expense		(571)	(571)
At 30 June 2012		<u>(1,079)</u>	<u>(1,079)</u>
Depreciation expense		(1,386)	(1,386)
At 30 June 2013		<u>(2,465)</u>	<u>(2,465)</u>
Net Carrying Amount			
At 30 June 2012		<u>2,343</u>	<u>2,343</u>
At 30 June 2013		<u>957</u>	<u>957</u>
		2013 \$	2012 \$
8 Current liabilities – Trade and other payables			
Trade Payables		(6,787)	(9,324)
Other payables and Accruals		(3,079)	(2,286)
		<u>(9,866)</u>	<u>(11,610)</u>
9 Retained earnings			
Retained earnings at the beginning of the financial year		212,569	129,184
Net (loss)/surplus for the year		(32,055)	83,385
Retained earnings at the end of the financial year		<u>180,514</u>	<u>212,569</u>

School For Life Foundation Australia Limited
Notes to Financial Statements
For the year ended 30 June 2013

10 Members guarantee

The Company is limited by guarantee. In the event of the Company being wound up, each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company. At 30 June 2013, the number of members was six (2012: six members).

11 Dividends

No dividend was paid or declared by the Company for the financial year ended 30 June 2013 (2012: \$Nil).

12 Cash flow reconciliation

Reconciliation of Net surplus for the year to Net cash inflow from operating activities:

	2013	2012
	\$	\$
Net (loss)/surplus for the year	(32,055)	83,385
Less: Depreciation expense	1,386	571
Changes in assets and liabilities		
(Increase)/decrease in Trade and other receivables	(3,700)	1,650
(Increase)/decrease in Prepayments	267	(2,177)
Increase/(decrease) in Trade and other payables	(1,744)	(31,294)
Net cash (outflow)/inflow from operating activities	35,846	52,135

13 Financial instruments

Fair values of financial assets and financial liabilities

The fair value of the Company's financial assets and financial liabilities approximate their carrying values.

14 Key Management Personnel disclosures

Key Management Personnel

The following were Key Management Personnel ("KMP") of the Company at any time during the reporting period and unless otherwise indicated were KMP for the entire period.

Non-Executive Directors

Mr Darren Perry (Chairman)
 Mr William Britten (Treasurer)
 Mr Matthew Day
 Mr Jack Elliott

Executive Director

Ms Annabelle Chauncy Joint Managing Director and Company Secretary
 Mr David Everett Joint Managing Director

Non-Executive Directors act in an honorary capacity and receive no compensation for their services.

Executive Directors commenced receiving compensation from May 2011 as follows:

	2013	2012
	\$	\$
Short term employee benefits	67,783	47,755

School For Life Foundation Australia Limited
Notes to Financial Statements
For the year ended 30 June 2013

15 Commitments and contingent liabilities and contingent assets

As at 30 June 2013, the Company has no commitments (2012: \$Nil).

As at 30 June 2013, the Company has no contingent liabilities and no contingent assets (2012: \$Nil).

16 Charitable Fundraising Act disclosures

	2013	2012
	\$	\$
Gross income from fundraising	497,217	354,523
Cost of fundraising	(128,012)	(154,635)
Net surplus from fundraising	369,205	199,888
Cost / Gross income from fundraising ratio	0.26	0.44
Net surplus / Gross income from fundraising ratio	0.74	0.56

17 Events subsequent to the end of the year

There has not arisen in the interval between the end of the current financial year and the date of this report any item, transaction or event of a material or unusual nature, likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of operations, or the state of the affairs of the Company, in future financial years.

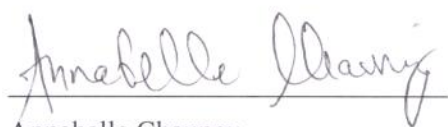
School For Life Foundation Australia Limited
Directors' Declaration
For the year ended 30 June 2013

In the opinion of the Directors of School For Life Foundation Australia Limited ("the Company"):

1. The Financial Statements and Notes that are set out on pages 6 to 15 are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Company's financial position as at 30 June 2013 and of its performance, for the financial year ended on that date; and
 - (b) complying with Australian Accounting Standards – Reduced Disclosure Regime and the Corporations Regulations; and
2. At the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of the Directors made pursuant to section 295 (5) of the *Corporations Act 2001*:

On behalf of the directors:



Annabelle Chauncy

Joint Managing Director and Company Secretary

Dated at Sydney, 22 October 2013



William Britten

Treasurer

Dated at Sydney 22 October 2013



WATKINS COFFEY MARTIN
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
SCHOOL FOR LIFE FOUNDATION LIMITED**

Overall Scope

I have audited the financial statement of School of Life Foundation Limited for the period 1 July 2012 to 30 June 2013, consisting of the statement of results and accumulated surplus, balance sheet, statement of cash flows and accompanying notes. The directors are responsible for the financial statements. I have conducted an independent audit of these financial statements in order to express an opinion on them to the directors.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and an evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements, statutory requirements and comply with the provisions of the Trust Deed dated 17 February 1997, as amended, so as to present a view which is consistent with our understanding of the trust's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Additional scope pursuant to the Charitable Fundraising Act for New South Wales (NSW) and Regulations

In addition, my audit report has also been prepared for the trustees in accordance with the Charitable Fundraising Act of NSW and Regulations. Accordingly, I have performed additional work beyond that which is performed in my capacity as auditor. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Charitable Fundraising Act of NSW and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year end financial statement preparation.

Business Services

- Advisory
- Coaching
- Structuring
- Succession Planning
- Tax Strategies

Compliance

- Audit
- Self Managed Super
- Bookkeeping
- Cloud Accounting



*Liability is limited by a scheme
approved under Professional
Standards Legislation*

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Telephone 02 6947 6003

The performance of my audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial statements. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

My audit opinion pursuant to the Charitable Fundraising Act of NSW and Regulations has been formed on the above basis.

Qualifications

It is not always practicable for the trust to establish accounting control over all sources of fundraising appeal activities prior to receipt of these funds by officers of the trust and accordingly it is not possible for my examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the trust.

In respect of the qualification however, based on my review of the internal controls, nothing has come to my attention which would cause me to believe that the internal controls over revenue from fundraising appeal activities by the trust are not appropriate.

Qualified Audit Opinion

In my opinion, except for the effects on the financial statements of such adjustments, if any, which might have been required had the limitations referred to in the qualification paragraphs not existed, the financial statements of School for Life Foundation Limited are properly drawn up;

- a) So as to present fairly the state of affairs of the trust for the period 1 July 2012 to 30 June 2013 and the results and cash flows of the company for the year ended on that date; and
- b) In accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

Qualified Audit Opinion Pursuant to the Charitable Fundraising Act of NSW and Regulations

In my opinion, except for the effects on the financial statement of such adjustments, if any, which might have been required, had the limitation referred to in the qualification paragraph not existed:

- a) The financial statement present fairly the financial result of fundraising appeal activities for the period 1 July 2012 to 30 June 2013;
- b) The financial statements have been properly drawn up, and the associated records have been properly kept for the period 1 July 2012 to 30 June 2013m, in accordance with the Charitable Fundraising Act of NSW and Regulations; and

- c) Money received as a result of fundraising appeal activities conducted during the period 1 July 2012 to 30 June 2013 has been properly accounted for and applied in accordance with the Charitable Fundraising Act of NSW and Regulations.

WATKINS COFFEY MARTIN
CHARTERED ACCOUNTANTS



Richard Watkins FCA

65 Hill Street
Roseville NSW 2069

Dated this *21st* day of *October*, 20 *13*.