

2014

ALOOLA AUSTRALIA ANNUAL REPORT



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ANNUAL REPORT

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Alola Australia

Vision

Strong Women, Strong Nation

Shared with our partner **Fundasaun Alola**

Feto Forte, Nasaun Forte

Mission

Partner with **Fundasaun Alola** in enabling women and families in Timor-Leste to build a strong future by raising awareness, funds and creating links in Australia, and building a strong sustainable organisation.



Purpose

Alola Australia was established in 2008 and works in partnership with **Fundasaun Alola**, a Timorese NGO founded by Kirsty Sword Gusmão in 2001 to make positive and sustainable changes in the lives of women and children in Timor-Leste.

Alola Australia and our supporters raise awareness and funds to support four key programs of **Fundasaun Alola**:

- **Advocacy**
- **Education and Literacy**
- **Maternal and Child Health, and**
- **Economic Empowerment**

Fundasaun Alola's programs create employment, promote human rights and strengthen community development. They also help enhance the status of women. Alola's programs work hand-in-hand with the Government of Timor-Leste to achieve the nation's Development Goals.

Alola Australia is committed to enabling **Fundasaun Alola** undertake their work effectively and sustainably. We recognise that the interests of women, men and children are best served when local communities mobilise local community capacity. We obtain funds for Alola's development work by undertaking fundraising activities and events aiming to raise at least \$100,000 per year.

'Strong Women, Strong Nation'

'Feto Forte, Nasaun Forte'

Chair's Report 2014

As each year passes Alola Australia becomes stronger in its ability to support development programs to enable women and families in Timor-Leste to build a strong and sustainable future. Our partnership with *Fundasaun Alola* is crucial to this work.

Alola Australia is a small but effective organisation run by a Board of Directors and with a large support-base across Australia. Our collaboration with *Fundasaun Alola* involves responding to the issues they identify as being important. We aim to be responsive and supportive in our commitment to building the capacity of *Fundasaun Alola*, collaborating and sharing knowledge, experience and resources to address priorities.

We maintain dialogue and close links with Fundasaun Alola via:

- Visits to Australia by Fundasaun Alola staff who are here for study, conferences and speaking engagements;
- Visits to Timor-Leste by Board Directors and other Alola supporters;
- Sharing of key documents and reports; and
- At least one meeting per year of the Alola Board with the CEO and/or Chair of *Fundasaun Alola*.

In **August 2014**, Alola Avos Christine Perkins, Melanie Atkins and Wendy Mayne, plus a group of Alola supporters from Australia met with Fundasaun Alola Board representatives and senior staff at Alola's office in Dili. They were introduced to Alola's key programs and Alola's current priorities which include:

- Strengthening the role and participation of women in governance and decision-making, including enhancing women's advocacy skills and supporting their participation in national and district elections;
- Offering economic empowerment programs to more women across Timor-Leste;
- Advancing the rights of women and addressing the issues of trafficking and HIV-AIDS;
- Strengthening community based maternal and child health programs and promoting the message: our village loves its mothers and children;
- Integration across programs to effect broader change, as for example, the Advocacy program working with the Maternal and Child Health Program to encourage the introduction of improved maternity leave policies in workplaces;
- Increasing the participation of young women in education;
- Developing more multi-language learning resources; and
- Enhancing handcraft development and cultural preservation initiatives, which include documenting information about the natural dyes used by weavers.

Alzira Reis, the CEO of Fundasaun Alola, met with the Alola Australia Board in **April 2014** when she was in Melbourne for our annual key fundraising event. Our discussions included updates on *Fundasaun Alola's* programs, the many achievements, emerging advocacy issues for women in Timor-Leste, future plans, resource gaps and the formal partnership agreement between Alola Australia and Fundasaun Alola.

Kirsty Sword Gusmão Chair of Fundasaun Alola and **Quentin Bryce** Patron of Alola, were key speakers at



Alzira Reis (front, left) with Board Members of Alola Australia

Front Row: Alzira Reis (CEO Fundasaun Alola), Maria Bohan (Chair, Alola Australia), Emily Wilson

Second Row: Mardi Tromp, Christine Perkins, Rachel Ball, Kate Ashmor

Back Row: Erin McKinnon, Alice Forsyth

our 29 August MILK event at the Windsor Hotel in Melbourne.

The **Alola Australia Board** saw some changes in 2014. Jan Curtain stepped down from the Board at the AGM in May and we thank her for her dedicated service over 5 years, including as Company Secretary. Zoe Brown also stepped down in June 2014 and we thank her for her contributions to marketing and communications.

Alola Australia is committed to keeping our organisational costs to a minimum so that the majority of funds we raise are transferred to *Fundasaun Alola*. In 2014 it is testimony once again that we achieve this and it is due to the significant unpaid and voluntary work by a very special team of people.

It is inspiring to be involved with Alola Australia and *Fundasaun Alola*. I take this opportunity to thank the Board for their vision, leadership, commitment and very hard work. I especially thank **Christine Perkins** for her stunning work as Alola Australia's **Administration Manager**, and in addition her contributions to fundraising events, the newsletter and the website. From time to time, former Board member and Avo **Melanie Atkins** supports Christine's work as the contact point for Alola Australia. I feel privileged to work with such talented, inspiring and committed people.

As we move into 2015 the key priorities for Alola Australia include:

- Enhancing the depth of our relationship and partnership, and our support for Fundasaun Alola
- Strengthening of support for Alola as a national organisation
- On-going engagement and communication with and our supporter base, and
- Achieving our fundraising goals in order to support *Fundasaun Alola*.



Chair

Alola Australia Board

Our Board of Directors

- | | | |
|--|--|--|
| ➤ Kate Ashmor | ➤ Rachel Ball | ➤ Maria Bohan (Chair) |
| ➤ Zoe Brown
(to June 2014) | ➤ Janette Curtain
(to May 2014) | ➤ Alice Forsyth
(Deputy Treasurer) |
| ➤ Erin McKinnon | ➤ Natalie Savin
(from June 2014) | ➤ Mardi Trompf
(Treasurer) |
| ➤ Emily Wilson
(Company Secretary) | | |

Our Partners Fundasaun Alola

- | | | |
|--|---------------------|----------------------------|
| ➤ Kirsty Sword Gusmão
(Chair of the Board) | ➤ Board | ➤ Alzira Reis (CEO) |
| ➤ Staff Team | ➤ Volunteers | |

Alola Australia's Avos Advisors

Avo Advisers are respected elder women who have or have had a particular association with Timor-Leste and/or Fundasaun Alola. They are appointed by the Board of Alola Australia and their role is to provide wise counsel on Alola Australia's activities, especially on matters that may require sensitivity and reconciliation. Alola Australia's Avos are:

- | | | |
|-------------------------|----------------------------|------------------------|
| ➤ Melanie Atkins | ➤ Jan Curtain | ➤ Jill Forsyth |
| ➤ Wendy Mayne | ➤ Christine Perkins | ➤ Rosalie Sword |

Our Many Thank-yous

Alola Australia acknowledges and thanks everyone who has contributed to and supported bringing our mission to life during 2014.

Patron

➤ **Quentin Bryce**

Supporters

Friends of Alola groups and individuals across Australia.

Volunteers

A great list of people who help with mail-outs, the website, our Facebook page, the newsletter, the MILK Campaign, stalls, events, awareness and fundraising.

Specifically we mention the contribution of Wendy Mayne and Sue Lee to the newsletter, Vanisha Mishra-Vakaoti and Wendy Mayne to the website and Facebook page, Melanie Atkins to our key fundraising initiatives and the contact point for Alola Australia and Wendy Mayne to the Facebook page and fundraising events.

We especially acknowledge Vanisha's leadership and creativity in relation to our website and Facebook page over a number of years. Vanisha stepped down from this role in June 2014.

Our Corporate Supporters

- | | | |
|------------------------------|--------------------------|-------------------------|
| ➤ Butleigh Wootton | ➤ Haystack | ➤ Salesforce.com |
| ➤ The Shannon Company | ➤ Holding Redlich | ➤ PKF Lawlor |

Our Community Partners

- | | | |
|---|---|---------------------------|
| ➤ Commission for Children and Young People | ➤ Public Interest Law Clearing House & Human Rights Law Centre | ➤ ourcommunity.com |
| ➤ Leadership Victoria/ Greatconnections | ➤ Rotary Club of Kew | ➤ EY |

Individuals

- | | |
|--|---|
| ➤ Jorge de Araujo
(for many photographic images) | ➤ Leonie Graham
(for contributions to our annual event) |
|--|---|

FUNDASAUN ALOLA

A quote from Maria Fátima Pereira Guterres, Acting Advocacy Manager at Fundasaun Alola:

*'The greatest challenges that face women and children in Timor-Leste today are abandonment and violence. As a women's organization, Alola works holistically to answer the real and current situations faced by women. It does this by linking the Economic Empowerment Small Grants Program and the Advocacy Program to deliver information about gender based violence and relevant issues. The same integrated approach can also apply to the two other programs; Education and Maternal and Child Health. We will continue with the holistic program as it helps to raise awareness and strengthen the collaboration between the partners to respond to the common problems that exist now, so that we can achieve our dream as Alola's vision **Strong Women, Strong Nation!**'*

Alola's maternal and child health programs support women and children through community based networks and health facility based programs by raising awareness, promoting good nutrition and supporting safe motherhood, newborn care, exclusive breastfeeding and birth spacing.

By working through a community based participation approach, Alola's maternal and child health program is able to connect with women who might otherwise be hard to reach and allows for the development of community action plans to increase access to services and support for women in the community.



The successes of the program to date have seen an increase of exclusive breastfeeding from 31.7 percent in 2003 to 62.3 percent in 2014, health facility births increase from 10 percent to 22 percent and 77 community based mother support and SHIO groups established in ten districts.

A quote from Inês Soares, a 45 year old teacher at Pre-School Muki in Manatuto.



'The training offered by Fundasaun Alola is the best. I was interested in the different units of study, activities and materials which can support learning. After completing the training, I have implemented the new strategies and methodologies with the children in my school. I always prepare my lesson plans based on a theme and I do various activities with the children in the classroom. In the future I want to teach my students to hold a pencil in the proper way when they first come to school and I would also like to improve their literacy and numeracy based on the activities that I have learnt from the Alola training.'

Cipriana Amaral, is the Coordinator for the 'Feto Forte' or the 'Strong Women' group in the Quelicai-Baucau region in Timor-Leste.

Before participating in Alola's economic empowerment program my only income was from selling bread and I could not afford a university education for my children. Then, in 2003, I participated in Alola's breastfeeding program and during the program, Alola set up a weaving group in my village. Alola appointed me as the group coordinator.

My artwork has become a huge part of my life and has brought about a significant positive change for me - in my livelihood and family life. I am able to afford to send my children to university and maintain my family's health.





Alola Australia Limited

ABN 20 132 084 050

Financial report
For the year ended 31 December 2014



Alola Australia Limited
ABN 20 132 084 050
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Alola Australia Limited
ABN 20 132 084 050
Corporate information

Directors

K. Ashmor
R. Ball (Resigned 8 December 2014)
Z. Beyer (Resigned 11 August 2014)
N. Bluett-Boyd (Appointed 9 March 2015)
M. Bohan, Chairperson
C. Cunliffe (Appointed 9 March 2015)
J. Curtain/Donovan (Resigned 14 April 2014)
A. Forsyth
B. Garcia (Appointed 9 March 2015)
E. McKinnon
C. Perkins (Appointed 9 March 2015)
N. Savin (Appointed 16 June 2014)
M. Trompf
S. Varlamos (Appointed 9 March 2015)
E. Wilson

Company secretary

E. Wilson

Registered office

Holding Redlich
Level 8, 555 Bourke Street
Melbourne VIC 3000

Principal place of business

377 Clarke St
Northcote VIC 3070

Solicitors

Holding Redlich
Level 8, 555 Bourke Street
Melbourne VIC 3000

Bankers

ANZ
55 Collins St
Melbourne VIC 3000

Auditor

PKF Melbourne
Level 12, 440 Collins St
Melbourne, VIC 3000



Alola Australia Limited
ABN 20 132 084 050
Directors' report

Your directors submit their special purpose financial report for the for the year ended 31 December 2014.

Directors

The names and details of the Company's directors in office during the calendar year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

K. Ashmor

Qualifications

- BA (Politics) / LLB (Monash University)
- Admitted to practise as an Australian lawyer.

Relevant Experience/Roles

- Lawyer, State Government of Victoria.
- Deputy Chair of Caulfield Park Bendigo Bank.
- Active member of the Australian Breastfeeding Association.
- Advisory Board Member of Project Deborah.
- Immediate Past President, Australian Women Lawyers

Special responsibilities:

- Convenor of the 2014 MILK Campaign
- Member Fundraising & Awareness Raising Committee

R. Ball (Resigned 8 December 2014)

Qualifications

- BA/LLB (Monash University)
- LLM (Columbia University)
- Admitted to practice as an Australian lawyer

Relevant Experience/Roles

- Director of Advocacy and Campaigns at the Human Rights Law Centre.
- Committee Member, Equality Rights Alliance

Z. Beyer (nee Brown) (Resigned 11 August 2014)

Qualifications

- BA (Swinburne University) Media and Communication; major in Marketing.

Relevant Experience/Roles

- Freelance media and communications consultant
- Director at The Background - event management and communications agency
- Group Account Director at Public Relations agency, Porter Novelli, specialising in campaign, not-for-

Special responsibilities: Convenor of Fundraising and Awareness Raising Committee

N. Bluett-Boyd (Appointed 9 March 2015)

Qualifications

- Bachelor of Arts (Honours - Criminology)

Relevant experience / Roles

- Lead Researcher, Safe Futures Foundation (Timor-Leste)
- Senior Research Officer, Australian Institute of Family Studies
- Extensive experience in researching violence against women

M. Bohan, Chairperson

Qualifications

- Dip of Teaching Primary
- Graduate Diploma in Community Development RMIT

Relevant Experience/Roles

- Manager Services Development CatholicCare
- Significant leadership and social change experience
- Former CEO for 16 years of the state-wide Carers Victoria (annual budget \$10m)
- Pro bono mentor NFP CEOs,

Special responsibilities:

- Chairperson,
- Member Fundraising & Awareness Raising Committee,
- Member Audit & Risk Committee and Volunteer Committee.

C. Cunliffe (Appointed 9 March 2015)

Qualifications

- Bachelor of Laws (Honours)
- Bachelor of Arts (Honours)

Relevant Experience/Roles

- Solicitor, Allens Arthur Robinson (now Allens)
- Policy Manager, Lao Bar Association
- Policy Officer, AusAID
- Solicitor, Corrs Chambers Westgarth
- Barrister, Victorian Bar

J. Curtain/Donovan (Resigned 14 April 2014)

Qualifications

- BA, University of Western Australia
- Diploma in Teaching, Secondary Teachers College Western Australia
- Post Graduate Diploma in Teaching English as a Second Language, University of Papua New Guinea,
- Post Graduate Diploma in Public Policy, University of Melbourne

Relevant Experience/Roles

- Former Deputy Chair, Consumers Health Forum
- Former consumer director, National Prescribing Service (NPS)
- Lived and worked in Timor-Leste as a teacher, 2008-mid 2009

Special Responsibilities

- Company Secretary (until June 2013)
- Member Audit and Risk Committee (until June 2013)
- Member Fundraising and Awareness-raising Committee
- Deputy Chair (from May 2013)

A. Forsyth

Qualifications

- Member of the Institute of Chartered Accountants
- Bachelor of Commerce (Accounting)
- Bachelor of Science (Materials Science)
- Grad.Dip. of Chartered Accounting

Special Responsibilities

- Co responsible for financial management

B. Garcia (Appointed 9 March 2015)

Qualifications

- Bachelor of Arts

Relevant experience / Roles

- Senior Manager, Communications Marketing and Fundraising, CatholicCare Melbourne
- Community Engagement Manager, Carers Victoria

E. McKinnon

Qualifications:

- Bachelor of Arts, Masters – International Politics
- Internship Foreign Ministry Timor-Leste 2004
- Program manager International Development NGO supporting women's empowerment projects, Timor-Leste

Special responsibilities:

- Member Audit and Risk Committee

C. Perkins (Appointed 9 March 2015)

Qualifications:

- Diploma of Nursing, extensive experience in international development and longtime supporter of

Special responsibilities:

- Member Fundraising and Awareness raising Committee
- Audit Risk Management Committee

N. Savin (Appointed 16 June 2014)

Qualifications:

- BA (Queensland)
- MA – Policy & Law (Latrobe)

Relevant Experience / Roles

- Executive management – state and local government
- CEO roles in several Not for Profit organisations
- Board member of:
 - o Dental Health Services Victoria (Nine years, last three year as Chair)
 - o Royal Victorian Eye & Ear Hospital (Two years)

Special responsibilities:

- Member of Audit and Risk Committee
- Member of Fundraising and Awareness Committee

M. Trompf

Qualifications

- B. Eng (Aero)
- MBA (Technology Management)
- B.B (Supply Chain and Logistics).

Special responsibilities:

- Member of Audit and Risk Committee
- Member Fundraising and Awareness Committee
- Treasurer (from October 2013)

S. Varlamos (Appointed 9 March 2015)

Qualifications

- Master of Public Policy and Management
- Graduate Diploma Business Management
- Graduate Diploma International and Community Development
- Graduate Diploma Social Research
- Bachelor of Arts (Sociology)

Relevant Experience/Roles

- Consultant to UN AIDS and UNICEF (Malaysia)
- Senior roles over 20 years managing international and community development social impact programs

E. Wilson

Qualifications

- Bachelor of Science (Honours)
- Bachelor of Laws (Honours)
- Graduate Diploma of Legal Practice
- Certificate in Corporate Governance
- Diploma of Management

Relevant Experience/Roles

- General Manager, Australian Legal Sector Alliance

Special responsibilities

- Convenor of Audit and Risk Committee
- Company Secretary

Directors' meetings

During the financial year 6 meetings of directors were held. Attendances by each director during the year were as follows:

	2014 Directors' meetings	
	Number eligible to attend	Number attended
K. Ashmor	6	6
R. Ball	5	2
Z. Beyer	3	2
N. Bluett-Boyd	0	0
M. Bohan, Chairperson	6	5
C. Cunliffe	0	0
J. Curtain/Donovan	1	1
A. Forsyth	5	2
B. Garcia	0	0
E. McKinnon	4	3
C. Perkins	0	0
N. Savin	4	4
M. Trompf	6	4
S. Varlamos	0	0
E. Wilson	6	5

Directors benefits

Directors are not remunerated by Aloia Australia Ltd for their service.

Indemnification and insurance of directors

The amount of \$1,500 was paid for Association Liability Insurance, during or since the end of the financial year for any person who is or has been an officer of the company.

Principal activities, objectives and results

The principal activities during the year were to conduct awareness raising and fundraising appeals for the Australia Timor-Leste Relief and Development Fund.

The company's mission is to partner with Fundasaun Aloia in enabling women and families in Timor-Leste to build a strong future.

The company's objectives are to:

- Raise awareness, funds and create links within Australia
- Build a strong and sustainable organisation in Australia

In pursuit of those objectives the directors' focus in 2014 was to increase awareness in Australia of the work of Fundasaun Aloia, to raise at least \$100,000 for the programs of Fundasaun Aloia, to recruit volunteers to meet the promotional activity and skill needs of the organisation, and to strengthen and improve governance.

Sound progress was achieved against each of these goals.

The deficit of the entity amounted to \$1,975. As a not for profit entity, all donations received, less costs, will be distributed to Fundasaun Aloia for use in a range of development projects in Timor-Leste. A deficit is incurred from an accounting perspective due to transferring money to Fundasaun Aloia in 2014 that was received in 2013.

Significant events after the balance date

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

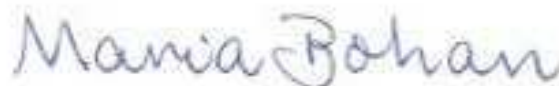
Capital structure

Aloia Australia is a company limited by guarantee and as such does not have any share capital. Its Constitution precludes the payment of any dividends. In the event that it is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 31 December 2014 there were 7 members of the company.

Auditor's independence declaration

The auditor's independence declaration for the year ended 31 December 2014 has been received and can be found on page 7.

Signed in accordance with a resolution of the directors.



M. Bohan
Director
Melbourne, 15 June 2015

Auditor's Independence Declaration to the Directors of Alola Australia Limited

In relation to our audit of the financial report of Alola Australia Limited for the financial year ended 31 December 2014 to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



PKF Melbourne
Melbourne, 15 June 2015



Steven Bradby
Partner



Alola Australia Limited
ABN 20 132 084 050

Statement of Surplus or Deficit and Other Comprehensive Income
For the year ended 31 December 2014

		2014	2013
	Note		
Revenue	1		
Advocacy		-	-
Economic Development		1,800	3,650
Education		28,778	27,203
Maternal & Child Health		29,352	21,329
Sales		916	1,599
Gifts and donations - untied		64,908	58,814
Interest income		155	240
Total revenue		125,909	112,835
Expenses			
Overheads and campaign expenses			
Administration support		11,433	11,345
Audit fee	2	2,500	2,750
Bank fees and charges		768	721
Event and campaign expenses		25,319	5,077
Insurance expense		2,391	2,174
Inventory expense		-	980
Other expenses		959	7,936
<i>Subtotal</i>		<i>43,370</i>	<i>30,983</i>
Disbursement to Fundasaun Alola		84,514	86,772
<i>Subtotal</i>		<i>84,514</i>	<i>86,772</i>
Total expenses / disbursement to Fundasaun Alola		127,884	117,755
Surplus before income tax expense		- 1,975 -	4,920
Income tax expense	3	-	-
Operating surplus for the year		- 1,975 -	4,920
Other comprehensive income for the year		-	-
Total accumulated losses/comprehensive income for the year		- 1,975 -	4,920

The above statement should be read in conjunction with the accompanying notes



Alola Australia Limited
 ABN 20 132 084 050
Statement of Financial Position
 As at 31 December 2014

	Note	2014	2013
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	1(b)	1,576	5,332
GST receivable		6,105	4,324
TOTAL ASSETS		7,681	9,656
NET ASSETS		7,681	9,656
EQUITY			
Retained surplus		7,681	9,656
TOTAL EQUITY		7,681	9,656

Statement of Changes in Equity
 For the year ended 31 December 2014

	2014	2013
	\$	\$
Equity at the beginning of the year	9,656	14,576
Total comprehensive income for the year	- 1,975	- 4,920
Equity at the end of the year	7,681	9,656

The above statements should be read in conjunction with the accompanying notes



Alola Australia Limited
 ABN 20 132 084 050
Statement of Cash Flows
 For the year ended 31 December 2014

	Note	2014	2013
		\$	\$
Cash flows from operating activities			
Receipts in the form of donations and fundraising		125,909	112,835
Payment of expenses / disbursements		129,665	118,623
Net cash flow from operating activities	(a)	- 3,756	- 5,788
Cash at beginning of financial year		5,332	11,120
Net cash used in operating activities		- 3,756	- 5,788
Cash at end of financial year		1,576	5,332
 (a) Reconciliation of net cash flow from operating activities with operating surplus:			
Operating surplus	-	1,975	- 4,920
Net increase in receivables	-	1,781	- 868
Increase in funds held on behalf of Fundasaun Alola			-
Net cash flow from operating activities	-	3,756	- 5,788

The above statement should be read in conjunction with the accompanying notes



Alola Australia Limited
ABN 20 132 084 050
Notes to the financial report

Note 1 Statement of significant accounting policies

Financial Reporting Framework

The Company is not a reporting entity because in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared so as to provide information required by the Directors, Members and Donors. Alola Australia Ltd is a small company limited by guarantee as defined by s45B of the *Corporations Act 2001*.

The financial report has been prepared on an accruals basis and is based on historical costs.

The financial report has been prepared in accordance with the recognition and measurement requirements of applicable Australian Accounting Standards and Accounting Interpretations of the Australian Accounting Standards Board, modified for use by non-reporting entities. It is compliant with the disclosure requirements of the following standards:

- AASB 101 "Presentation of Financial Statements"
- AASB 107 "Cashflow Statements"
- AASB 108 "Accounting Policies, Changes in Accounting Estimates and Errors"
- AASB 110 "Events after the Balance Sheet Date"
- AASB 1031 "Materiality"

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Going Concern

The financial report has been prepared adopting the going concern convention which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

(b) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(c) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Gifts and donations are recognised when they are received or when the right to receive payment is established.

The Company acts as an agent for and on behalf of Fundasaun Alola to collect grants and donations from Australian supporters. The gross inflows of economic benefits in such cases are for the entire benefit of the principal and do not result in increases in equity for the Company. These amounts are therefore not the Company's revenue.

These accounts are presented in Australian dollars.

Note 2 Auditors remuneration

The auditor received \$2,500 excluding GST for the audit of this report.

Note 3 Income tax

Alola Australia Ltd has Tax Concession Charity status from the ATO (via ACNC).

Note 4 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Note 5 Economic dependency

The future operations of the company are dependent upon the continuation of adequate funding from donors and grantors.



Alola Australia Limited
ABN 20 132 084 050
Directors' declaration

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In the opinion of the directors:

- (a) The company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with either the *Corporations Act 2001* requirements, or other request, to prepare and distribute financial statements to the members of Alola Australia Limited;
- (b) The financial statements and notes of the company give a true and fair view of the company's financial position as at 31 December 2014 and its performance for the year then ended in accordance with the accounting policies described in note 1; and
- (c) 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 the directors

M. Bohan
Director
Melbourne, 15 June 2015

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ALOLA AUSTRALIA LIMITED

We have audited the accompanying special purpose financial report of Alola Australia Limited ('the company'), which comprises the statement of financial position as at 31 December 2014 and the statements of surplus or deficit and other comprehensive income, changes in equity and cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as it determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Basis for Qualified Opinion

Proceeds from cash donations are a significant source of revenue for the company. The company has determined that it is impracticable to establish control over the collection of such cash proceeds prior to entry into its financial records. Accordingly, our audit procedures with respect to cash proceeds from these sources had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether these cash proceeds obtained by the company are complete.

Auditor's Qualified Opinion

In our opinion, except for the effects on the financial statements of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the preceding paragraph not existed the financial report presents fairly, in all material respects, the financial position of Alola Australia Limited as of 31 December 2014 and of its financial performance and its cash flows for the period then ended in accordance with the accounting policies described in Note 1 to the financial report.

Basis of Preparation

Without further modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.



PKF Melbourne
Melbourne, 15 June 2015



Steven Bradby
Partner