

Social Ventures Australia Limited

ABN 94 100 487 572

Annual Financial Report
for the year ended 30 June 2017

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Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

The directors present their report together with the consolidated financial statements of Social Ventures Australia Limited (the Company, Parent or SVA) comprising the Company and its subsidiaries together referred to as (the Group) for the financial year ended 30 June 2017 and the auditor's report thereon.

1 Directors

The directors of the Company at any time during or since the end of the financial year are:

Paul Robertson AM

BComm, FCPA, MAICD
Chairman

Non-Executive Director
Chair of Remuneration and
Nominations Committee
Chair of Property Committee

Experience and expertise

Director since 30 August 2010

Mr Robertson is an experienced leader who has spent his career in banking and finance, initially with the Commonwealth Bank of Australia and subsequently with Hill Samuel/Macquarie Bank for over 25 years.

Other current directorships

Mr Robertson is Chair of St Vincent's Health Australia Group, Trustees of St Vincent's Hospital Sydney, Alzheimer's Australia NSW and Tonic Health Media, Founder and Director of Financial Markets Foundation for Children and Director of Telco Together Foundation, Grace Papers Pty Limited and Sydney Theatre Company Foundation.

Former directorships in last 3 years

Mr Robertson was previously Chair of St Ignatius College Riverview, Chair of RV Sports (sports management and sponsorship company), Director of Austraclear, Director of Sydney Futures Exchange Clearing House, Co-founder and Chair of Australian Financial Markets Association and Director of National Basketball League.

Richard Spencer

LLB MProfEthics

Non-Executive Director
Member of Finance, Audit &
Risk Committee
Member of Remuneration
and Nominations Committee

Experience and expertise

Director since 20 October 2004

Mr Spencer is a Commissioner (Social Policy) with the Australian Government's Productivity Commission. He was formerly Chief Executive Officer of The Benevolent Society and spent many years working as a CEO and board member in the non-profit sector. Previous roles have included CEO of Cerebral Palsy Alliance and President of AFS Intercultural Programs in New York. Earlier in his career he worked as a corporate lawyer with Clayton Utz and held senior management positions with Rio Tinto.

Other current directorships

Mr Spencer is Chair of Coordinare, a Primary Health Network in NSW, Director of the China Committee for Intercultural Education in Beijing and a member of the Sydney Advisory Council of the Centre for Social Impact.

Former directorships in last 3 years

During 2015 Mr Spencer retired as Chair of Bonnyrigg Management Pty Ltd and Newleaf Community Renewal and in 2017 he retired as a director of Women's Community Shelters.

Tanya Gilerman

BEC, CA

Non-Executive Director
Chair of Finance, Audit &
Risk Committee

Experience and expertise

Director since 30 April 2012

Ms Gilerman is the Chief Risk Officer for KPMG Australia. She was admitted to the partnership in 2000, specialising in the financial services sector in audit and risk advisory. Ms Gilerman has extensive experience in auditing of ASX listed companies, funds management businesses and working with Boards and senior management during times of change and restructuring. Ms Gilerman is very passionate about supporting diversity and inclusion and leads females in partnership forums at KPMG so that senior women can

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

develop and enhance their opportunities and leverage themselves, their teams and the business. She is a member of Chief Executive Women and a graduate of the 2006 Sydney Leadership Program.

Adrian Appo OAM

BTeach

Non-Executive Director

Experience and expertise

Director since 22 October 2012

Mr Appo was the founding CEO of Ganbina and has extensive experience in regional and Indigenous leadership. His work around developing school to work transition programs has gained state and national recognition. He is a graduate of the Fairley and Williamson Community Leadership programs and is a recipient of the Australian Defence and Centenary Medals.

Other current directorships

Mr Appo is a director of Australian Centre for Rural Entrepreneurship, Children's Ground, Indigenous Leadership Network Victoria, Goulburn Broken Catchment Management Authority, and Australian Advisory Board on Impact Investing and First Australians Capital Limited.

Former directorships in last 3 years

Hume Region Regional Development Australia Committee.
VicHealth Indigenous Advisory Committee.
Indigenous Social Enterprise Fund Advisory

Robert Koczkar

BEng (Hons)

Executive Director
Member of Property
Committee

Experience and expertise

Director since 3 April 2013

Mr Koczkar is the CEO of Social Ventures Australia and Managing Director of Adamantem Capital. He has extensive experience in investing and management consulting along with a deep understanding of the social purpose sector. Mr Koczkar was previously a Managing Director of Pacific Equity Partners for 10 years. Prior to that he was a Principal at Texas Pacific Group in Europe, and a strategic consultant with Bain & Company. Mr Koczkar is a member of the Australian Government's Cities Reference Group to support delivery of the Smart Cities Plan and is a non-executive director of Goodstart Early Learning.

Other current directorships

Mr Koczkar is a director of Adamantem Capital.

Former directorships in last 3 years

He previously served on the boards of Spotless Group Holdings Limited and Energy Developments Limited.

Lisa Paul AO PSM

*BA (Hons) FACEL FAICD
FIPAA FAIM FANZSOG*
Non-Executive Director

Experience and expertise

Director since 21 August 2013

Ms Paul is a prominent Australian policymaker. As Chief Executive in the Australian federal government until 2016, she held national responsibility for all aspects of education from childhood to post graduate and international education, research, science, employment, workforce and workplace relations, and was the principal adviser to government on these matters. She has a long standing interest in how to build and strengthen our social fabric, including the development of a stronger philanthropic focus on social services and policy, as well as developing further the relationship between education, leadership and productivity. Ms Paul is a Melbourne University Enterprise Professor and Bond University Councillor. She was made an Officer of the Order of Australia for distinguished service to public sector leadership. Ms Paul has been awarded a Public Service

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

Medal for leading the domestic response to the Bali bombings, and also received the ACA Federal Government Leader of the Year Award.

Other current directorships

Ms Paul is also a non-Executive Director of Navitas Australia, Programmed Group and APM International, a director of Australian Schools Plus, High Resolves and Australia American Education Leadership Foundation and a member of the National Shipbuilding Advisory Board.

Former directorships in the last 3 years

The Australian National Institute of Public Policy Advisory Board, the Advisory Council of the Australian National University Crawford School of Public Policy, the National Security College Advisory Board, and the Advisory Group for the Centre for Workplace Leadership, the Education Investment Fund.

Daisy Mallett

BA LLB

Non-Executive Director
Member of Remuneration
and Nominations Committee

Experience and expertise

Director since 23 February 2016

Ms Mallett is a risk management and dispute resolution Partner at King & Wood Mallesons, where she specialises in cross-border transactions. Her clients include Australian and global companies, as well as governments and range across many sectors, including in the energy and resources, financial services, construction, water, insurance, transport, telecommunications and manufacturing industries. Ms Mallett is on the New South Wales Law Society's Alternative Dispute Resolution Committee, as well as the Law Council of Australia's Transnational Litigation Committee. She is passionate about youth and education initiatives playing a key role in reducing disadvantage in Australia.

Other current directorships

Ms Mallett is also the Chair of the Crawford Foundation.

Chris Harrop

BComm (Hons), MBA (Hons)

Non-Executive Director

Experience and expertise

Director since 19 September 2016

Mr Harrop is a Director in the Melbourne office of Bain & Company, the global strategy consulting firm. He joined Bain in 1993 and became a Partner in 2000. He led Bain's telecommunications practice in Asia Pacific for 7 years and served for 6 years on the firm's global committee responsible for partner promotion and remuneration. Mr Harrop has worked with clients in many different industries, and has specialised in projects addressing corporate strategy, growth strategy, customer experience improvement and broad-based transformational change. Prior to joining Bain, Mr Harrop held sales and marketing roles in the computer and consumer products industries, with IBM, NCR and Adidas.

Other current directorships

Mr Harrop is a member of Bain's global board of directors and serves on the Brandenburg Foundation Board.

Former directorships in the last 3 years

Board of the Australian Brandenburg Orchestra

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

2 Company Secretary

The company secretary is Ms Justine Isemonger BEc LLB (Syd), BCL (Oxf). Ms Isemonger is also the SVA Head of Legal, and previously worked as a corporate and commercial lawyer in an ASX-listed company and law firms in Australia and England. Ms Isemonger was appointed company secretary on 19 September 2016.

The previous company secretary was Ms Frances Deegan BA LLB (UNSW), LLM (Lond). Ms Deegan was company secretary from 21 September 2007 until 15 November 2016.

3 Directors' meetings

The number of directors' meetings and committee meetings and the number of those meetings attended by each of the directors of the Company during the financial year are:

Director	Board Meetings		Finance, Audit & Risk Committee Meetings	
	Attended	Entitled	Attended	Entitled
Paul Robertson	4	4	-	-
Adrian Appo*	-	1	-	-
Richard Spencer	3	4	4	5
Tanya Gilerman	3	4	5	5
Robert Koczkar	4	4	-	-
Lisa Paul	3	4	-	-
Daisy Mallett	4	4	-	-
Chris Harrop	4	4	-	-
Independent member of the FAR Committee				
Shannon Wolfers <i>BEC (Hons)</i>	-	-	5	5

*Adrian Appo commenced a 12-month leave of absence from the Board on 19 September 2016.

4 Role of Board

The Board of SVA operates under a constitution that sets out major parameters of governance including membership, election of chair, board size and meeting frequency. The number of directors must be no less than three, and no more than fifteen. The Board is ultimately responsible for all matters relating to the running of the Company and its controlled entities.

The Board has a documented Board Charter which includes the statement that the Board is responsible for and has the authority to determine all matters relating to the policies, practices, management and operation of SVA. The Board is required to do all things necessary to achieve the objectives of SVA and serve the interests of its stakeholders. The Board has the responsibility for the effective governance and successful operation of SVA.

5 Board Committees

Finance, Audit and Risk Committee

The Finance, Audit and Risk (FAR) Committee has documented Terms of Reference approved by the Board. The FAR Committee is composed of up to five but not less than three members, comprising independent non-executive directors and not more than one Board appointed independent Committee member.

The members of the Committee are appointed by the SVA Board for such terms as the Board may determine, and the Committee has an independent chairperson who is not chairperson of the Board.

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

The members of the FAR Committee during the year were:

- Tanya Gilerman – Chair, Non-Executive Director
- Richard Spencer – Non-Executive Director
- Shannon Wolfers – Board appointed independent member (appointed 18 June 2014)

The auditors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary are invited to attend FAR Committee meetings at the discretion of the Committee. The FAR Committee met on five occasions during the year.

The primary responsibility for SVA's financial reporting, accounting systems, internal controls, risk management, management plans & budgets, business policies & practices, protection of assets and compliance with laws, regulations, standards & best practice guidelines is entrusted to the SVA Management and overseen by the SVA Board. The FAR Committee is a standing committee of the Board established to assist the Board in fulfilling its responsibilities in this regard.

The FAR Committee reviews the performance of the auditors on an annual basis and meets with them during the year to discuss the audit plan. It also reviews the annual financial report and recommends it to the Board for approval and reviews the results and findings of the auditor.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee is a committee of the Board formed for the purpose of reviewing and approving staff compensation as part of the budget cycle and process in the context of SVA's broader strategic people and culture activities, such as performance management.

The Committee met once during the year and all the members of the Committee were in attendance. The Committee members were:

- Paul Robertson AM – Chair, Non-Executive Director
- Richard Spencer – Non-Executive Director
- Daisy Mallett – Non-Executive Director

Property Committee

The Property Committee is a committee of the Board formed for the purpose of reviewing and approving the terms and arrangements for the proposed new premises for SVA's Sydney office.

The Committee met once during the year and all the members of the Committee were in attendance. The Committee members were:

- Paul Robertson AM – Chair, Non-Executive Director
- Rob Koczkar – Executive Director
- Peter Manchester – Chief Financial Officer

6 Company objectives, strategies and principal activities

Short term and long term objectives and strategies

Social Ventures Australia works to improve the lives of people in need. We focus on drivers to overcoming disadvantage in Australia, including great education, sustainable jobs, stable housing and appropriate health, disability and community services. By offering funding, investment, and advice we support partners across sectors to increase their social impact.

SVA Consulting provides social impact strategy, implementation and outcomes management consulting for social purpose organisations, philanthropists, governments and business.

SVA Impact Investing introduces debt and equity to fund growth of social purpose organisations or projects, and social impact bonds to fund and promote system-wide change.

SVA Venture Philanthropy provides funding, expertise and networks to transform high-potential organisations and incubate innovative ideas, as well as services for philanthropists to enable disciplined risk-taking and effective funding.

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

Principal activities

During the financial year the Group continued working with innovative social purpose organisations to increase their growth and impact to drive transformational social change. The principal activities of the Group during the financial year were:

- Investing in our key focus areas of education, employment, housing and First Australians, as we believe these to be critical areas of focus if all Australians are to have the opportunity to realise their full potential.
- Building our knowledge and influence in key areas including education, housing and First Australians.
- Increasing our funding to support philanthropic ventures with donations sourced from high net worth individuals, foundations, corporations and Government Grants.
- Increasing the size and scope of consulting practice with engagements up by 20 % and average client project revenues up by 22%.
- Increasing the number of trusts administered to six with the launch of three Social Impact Bonds (SIBs) dealing with mental health, homelessness and First Australian children out of home care.
- Continuing and developing the Bright Spots Schools Connection, which supports schools in low SES communities;
- Further developing the Evidence for Learning (E4L) initiative with a diverse group of stakeholders in the education community.
- Continue to build financial sustainability by driving revenue generating activities across the business and reducing the reliance on philanthropic donations to cover costs.

7 Review of performance and operations

The directors' report that SVA's consolidated group activity has produced a net surplus for the year attributable to members of \$2,464,449 as compared with deficit of \$179,433 in the prior year.

The company Social Ventures Australia Ltd has delivered a net surplus for the year of \$1,830,949 as compared to a surplus of \$79,700 in the prior year.

The current year surplus of the Parent and the Group is attributed to donations received towards the end of the 2016-17 financial year, representing multi-year commitments. These have been recognised in the financial statements as income in the current year in accordance with the Australian Accounting Standards. The matching expenses will be incurred over future periods.

Social Ventures Australia Ltd consolidated group operational performance is made up as follows:

	2017	2016
	\$	\$
Social Ventures Australia Limited (the Parent)	1,830,949	79,700
Australian Philanthropic Services Limited *	633,710	(416,870)
SVA Nominees Pty Ltd	(155)	155
SSE Australia Limited	(55)	(10)
SVA Future Trust Adjustment **	-	157,592
Social Ventures Australia Limited (Consolidated)	2,464,449	(179,433)

*Australian Philanthropic Services (APS) operated in both the Australian Philanthropic Services Ltd subsidiary and the Company and resulted in a net surplus of \$633,710 in the current year (2016: deficit of \$416,870). There was a significant increase in private ancillary fund fees during the year. APS has separated from SVA as at 1 July 2017.

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

**The FY16 amount of \$157,592 relates to SVA Future Trust, which was wound up in FY16. The adjustment relates to the available for sale reserve.

The surplus for Social Ventures Australia Ltd includes a deficit for School for Social Entrepreneurs (SSE) of \$29,379 operated from within the Company. SSE ceased operations in late 2016.

Net assets for the Group as at 30 June 2017 was \$14,720,337 (2016: \$12,130,297).

Measurement of performance

The Group monitors the progress of the organisations that we invest in by tracking KPI's as described in their strategic plans. The Group's funding commitments were met with funds successfully raised and acquitted as planned. All of the SVA consulting client engagements are evaluated on completion. All government contracts are tracking in line with the agreements.

8 Significant changes in the state of affairs

During the year in line with its strategy, the Company continued to develop and invest in its core social impact service offerings in funding, investment and advice. These activities were managed at the operational level in accordance with budgets set in consulting, impact investing and venture philanthropy business teams.

The auspiced operations of SSE ceased in late 2016. As planned, APS has separated from SVA as at 1 July 2017 and continues to operate as a separate legal entity, Australian Philanthropic Services Ltd.

The SVA Impact Investing team have successfully launched and secured funding for three new trusts. SVA acts as trustee through its subsidiary, SVA Nominees Pty Ltd. These trusts are Aspire SIB Trust, Newpin QLD SBB Trust and Resolve SBB Trust. No disbursements have been made from the trusts as at 30 June 2017.

In the opinion of the directors there are no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

9 Members' liabilities

Social Ventures Australia Limited is a company limited by guarantee. Pursuant to the constitution of the Company, every member has undertaken in the event of a deficiency on winding up to contribute an amount not exceeding \$2. At 30 June 2017, the total of these guarantees was \$28 (2016: \$28).

10 Authority to fundraise

Social Ventures Australia Limited has been granted authority to raise funds in NSW under the provisions of the *Charitable Fundraising Act 1991*, in Victoria under the provisions of the *Fundraising Appeals Act 1998*, in Tasmania under the provisions of the *Collections for Charities Act 2001*, in Western Australia under the provisions for the *Charitable Collections Act 1946*, in Queensland under the provisions of the *Collections Act 1966* and in the Australian Capital Territory under the provisions of the *Charitable Collections Act 2003*.

11 Auditor's independence declaration

The Auditor's independence declaration is set out on page 10 and forms part of the directors' report for financial year ended 30 June 2017.

12 Bankers

Transactional banking services were provided by the Commonwealth Bank of Australia.

Social Ventures Australia Limited

Directors' report

For the year ended 30 June 2017

13 Events subsequent to balance date

On the 30 June 2017 Social Ventures Australia Limited resigned as a Member of Australian Philanthropic Services Limited, and Chris Cuffe, David Ward and John King were appointed as the Members of the company. From 1 July 2017, Australian Philanthropic Services Limited and its subsidiary Australian Philanthropic Services Foundation Pty Limited operate as a separate legal group.

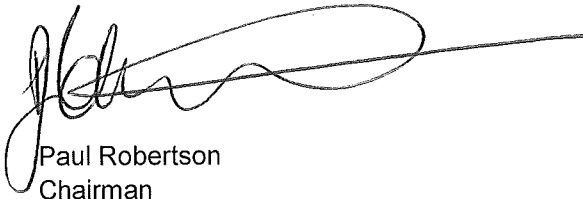
On 31 December 2017, the lease for Social Ventures Australia's Sydney premises expires. SVA has entered into a lease agreement for a new Sydney office, which has been signed on 31 August 2017 for a minimum lease term of 6 years.

There were no other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

14 Environmental regulations

The Company's operations are not regulated by any significant environmental regulation under laws of the Commonwealth or of a state or territory.

This report is made in accordance with a resolution of the directors:



Paul Robertson
Chairman

Dated at Sydney this 12 September 2017



Building a better
working world

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Auditor's Independence Declaration to the Directors of Social Ventures Australia Limited

In relation to our audit of the financial report of Social Ventures Australia Limited for the financial year ended 30 June 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

Ernst & Young

Damien Jones
Partner
12 September 2017

Social Ventures Australia Limited

Statement of comprehensive income

For the year ended 30 June 2017

	Note	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
Revenue	4	19,393,096	14,690,113	19,393,096	15,103,530
Distributions to venture partners		(1,315,060)	(947,210)	(1,315,060)	(947,210)
Personnel expenses	5	(11,328,367)	(9,568,656)	(11,328,367)	(9,568,656)
Professional and sub-contractor fees		(3,108,026)	(2,284,625)	(3,108,026)	(2,284,625)
Administration		(1,128,923)	(1,440,740)	(1,128,713)	(1,433,145)
Travel		(629,653)	(618,683)	(629,653)	(618,683)
Depreciation and amortisation		(99,851)	(91,332)	(99,851)	(91,332)
Loss on disposal of assets		(48,908)	-	(48,908)	-
Communications		(57,098)	(43,140)	(57,098)	(43,140)
Events and activities		(218,227)	(245,144)	(218,227)	(245,144)
Marketing		(255,170)	(253,805)	(255,170)	(253,805)
Total operating expenditure		(18,189,283)	(15,493,335)	(18,189,073)	(15,485,740)
Surplus/(deficit) from operating activities		1,203,813	(803,222)	1,204,023	(382,210)
Net finance income	6	626,926	623,789	626,926	461,910
Surplus/(deficit) before income tax		1,830,739	(179,433)	1,830,949	79,700
Income tax expense		-	-	-	-
Surplus/(deficit) after tax for the year from discontinued operations	21	633,710	-	-	-
Surplus/(deficit) for the year attributable to members		2,464,449	(179,433)	1,830,949	79,700
Other comprehensive income					
Net change in fair value of available for sale financial assets		125,591	36,469	126,026	198,897
Total comprehensive income for the year attributable to members		2,590,040	(142,964)	1,956,975	278,597

The notes on pages 16 to 34 are an integral part of these consolidated financial statements.

Social Ventures Australia Limited

Statement of financial position

As at 30 June 2017

	Note	Consolidated		Parent	
		2017 \$	2016 \$	2017 \$	2016 \$
Assets					
Cash	7	6,455,182	6,330,233	6,455,213	6,258,574
Trade and other receivables	8	2,489,392	1,940,074	2,489,372	1,953,207
Work in progress		321,692	-	321,692	-
Prepayments		137,218	-	137,218	-
Available-for-sale financial assets	9	4,933,822	3,874,856	4,933,822	3,719,679
		14,337,306	12,145,163	14,337,317	11,931,460
Assets directly associated with the assets held for sale	21	1,200,791	-	-	-
Total current assets		15,538,097	12,145,163	14,337,317	11,931,460
Investment in subsidiaries		-	-	154	134
Other investments	9	120,000	120,000	120,000	120,000
Other non-current receivables	8	3,435,259	3,721,472	3,435,259	3,673,191
Office fit-out and equipment	10	231,096	235,224	231,096	235,224
Intangible assets	11	25,975	-	25,975	-
Total non-current assets		3,812,330	4,076,696	3,812,484	4,028,549
Total assets		19,350,427	16,221,859	18,149,801	15,960,009
Liabilities					
Trade and other payables	12	1,433,237	677,414	1,433,228	680,847
Deferred revenue		1,923,358	2,637,738	1,923,358	2,637,738
Employee benefit liabilities	15	607,317	396,932	607,317	396,932
Loans and borrowings	13	-	196,092	-	-
Provisions	14	80,000	-	80,000	-
		4,043,912	3,908,176	4,043,903	3,715,517
Liabilities directly associated with the assets held for sale	21	498,361	-	-	-
Total current liabilities		4,542,273	3,908,176	4,043,903	3,715,517
Employee benefits	15	87,817	103,386	87,817	103,386
Provisions	14	-	80,000	-	80,000
Total non-current liabilities		87,817	183,386	87,817	183,386
Total liabilities		4,630,090	4,091,562	4,131,720	3,898,903
Net assets		14,720,337	12,130,297	14,018,081	12,061,106
Accumulated funds					
Members' funds		14,495,492	12,031,043	13,792,801	11,961,852
Fair value reserve	16	224,845	99,254	225,280	99,254
Total funds		14,720,337	12,130,297	14,018,081	12,061,106

The notes on pages 16 to 34 are an integral part of these consolidated financial statements.

Social Ventures Australia Limited

Consolidated statement of changes in member's funds

For the year ended 30 June 2017

	Member's funds	Fair value reserve	Total
	\$	\$	\$
Balance at 1 July 2015	12,210,476	62,785	12,273,261
Deficit for the year	(179,433)	-	(179,433)
<i>Other comprehensive income</i>			
Net change in fair value of available-for-sale financial assets	-	36,469	36,469
Total comprehensive income for the year	(179,433)	36,469	(142,964)
Balance at 30 June 2016	12,031,043	99,254	12,130,297
Balance at 1 July 2016	12,031,043	99,254	12,130,297
Surplus/(deficit) for the year	2,464,449	-	2,464,449
<i>Other comprehensive income</i>			
Net change in fair value of available-for-sale financial assets	-	125,591	125,591
Total comprehensive income for the year	2,464,449	125,591	2,590,040
Balance at 30 June 2017	14,495,492	224,845	14,720,337

The notes on pages 16 to 34 are an integral part of these consolidated financial statements.

Social Ventures Australia Limited

Parent statement of changes in member's funds

For the year ended 30 June 2017

	Member's funds	Fair value reserve	Total
	\$	\$	\$
Balance at 1 July 2015	11,882,152	(99,643)	11,782,509
Surplus for the year	79,700	-	79,700
<i>Other comprehensive income</i>			
Net change in fair value of available-for-sale financial assets	-	198,897	198,897
Total comprehensive income for the year	79,700	198,897	278,597
Balance at 30 June 2016	11,961,852	99,254	12,061,106
Balance at 1 July 2016	11,961,852	99,254	12,061,106
Surplus/(deficit) for the year	1,830,949	-	1,830,949
<i>Other comprehensive income</i>			
Net change in fair value of available-for-sale financial assets	-	126,026	126,026
Total comprehensive income for the year	1,830,949	126,026	1,956,975
Balance at 30 June 2017	13,792,801	225,280	14,018,081

The notes on pages 16 to 34 are an integral part of these consolidated financial statements.

Social Ventures Australia Limited

Statement of cash flows

For the year ended 30 June 2017

Note	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Cash flows from operating activities				
Cash receipts from customers and funders	16,904,324	14,473,805	16,135,379	14,844,937
Receipts from granting bodies	1,923,412	1,258,620	1,923,412	1,258,620
Cash paid to suppliers and employees	(17,274,663)	(15,439,670)	(17,321,784)	(15,521,872)
Dividends received	129,114	154,937	124,340	150,091
Net cash from operating activities	1,682,187	447,692	861,347	731,776
Cash flows from investing activities				
Acquisition of plant and equipment	10 (144,630)	(161,864)	(144,630)	(161,864)
Acquisition of intangibles	11 (25,975)	-	(25,975)	-
Interest received	552,195	572,132	551,944	571,599
Acquisition of available-for-sale financial assets	(1,251,365)	(870,651)	(1,046,047)	(870,651)
Proceeds from sale of available-for-sale financial assets	56,547	587,890	-	587,891
Net cash from/(used in) investing activities	(813,228)	127,507	(664,708)	126,975
Cash flows from financing activities				
Net cash from financing activities	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	868,959	575,199	196,639	858,751
Cash and cash equivalents at beginning of year	6,330,233	5,755,034	6,258,574	5,399,823
Cash and cash equivalents at end of year	7 7,199,192	6,330,233	6,455,213	6,258,574

The notes on pages 16 to 34 are an integral part of these consolidated financial statements.

Social Ventures Australia Limited

Notes to consolidated financial statements

For the year ended 30 June 2017

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Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

1 Reporting entity

Social Ventures Australia Limited (SVA, the Company or the Parent) is a public company limited by guarantee, incorporated and domiciled in Australia. SVA is a not-for-profit entity. The address of the Company's registered office and principal place of business is Level 6, 6-10 O'Connell Street, Sydney NSW 2000.

The consolidated financial statements of the Company as at and for the year ended 30 June 2017 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities). The reporting entity has applied ASIC Class Order 10/654 (*Inclusion of parent entity financial statements in financial reports*).

The consolidated financial statements were authorised for issue by the Board of Directors on 12 September, 2017.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASBs) adopted by the Australian Accounting Standards Board (AASB), the Corporations Act 2001 and the Australian Charities and Not-for-Profit Commission Act 2012. A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017, and have not been early adopted in preparing these consolidated financial statements. The standards not yet effective are:

- *AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation*
The amendments clarify the principle in AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets* that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is a part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively and do not have any impact on the Group, given that it has not used a revenue-based method to depreciate its non-current assets.
- *AASB 7 Financial Instruments: Disclosures*
 - (i) Servicing contracts – The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in AASB 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures need not be provided for any period beginning before the annual period in which the entity first applies the amendments.
 - (ii) Applicability of the amendments to AASB 7 to condensed interim financial statements
The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. This amendment is applied retrospectively.
- *AASB 9 Financial Instruments* – simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value. The new standard also:
 - simplifies requirements for embedded derivatives.
 - removes the tainting rules associated with held-to-maturity assets.
 - provides an opportunity to fair value investments in equity instruments to other comprehensive income, with no separate impairment test, whilst taking dividends to income.
 - requires entities to reclassify their financial assets when there is a change in the entity's business model.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

2 Basis of preparation (continued)

For financial liabilities, where the fair value option is used, changes in fair value attributable to the issuer's own credit risk are presented in other comprehensive income, removing the volatility in profit or loss. A new impairment model is also included which requires more timely recognition of expected credit losses from when financial instruments are first recognised, and recognition of full lifetime expected losses on a more timely basis.

AASB 9 applies to annual reporting periods on or after 1 January 2018. The Group is in the process of assessing the new requirements of AASB 9.

- *AASB 119 Employee Benefits* – The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment is applied prospectively.
- *AASB 15 Revenue from Contracts with Customers* – establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principles explained in a step by step approach in the standard. AASB 15 applies to annual reporting periods on or after 1 January 2018. The Group is currently assessing the impact of the new requirements.
- *AASB 16 Leases* – introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessors, enhanced disclosures are required to improve information about the lessor's risk exposure, particularly to low value risk. AASB 16 applies to annual reporting periods beginning on or after 1 January 2019. The Group is in the process of assessing the impact of the new requirements.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for available-for-sale financial assets which are measured at fair value.

(c) Functional, presentation currency and foreign exchange translation

The consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the spot rate of exchange ruling at the reporting date. Non-monetary assets and liabilities are translated at their historic rates of exchange at their respective transaction dates.

(d) Use of estimates, judgment and assumptions

The preparation of consolidated financial statements requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the 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.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

2 Basis of preparation (continued)

2 (d)(i) Loan receivable – Interest in Goodstart Early Learning Limited

The Group is part of the syndicate of not-for-profit organisations that formed Goodstart Early Learning Limited (Goodstart) in 2010, the entity that won the bid to take over 650 ABC Learning Centres from the receivers. Operating as a not-for-profit organisation itself, Goodstart ensures all surplus funds are reinvested to improve early childhood learning and care at the Early Learning centres.

To fund the acquisition, Goodstart worked with a number of funders providing innovative funding solutions for the acquisition. The Group's participation in the syndicate does not draw on any of the Group's funds. With the three other founding not-for-profit members, the Group has an entitlement to a \$2.5m deeply subordinated note with a coupon of 15 per cent per annum.

The repayment term of this facility is a bullet payment at 20 years from 28 May 2010 being the date of acquisition. The loan is disclosed as a non-current receivable and as at 30 June 2017 has a capitalised balance of \$3,365,608 (2016: \$3,365,608), upon which interest has been either received or accrued and reported in current interest receivable.

Management is of the opinion that the loan has been appropriately valued and serviced and does not warrant further assessment testing of impairment. The Group holds 25% of the voting powers of the Goodstart members. Members voting powers are limited to the terms of the Goodstart constitution (revised Oct 2014).

2 (d)(ii) Revenue recognition and expenses

Certain cash flows are received upfront at the execution of a contract or government grant being provided. The Group is entitled to recognise the revenue in relation to those cash flows either as services are provided or conditions are progressively completed (refer to note 3(h)). In addition, the Group makes certain commitments to projects and expenditures at points which are different to the profile over which cash payments are made, which may give rise to obligations at the reporting date which require assessment for recognition.

The Group makes judgments in respect of the extent to which revenues can be recognised or obligations exist. These judgments are based on information prevailing at the reporting date and include estimates of the extent of work performed, whether certain conditions precedent have been met and use of inputs such as time expended and discount rates to calculate deferrals.

2 (d)(iii) Fair values of financial assets

The Group classifies its investments in listed securities (both equity and debt) as 'available-for-sale' investments and movements in fair values are recognised directly in other comprehensive income. The fair value of listed securities has been determined by reference to published price quotations in active markets.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods in these consolidated financial statements.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

3 Significant accounting policies (continued)

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Social Ventures Australia Limited (the Company) has holdings in several subsidiaries, including:

- Australian Philanthropic Services Ltd (a company limited by guarantee)
- Australian Philanthropic Services Foundation Pty Ltd
- SVA Nominees Pty Ltd (trustee)
- SVA Nominees No. 2 Pty Ltd (trustee)
- Newpin SBB Pty Ltd (trustee)

SVA Nominees Pty Limited (ACN: 129 293 947) was deregistered on 6 July 2016. A new company with the same name was registered on 1 December 2016 (ACN: 616 235 753).

Australian Philanthropic Services Ltd and Australian Philanthropic Services Foundation Pty Ltd left the consolidated group effective 1 July 2017.

Investments in subsidiaries are accounted for at cost in accordance with AASB127 Consolidated and Separate Financial Statements.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

(c) Financial instruments

3 (c)(i) Non-derivative financial assets

Financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

3 (c)(ii) Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less any impairment losses (see note 3(e)).

3 (c)(iii) Loans and receivables

This category includes loan assets held at amortised cost which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loan assets are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans assets are subsequently measured at amortised cost using the effective interest method. Where applicable, direct costs to establishment of loan facilities that are yield related are included as part of the cost of the loan assets.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

3 Significant accounting policies (continued)

3 (c)(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale. The Group's investments in securities primarily held by SVA Limited, parent entity, are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see note 3(e)), are recognised in other comprehensive income and reserves. When an investment is derecognised, the cumulative gain or loss in accumulated funds is transferred to the surplus or deficit for the year.

The fair value of available-for-sale financial assets is determined by reference to their quoted bid price at the reporting date.

Donated investments are measured at fair value at the point of donation. The fair value of donated unlisted available-for-sale financial assets is based on the discounted cash flows expected to be derived from the asset.

3 (c)(v) Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

(d) Office fit-out and equipment

3 (d)(i) Recognition and measurement

Items of office fit-out and office equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of office fit-out and equipment have different useful lives, they are accounted for as separate items (major components) of office fit-out and equipment.

Gains and losses on disposal of an item of office fit-out and equipment are determined by comparing the proceeds from disposal with the carrying amount of the office fit-out and equipment and are recognised net within other income in the surplus or deficit for the year.

3 (d)(ii) Subsequent costs

The cost of replacing a component of an item of office fit-out and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of office fit-out and equipment are recognised in the surplus or deficit for the year as incurred.

3 (d)(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in the surplus or deficit for the year on a straight-line basis over the estimated useful lives of each component of an item of office fit-out and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

3 Significant accounting policies (continued)

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|--|-----------|
| • Office equipment | 5 years |
| • Computer equipment | 0-3 years |
| • Leasehold improvements, furniture and fittings | 6 years |

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Property make good asset

Property make good asset is stated at historical cost less amortisation. Amortisation is calculated on a straight-line basis over the expected useful life of the lease.

(e) Impairment

3 (e)(i) Non-derivative financial assets

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables at both a specific asset and collective level.

All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the surplus or deficit for the year and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the surplus or deficit for the year.

Available-for-sale financial assets

Impairment losses on available-for-sale investments are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in accumulated funds, to the surplus or deficit for the year. The cumulative loss that is removed from other comprehensive income and recognised in the surplus or deficit for the year is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in the surplus or deficit for the year. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale investment increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in the surplus or deficit for the year, then the impairment loss is reversed, with the amount of the reversal recognised in the surplus or deficit for the year. However, any subsequent recovery in the fair value of an impaired available-for-sale investment is recognised in other comprehensive income.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

3 Significant accounting policies (continued)

3 (e)(ii) Non-financial assets (e.g. property, plant and equipment)

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Employee benefits

3 (f)(i) Long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations.

3 (f)(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(g) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Make good provision

A make good provision is recognised when the Group enters into a lease contract that requires the property to be returned to the lessor in its original condition. The provision is based on the expected future cost of the refurbishment discounted to reflect current market assessments.

(h) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for the major operating activities as follows:

3 (h)(i) Funding and sponsorship

Funding and sponsorship revenue is brought to account in the year it is received. Where appropriate, specific project revenue is deferred to match project expenditure. In respect of pledges committed, revenue is recognised when it is received.

3 (h)(ii) Program revenue, consultancy services and events income

Program revenue and conferences and events income are recognised when the services are provided. Revenue from consulting services are recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised when the services are provided.

Revenues relating to future accounting periods are transferred to deferred income. They are recognised in the surplus or deficit for the year once the service has been provided.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

3 Significant accounting policies (continued)

(h) Revenue (continued)

3 (h)(iii) Government grants

An unconditional government grant is recognised when the Group obtains control of the grant or the right to receive the grant; it is probable that the economic benefits comprising the grant will flow to the Group; and the amount of grant can be measured reliably. That is, where there are no conditions attached to a government grant, revenue is recognised once received. Other government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and that the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in the surplus or deficit for the year as revenue on a systematic basis in the same periods in which the expenses are recognised. Grants that compensate the Group for the cost of an asset are recognised in the surplus or deficit for the year on a systematic basis over the useful life of the asset.

3 (h)(iv) Dividends

Dividend income is recognised in the surplus or deficit for the year on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys a right to use the asset.

Leases in which the Group retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease rental income. Operating lease payments are recognised as an income or expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

Deferred income is recognised as a liability on the Statement of Financial Position on inception of the lease. The deferred lease incentive is then recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease, through rent expense.

(j) Interest income and expenses

Interest income and expense is brought to account using the effective interest method. The effective interest method calculates the amortised cost of a financial instrument and allocates the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts or payments through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

(k) Income tax

The Company (Social Ventures Australia Limited) is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(l) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

3 Significant accounting policies (continued)

(m) Gifts in kind

The Group receives various forms of in-kind support from organisations for professional services such as legal advice, consulting, training and audit, and services such as printing, functions rooms and catering. Services provided to the Group are disclosed upon receipt when their fair value can be reliably measured. Pro-bono audit fees of \$127,500 (2016: \$78,500) could be reliably measured.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

4 Revenue

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Funding and sponsorship	8,777,477	6,986,222	8,777,477	6,834,109
PAF administration fees	-	1,303,315	-	-
Consultancy services	6,010,572	4,309,793	6,010,572	4,309,793
Management and establishment fees	1,280,718	784,593	1,280,718	784,593
Government grants	1,923,412	1,258,620	1,923,412	1,258,620
Other Income	1,400,917	47,570	1,400,917	1,916,415
	19,393,096	14,690,113	19,393,096	15,103,530

Management and establishment fees was previously disclosed as part of Consultancy services revenue in the FY16 financial statements and has been disaggregated for in the FY17 accounts. Total revenue also previously included dividend income on available-for-sale assets (2017: \$124,340, 2016: 154,937), now reclassified to net finance income, see note 6.

In FY16 the consolidated entity revenue included PAF administration fees earned from the subsidiary APS, which have been separately disclosed in FY17 as part of the revenue from discontinued operations. Refer to note 21 for more information.

5 Personnel expenses

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Wages and salaries	(10,440,545)	(8,695,271)	(10,440,545)	(8,695,271)
Contractors	(641,644)	(648,799)	(641,644)	(648,799)
Other associated personnel expenses	(246,178)	(224,586)	(246,178)	(224,586)
	(11,328,367)	(9,568,656)	(11,328,367)	(9,568,656)

6 Net finance income

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Interest income	551,944	572,132	551,944	571,599
Dividend income on available-for-sale financial assets	124,340	154,937	124,340	150,091
Interest expense	-	(1,092)	-	-
Net foreign exchange gains and losses	(42,089)	(10,040)	(42,089)	(10,040)
Net gain/(loss) on sale of available for sale financial assets	(7,269)	(92,148)	(7,269)	(249,740)
	626,926	623,789	626,926	461,910

Dividend income on available-for-sale assets was previously disclosed as part of total revenue in note 4 (2017: \$124,340, 2016: 154,937) and is now reclassified to net finance income.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

7 Cash and cash equivalents

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Cash at bank and on hand	5,878,143	5,122,913	5,878,174	5,051,255
Cash in foreign currency	557,317	597,583	557,317	597,583
Cash in managed fund accounts	19,722	609,737	19,722	609,736
	6,455,182	6,330,233	6,455,213	6,258,574
Cash at bank attributable to held-for-sale operations	21 744,010	-	-	-
Cash and cash equivalents	7,199,192	6,330,233	6,455,213	6,258,574

8 Trade and other receivables

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Current				
Fees receivable	2,092,513	1,795,346	2,092,513	1,858,793
Other receivables	157,585	144,728	157,565	94,414
Security deposits	239,294	-	239,294	-
	2,489,392	1,940,074	2,489,372	1,953,207
Non-current				
Security deposits	69,651	355,864	69,651	307,583
Loan to Goodstart Early Learning Limited	3,365,608	3,365,608	3,365,608	3,365,608
	3,435,259	3,721,472	3,435,259	3,673,191

Security deposits are restricted cash held with the Commonwealth Bank linked to the bank guarantee issue for leased premises. Due to intended relocation of Sydney offices in November 2017, the security deposits related to the Sydney leased premises are current assets.

9 Available-for-sale financial assets

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Current				
Current listed securities	4,933,822	3,874,856	4,933,822	3,719,679
Non-current				
Other investments	120,000	120,000	120,000	120,000

The available for sale financial assets balance in the Group represent investments in a managed portfolio of traded equity stocks, debt instruments and redeemable, convertible preference shares which have been classified as equity instruments. These available for sale financial assets are held at fair value, with unrealised gains and losses being recorded in reserves.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

10 Office fit-out and equipment

	Office equipment	Computer equipment	Leasehold improvements & furniture & fittings	Total
Costs				
Balance at 1 July 2016	20,714	382,288	1,048,151	1,451,153
Additions	-	62,470	82,160	144,630
Disposals		(28,328)	(113,843)	(142,171)
Balance at 30 June 2017	20,714	416,430	1,016,468	1,453,612
Depreciation & impairment losses				
Balance at 1 July 2016	20,401	335,421	860,106	1,215,928
Depreciation charged for the year	129	28,875	70,847	99,851
Disposals	-	(28,328)	(64,935)	(93,263)
Balance at 30 June 2017	20,530	335,968	866,018	1,222,516
Net book value				
Balance at 1 July 2016	313	46,867	188,045	235,224
Balance at 30 June 2017	184	80,462	150,450	231,096

11 Intangibles (Software)

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Cost	97,056	71,081	97,056	71,081
Accumulated amortisation	(71,081)	(71,081)	(71,081)	(71,081)
Total	25,975	-	25,975	-

12 Trade and other payables

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Current				
Trade payables	370,944	11,293	370,944	11,191
Accrued expenses	699,684	390,558	699,684	390,658
Other payables	362,609	275,563	362,600	278,998
Total	1,433,237	677,414	1,433,228	680,847

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

13 Loans and Borrowings

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Current				
Loans and Borrowings	-	196,092	-	-

The FY16 Loans and Borrowings balance within the consolidated entity comprised related to the subsidiary APS. The FY17 balance has been separately disclosed as part of liabilities directly associated with the assets held for sale. Refer to note 21 for more information.

14 Provisions

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Current				
Provision for property make good	80,000	-	80,000	-
Non-Current				
Provision for property make good	-	80,000	-	80,000

As part of the conditions of the lease for the Sydney premises, at the end of the lease the Group is required to remove from the premises all fixtures and fittings installed at the premises. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of the leasehold improvements and are amortised over the shorter of the term of the lease or the useful life of the assets.

The Group expects to relocate to a different Sydney office location in November 2017, and to make good on the existing leased premises.

15 Employee benefits

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Current				
Provision for annual leave	558,193	396,932	558,193	396,932
Provision for long service leave	49,124	-	49,124	-
	607,317	396,932	607,317	396,932
Non-Current				
Provision for long service leave	87,817	103,386	87,817	103,386
	87,817	103,386	87,817	103,386

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

16 Fair value reserve

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Fair value reserve	224,845	99,254	225,280	99,254

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investment is derecognised or impaired. The available for sale financial assets are held at fair value, with unrealised gains and losses being recorded in reserves. The consolidated entity figure includes \$435 attributable to APS.

17 Operating Leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
Less than one year	353,301	527,449	353,301	527,449
Between one and five years	143,010	496,310	143,010	496,310
Greater than five years	-	-	-	-
Total	496,311	1,023,759	496,311	1,023,759

The Group leases the Sydney and Melbourne offices under non-cancellable operating leases expiring on 31 December 2017 in its Sydney offices and 31 March 2020 in Melbourne. The leases have varying terms, escalation clauses and renewal rights. For more information about the Sydney lease, refer to note 19.

18 Related parties

Key management personnel compensation

The key management personnel compensation for the consolidated group included in "personnel expenses" (see note 5) is \$1,265,294 for the year ended 30 June 2017 (2016: \$853,066). The net increase between the two periods represents staff compensation increases, transitions in the executive team and parental leave taken. The directors of the company do not receive remuneration for their Board positions.

Related party transactions

A number of directors, members and key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

18 Related parties (continued)

A number of these entities transacted with the Group in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available on similar transactions to non-key management personnel related entities on an arm's length basis.

Refer to note 22 in relation to the APS divestment, disclosing assets and liabilities which are now held for sale.

Transactions with related parties	Consolidated		Parent	
	2017 \$	2016 \$	2017 \$	2016 \$
Goodstart Early Learning Limited (other related party)				
Social Ventures Australia Ltd loan to Goodstart Early Learning Limited	3,365,608	3,365,608	3,365,608	3,365,608
Interest received on Goodstart Early Learning Ltd loan	504,840	505,438	504,840	505,438
Social Ventures Australia Ltd received fees for consulting services provided to Goodstart Early Learning Limited	20,000	-	20,000	-
Donations by key management personnel	94,000	96,500	94,000	96,500
SVA Social Impact Fund (key management personnel)				
Units in SVA Social Impact Fund held by related parties, at cost	400,000	400,000	400,000	400,000
Distributions to related parties by SVA Social Impact Fund	31,446	30,171	31,446	30,171
Newpin SSB Trust (key management personnel)				
Notes in Newpin SBB Trust held by related parties, at cost	187,500	187,500	187,500	187,500
Newpin SBB Trust coupon due to related party noteholders	36,476	20,060	36,476	20,060
Management and establishment fees (subsidiaries and other related parties)				
Social Ventures Australia Ltd management fees received from Newpin SBB Pty Ltd ATF Newpin SBB Trust	74,387	74,023	74,387	74,023
Social Ventures Australia Ltd management fees received from SVA Nominees No. 2 Pty Ltd ATF Social Impact Investment Trust	496,095	428,122	496,095	428,122
Social Ventures Australia Ltd management and establishment fees received from SVA Nominees Pty Ltd ATF Aspire SIB Trust	191,250	-	191,250	-
Social Ventures Australia Ltd establishment fees received from SVA Nominees Pty Ltd ATF Newpin QLD SBB Trust	130,000	-	130,000	-
Social Ventures Australia Ltd establishment fees received from SVA Nominees Pty Ltd ATF Resolve SBB Trust	115,000	-	115,000	-
Social Ventures Australia Ltd service fees received from Australian Philanthropic Services Ltd	-	-	1,313,731	1,868,951

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

19 Subsequent events

Changes in business structure

On 30 June 2017, Social Ventures Australia Ltd resigned as a Member of Australian Philanthropic Services Limited. From 1 July 2017, Australian Philanthropic Services Limited and its subsidiary Australian Philanthropic Services Foundation Pty Limited operate as a separate legal group.

The value of the investment was sold back to the Members at book value. This divestment has no material net financial impact on SVA, and reduces the future net result of the Group by the net contribution of APS, being a net surplus of \$633,710 in the current year (2016: deficit of \$416,870).

Change in office location

SVA has entered into a lease agreement for a new Sydney office, signed on 31 August 2017 for a minimum lease term of 6 years. The new office location is substantially larger than the existing location to better accommodate the growing organisation. Accordingly, the annual rent expense will increase by approximately 40% per year from the expense in the 2016-17 financial year. The existing lease expires on 31 December 2017.

SVA will commit to a larger bank guarantee than existing, and incur relocation and office fit-out costs as part of the office relocation.

Other

There were no other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

20 Results from fundraising

	Consolidated		Parent	
	2017 \$	2016 \$	2017 \$	2016 \$
Total operating revenue	19,393,096	14,690,113	19,393,096	15,103,530
Net finance income	626,926	623,789	626,926	461,910
Total Income	20,020,022	15,313,902	20,020,022	15,565,440

Total consolidated operating revenue includes funding and sponsorship revenue of \$8,777,477 (2016: 6,986,222).

Funding is contributed by the following sectors:

	60-70%	60-70%	60-70%	60-70%
	30-40%	30-40%	30-40%	30-40%
Individuals and private foundations				
Corporates and corporate foundations				
Gross proceeds from fundraising and sponsorships	8,777,477	6,986,222	8,777,477	6,834,109
Costs associated with fundraising and sponsorships	(1,083,169)	(908,838)	(1,083,169)	(888,953)
Fundraising costs as % of Total funds raised	12%	13%	12%	13%
Net surplus obtained from fundraising	7,694,308	6,077,384	7,694,308	5,945,156

Fundraising costs as a % of total funds raised was 12% (2016: 13%) for the year.

Costs associated with fundraising and sponsorships is based on an allocation of key staff time in maintaining relationships and supporting strategic funder functions held throughout the year. Costs also include an allocation of an average of 12% (2016: 13%) of overheads of the underlying indirect costs that support the provision of direct services.

Social Ventures Australia Limited

Notes to consolidated financial statements (continued)

For the year ended 30 June 2017

21 Discontinued operations

On 30 June 2017, Social Ventures Australia Ltd resigned as a Member of Australian Philanthropic Services Limited. From 1 July 2017, Australian Philanthropic Services Limited and its subsidiary Australian Philanthropic Services Foundation Pty Limited operate as a separate legal group. The consolidated financial statements include the following items referable to Australian Philanthropic Services Limited:

	<u>2017</u>
	\$
Revenue	2,008,171
Expenses	<u>(1,374,461)</u>
Surplus/(deficit) after tax for the year from discontinued operations	<u>633,710</u>

The major classes of assets and liabilities of APS classified as held for sale are as follows:

	<u>2017</u>
	\$
Assets	
Cash at bank and on hand	7 744,010
Trade and other receivables	104,971
Other assets	<u>351,810</u>
Assets directly associated with the assets held for sale	<u>1,200,791</u>
Liabilities	
Trade and other payables	275,359
Loans and borrowings	<u>223,002</u>
Liabilities directly associated with the assets held for sale	<u>498,361</u>
Net assets	<u>702,430</u>

The net cash flows incurred by APS are, as follows:

	<u>2017</u>
	\$
Operating	821,297
Investing	(148,787)
Financing	<u>0</u>
Net cash (outflow)/inflow	<u>672,510</u>

There were no discontinued operations in the previous year.

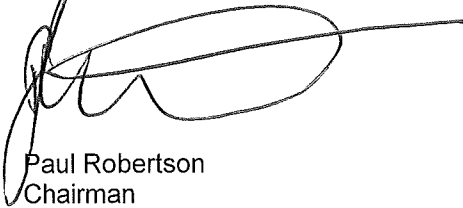
Social Ventures Australia Limited

Declaration by the Board in respect of fundraising activities

We, the Board of Directors of Social Ventures Australia Limited, declare in our opinion:

- (a) the financial report gives a true and fair view of all income and expenditure of Social Ventures Australia Limited with respect to fundraising appeals activities for the financial year ended 30 June 2017;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2017;
- (c) the provisions of the Charitable Fundraising Act 1991 (NSW), the Charitable Collections Act 1946 (WA) and Regulations and the conditions attached to the authorities have been complied with for the financial year ended 30 June 2017; and
- (d) the internal controls exercised by Social Ventures Australia Limited are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

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:



Paul Robertson
Chairman

Dated at Sydney this 12 September 2017

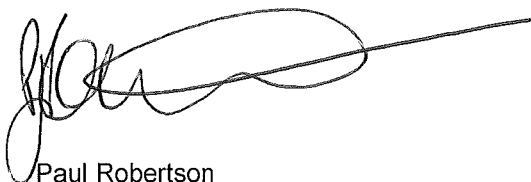
Social Ventures Australia Limited

Directors' Declaration

In the opinion of the directors of Social Ventures Australia Limited (the Company):

- (a) the consolidated financial statements and notes that are set out on pages 11 to 32, are in accordance with the Corporations Act 2001 and the Australian Charities and Not-for-Profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the Corporations Regulations 2001 and the Australian Charities and Not-for-Profits Commission Regulation 2013; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

A handwritten signature in black ink, appearing to read 'Paul Robertson', with a long horizontal line extending to the right.

Paul Robertson
Chairman

Dated at Sydney this 12 September 2017



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Independent Auditor's Report to the Members of Social Ventures Australia Limited

Report on the Financial Report

Opinion

We have audited the financial report of Social Ventures Australia Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2017 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements, *Corporations Regulations 2001* and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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 the *Corporations Act 2001* and Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our 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 *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

- a) the financial report of Social Ventures Australia Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2017, in all material respects, in accordance with:
 - i. sections 20(1), 22(1-2), 24(1-3) of the *NSW Charitable Fundraising Act 1991*;
 - ii. sections 10(6) and 11 of the *NSW Charitable Fundraising Regulations 2015*;
 - iii. the *WA Charitable Collections Act (1946)*; and



- iv. the WA Charitable Collections Regulations (1947).
- b) the money received as a result of fundraising appeals conducted by Social Ventures Australia Limited during the financial year ended 30 June 2017 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.

A handwritten signature in cursive script that reads 'Ernst & Young' is located above the printed name.

Ernst & Young

Damien Jones
Partner
Sydney
12 September 2017