

Effective Altruism Australia Ltd

ABN : 87 608 863 467

**Financial statements for the year ended
30 June 2022**

Effective Altruism Australia Ltd

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Financial statements for the year ended 30 June 2022

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Effective Altruism Australia Ltd

Directors' Report

Your board of directors submit the financial report of Effective Altruism Australia Ltd for the year ended 30 June 2022.

Board of Directors

The names and particulars of the directors of the company during and since the end of the financial year are:

Michael Noetel (moved from board member to chair: 21/2/22)

Michael Noetel is a Director and the Chairperson of Effective Altruism Australia. He's an academic in the School of Psychology at the University of Queensland. He co-founded Ready Research, an Australian research team using behavioural science to work on some of the world's most pressing problems. Michael holds a PhD (ACU), a Masters in Applied Psychology (UQ), and a Science degree (Hons. Advanced, USyd).

Luke Freeman (moved from chair to board member: 21/2/22)

Luke Freeman is a Board Member of Effective Altruism Australia. He is also the executive director of Giving What We Can, a senior committee member of Effective Altruism Sydney, and has twice been the lead organiser of the EAGxAustralia conference. He has a strong background in technology and marketing having been the co-founder of Positly and on the team that built Sendle.

Catherine Low (resigned 16/05/22)

Catherine Low is a Community Health Associate at the Centre for Effective Altruism, providing support to Effective Altruism groups and community members around the world. Previously she managed the Students for High-Impact Charity program and taught science, physics, and ethics at the high school level. She has also been heavily involved in EA community building across New Zealand and Australia. Catherine holds a PhD in physics from the University of Melbourne.

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Directors' Report (continued)

Gregory Sadler

Greg Sadler is the Secretary and a Director of Effective Altruism Australia. Greg has over 10 years' experience in the Australian Public Service, including working for the Department of the Prime Minister and Cabinet, the Department of Home Affairs and the Attorney-General's Department. Greg has led teams performing a range of legal advice, policy development and risk assessment functions. His subject matter expertise includes telecommunications, cyber security and critical infrastructure security. Greg holds a BA/LLB(Hons) from ANU and majored in philosophy.

Anthony Obeyesekere

Anthony Obeyesekere is an economist engaged in the provision of economic policy advice and capacity development in developing countries. He has experience in the Australian, New Zealand and Sri Lankan governments, and at the World Bank. He holds an MA in International and Development Economics, and BAs in Business, Economics, and Mathematics. Anthony is a Fellow of the Institute of Community Directors Australia, and has been part of the EAA team since 2015.

Martin Gould

Martin Gould works in philanthropy, with a focus on how evidence generation and use can be used to improve farmed animal welfare. He has worked for the Australian government on aid policy and economic development in the Pacific, and has led evaluations with not-for-profits in southeast Asia and southern Africa. Martin holds a BA (Honours) and Bachelor of Public Policy and Management (Honours) from University of Melbourne.

The above named directors held office during the whole of the financial period under review and since the end of the financial year unless otherwise stated.

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Directors' Report (continued)

Directors' Meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a member of the board).

Director	Meetings Eligible	Attended
Luke Freeman	10	8
Martin Gould	10	10
Michael Noetel	10	9
Catherine Low	9	5
Anthony Obeyesekere	10	9
Gregory Sadler	10	10

Principal Activities

The principal activities of the company during the financial year were fundraising and making grants with the purpose of most effectively alleviating poverty, distress and suffering.

Significant Changes in Operations During the Period

There has been no significant change in the nature of these activities during the year.

Operating Result

The operating surplus for the year amounted to \$29,704 (2021: deficit \$9,606).

Events Subsequent to the End of the Reporting Period

No further matters of 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.

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



Michael Noetel, Chairperson

Date: 20 December 2022

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF EFFECTIVE ALTRUISM AUSTRALIA LIMITED**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Effective Altruism Australia for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

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Terrence Vail
Director

Dated: 20 December 2022

**Statement of Profit or Loss and Other Comprehensive Income
 For the year ended 30 June 2022**

	Notes	2022 \$	2021 \$
Donations revenue	3	5,291,916	4,257,673
Other income	3	25,949	13,398
Program costs		(5,191,901)	(4,220,034)
Employment and related expenses		(57,542)	(40,825)
Professional fees		(5,236)	(3,275)
Other expenses		(33,482)	(16,543)
Surplus/(deficit) before income tax		29,704	(9,606)
Income tax expense	2(a)	-	-
Surplus/(deficit) for the year		29,704	(9,606)
Other comprehensive income		-	-
Total comprehensive income for the year		29,704	(9,606)

This statement should be read in conjunction with the notes to the financial statements.

**Statement of Financial Position
 As at 30 June 2022**

	Notes	2022 \$	2021 \$
ASSETS			
Current			
Cash and cash equivalents	5	2,319,634	2,209,012
Prepayments		1,136	2,868
Other amounts receivable		122	-
Current assets		2,320,892	2,211,880
Total assets		2,320,892	2,211,880
LIABILITIES			
Current			
Trade and other payables	6	2,252,732	2,175,383
Employee Provisions - Annual Leave		3,298	-
Current liabilities		2,256,030	2,175,383
Total liabilities		2,256,030	2,175,383
Net assets		64,862	36,497
EQUITY			
Accumulated surpluses		64,862	36,497
Total Equity		64,862	36,497

This statement should be read in conjunction with the notes to the financial statements.

**Statement of Changes in Equity
For the year ended 30 June 2022**

	Retained Earnings	Total Equity
Balance as at 1 July 2020	44,948	44,948
Changes in accounting policy	1,155	1,155
Deficit for the year	(9,606)	(9,606)
Balance at 30 June 2021	36,497	36,497
Balance as at 1 July 2021	36,497	36,497
Changes in accounting policy	(1,339)	(1,339)
Surplus for the year	29,704	29,704
Balance at 30 June 2022	64,862	64,862

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows
For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Cash Flows from Operating Activities			
Receipts from operations		5,317,743	4,280,823
Payments to grant recipients and others		(5,207,122)	(3,691,255)
Interest and other costs of finance		-	248
Net cash provided by/(used in) operating activities	7(b)	110,622	589,816
Cash Flows From Investing Activities			
Net cash provided by/(used in) investing activities		-	-
Cash Flows from Financing Activities			
Net cash provided by/(used in) financing activities		-	-
Net change in cash and cash equivalents held		110,622	589,816
Cash and cash equivalents at the beginning of the financial year		2,209,012	1,619,196
Cash and cash equivalents at the end of the financial year		2,319,634	2,209,012

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

1 Basis of preparation

The financial report is a special purpose report that has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers Effective Altruism Australia Ltd as an individual entity. The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of significant accounting policies

a) Tax

The company is endorsed as an income tax exempt charity, therefore there is no liability to pay income tax on any profits of the company.

b) Revenue

Revenue is recognised upon receipt. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less.

Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

d) Trade and other receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

e) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

f) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

g) Goods and services tax (GST)

The company is not registered for GST with all balances recorded inclusive of GST.

Notes to the Financial Statements (continued)

Note 3: Revenue

	2022	2021
	\$	\$
Operating Activities		
Donations Received - Restricted	5,191,901	4,219,946
Donations Received - Unrestricted	100,015	37,727
	5,291,916	4,257,673
Non Operating Activities		
Interest Received	190	268
Sundry Income	25,759	13,130
	25,949	13,398
	5,317,865	4,271,071

Note 4: Surplus for the year

Surplus for the year includes the following items of expenditure:

	2022	2021
	\$	\$
Expenses		
Auditor's Remuneration - financial audit	2,200	1,500
Auditor's Remuneration - other compilation services	-	1,500
	2,200	3,000

Note 5: Cash and cash equivalents

Cash and Cash Equivalents consist of the following:

	2022	2021
	\$	\$
Cash at Bank	2,319,634	2,209,012
	2,319,634	2,209,012

Notes to the Financial Statements (continued)

Note 6: Trade and other payables

	2022	2021
	\$	\$
Accounts Payable	2,244,614	2,170,529
Trade payables and accrued expenses	7,935	4,854
PAYG payable	183	-
Total trade and other payables	2,252,732	2,175,383

Note 7: Cash flow information

(a) Reconciliation of cash

		2022	2021
	Notes	\$	\$
For the purposes of the statement of cash flows, cash includes cash on hand and in banks.			
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:			
Cash at bank		2,319,634	2,209,012
Cash at the end of the year	5	2,319,634	2,209,012

(b) Reconciliation of Cash Flows from Operations with Surplus for the reporting period

Operating surplus/(deficit) after tax		29,704	(9,606)
Non-cash adjustments		1,958	1,155
<i>Net changes in working capital</i>			
• Changes in other receivables		(122)	10,000
• Changes in prepayments		1,732	(2,868)
• Changes in other creditors		77,350	591,135
Net cash provided by/(used in) operating activities		110,622	589,816

Note 8: Contingent liabilities and contingent assets

The company has no contingent assets or contingent liabilities as at 30 June 2022 (2021: nil).

Notes to the Financial Statements (continued)

Note 9: Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of financial statements.

Note 10: Related parties

Donation income totalling \$56,039 was received from associates of multiple directors during the period ended 30 June 2022. The donations were made and received on terms equivalent to those applying to third party transactions.

Note 11: Members' guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If it is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the company. At 30 June 2022 the number of members was 5.

Note 12: Company details

Effective Altruism Australia Ltd
Level 2, 66 Victor Crescent
NARRE WARREN VIC 3805

Directors' Declaration

In the opinion of the Directors of Effective Altruism Australia Ltd:

1. The financial statements and notes of Effective Altruism Australia Ltd are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) Giving a true and fair view of its financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- b) Complying with Australian Accounting Standards including the Australian Accounting Interpretations and the *Australian Charities and Non-for-profits Commission Regulation 2013*

2. In the Directors' opinion there are reasonable grounds to believe that the Effective Altruism Australia Ltd will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Michael Noetel

Chairperson

Date: 20 December 2022

**INDEPENDENT AUDIT REPORT
TO THE DIRECTORS OF EFFECTIVE ALTRUISM AUSTRALIA LIMITED**

Opinion

We have audited the financial report of Effective Altruism Australia (“the Company”) which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director’s declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company’s financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of 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 (Including Independence Standards)* (“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 confirm that the independence declaration required by the *Corporations Act 2001*, given to the directors of the Company, would be in the same terms if given to the director as at the time of this auditor’s report.

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

Emphasis of Matter – Subsequent event: The impact of the uncertainty of COVID-19

We draw attention to the implications of the COVID-19 pandemic referred to in note 9 of the financial report. The pandemic is ongoing with the possible effects of the future implications of COVID-19 on the Company's future financial position and performance not disclosed in the financial report. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's financial report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

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 and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibilities also include 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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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 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 the financial report.

A further description of our responsibilities for the audit of the financial report is included in Appendix A of this auditor's report. This description, which is located directly after the audit report, forms part of our auditor's report.

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A handwritten signature in black ink, appearing to read 'Terrence Vail', with a horizontal line underneath.

Terrence Vail CPA
Director
Registered Company Auditor - 305706

Dated: 20 December 2022

Appendix A: Auditor's Responsibilities for the Audit of the Financial Report

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Entity'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 Entity to cease to continue as a going concern.
- Communicate with those charged with governance 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.

