

Effective Altruism Australia Ltd

ABN : 87 608 863 467

Financial statements for the year ended

30 June 2019

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EFFECTIVE ALTRUISM AUSTRALIA LTD.

BOARD OF DIRECTORS' REPORT

Your board of directors submit the financial report of Effective Altruism Australia Ltd for the year ended 30 June 2019.

Board of Directors

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

Lina Calabria

Lina is a co-founder and Chief Sales and Marketing Officer at Bellroy, a Melbourne based carry accessories company whose mission includes using business as a force for good. Prior to working at Bellroy, Lina has also held leadership positions (including CEO and executive director) at a number of organisations. Lina holds a Bachelor of Engineering (Hons.) from The University of Melbourne

Dr. Brenton Mayer

Brenton is a medical doctor from Queensland with an interest in public health. He is currently working for 80,000 hours, a non-profit which gives career advice to people wanting to use their careers to have a large social impact

Peter McIntyre

Peter has a background in events and sales management and studied medicine at the University of New South Wales. He also works at 80,000 hours, where he is the Director of Coaching.

Dr. Ben Toner

Ben is a co-founder of Vesparum Capital, a capital markets advisory firm, and Draftable, an enterprise software startup. Ben holds a Ph.D. in Physics from Caltech and a Bachelor of Science (Hons.) from The University of Melbourne.

The abovenamed directors held office during the whole of the financial period under review and since the end of the financial year.

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
Lina Calabria	3	3
Luke Freeman	3	3
Brenton Mayer	2	2
Peter McIntyre	2	1
Ben Toner	3	3

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.

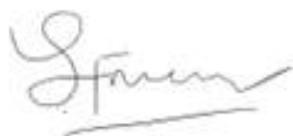
Significant Changes in Operations during the period

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

Operating Result

The operating loss for the year amounted to (\$42,682).

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



Luke Freeman

Director

Dated this 14th day of November

2019

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

		2019	2018
	Notes	\$	\$
Revenue	3	2,252,672	1,809,882
Other expenses	4	(2,295,354)	(1,757,682)
Surplus/(deficit) before income tax		(42,682)	52,200
Income tax expense	2(a)	-	-
Surplus/(deficit) for the year		(42,682)	52,200
Other comprehensive income		-	-
Total comprehensive income for the year		(42,682)	52,200

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

Statement of Financial Position
As at 30 June 2019

	Notes	2019 \$	2018 \$
ASSETS			
Current			
Cash and cash equivalents	5	1,165,865	1,288,933
Current assets		1,165,865	1,288,933
Total assets		1,165,865	1,288,933
LIABILITIES			
Current			
Trade and other payables	7	1,143,330	1,223,716
Current liabilities		1,143,330	1,223,716
Total liabilities		1,143,330	1,223,716
Net assets		22,535	65,217
Equity			
Accumulated surpluses		22,535	65,217
Total Equity		22,535	65,217

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 2019

	Notes	Retained Earnings	Total Equity
Balance as at 1 July 2017		13,017	13,017
Surplus for the year		52,200	52,200
Balance at 30 June 2018		65,217	65,217
Balance as at 1 July 2018		65,217	65,217
Surplus for the year		(42,682)	(42,682)
Balance at 30 June 2019		22,535	22,535

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

Statement of Cash Flows
For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Cash Flows from Operating Activities			
Receipts from operations		2,251,207	1,815,283
Payments to grant recipients and others		(2,375,740)	(1,174,246)
Interest and other costs of finance		1,465	2,669
Net cash provided by/(used in) operating activities	8 (b)	(123,068)	643,706
Cash Flows From Investing Activities			
Purchase of plant and equipment		-	-
Net cash provided by/(used in) investing activities		-	-
Cash Flows from Financing Activities			
Repayment of borrowings		-	-
Net cash provided by/(used in) financing activities		-	-
Net change in cash and cash equivalents held		(123,068)	643,706
Cash and cash equivalents at the beginning of the financial		1,288,933	645,227
Cash and cash equivalents at the end of the financial year		1,165,865	1,288,933

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

Notes to the Financial Statements For the year ended 30 June 2019

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 & 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 For the year ended 30 June 2019

d) New Accounting Standards for application in future periods

An assessment of Accounting Standards issued by the AASB that are not yet mandatorily applicable and their potential impact on the association when adopted in future periods is discussed below:

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

e) 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. Receivable 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.

f) 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 association 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.

g) 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 association 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.

h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payment to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable, to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Notes to the Financial Statements

Note 3: Revenue

	2019	2018
	\$	\$
Operating Activities		
Donations Received - Restricted	2,236,281	1,749,555
Donations Received - Unrestricted	14,926	57,658
Other Operating Revenue		
	2,251,207	1,807,213
Non Operating Activities		
Interest Received	1,465	2,669
	1,465	2,669

Note 4: Surplus for the year

	2019	2018
	\$	\$
Expenses		
Program Costs	1,165,865	1,273,838
Auditor's remuneration	1,500	1,500

Note 5: Cash and cash equivalents

Cash and cash equivalents consist of the following:

	2019	2018
	\$	\$
Cash on hand and at Bank	1,165,865	1,273,838
Undeposited Funds	-	15,095
	11(a) 1,165,865	1,288,933

Note 6: Trade and other receivables

	2019	2018
	\$	\$
Trade receivables		
Other receivables		
Total trade and other receivables	-	-

Notes to the Financial Statements

Note 7: Trade and other payables

	2019	2018
	\$	\$
Accounts Payable	1,140,123	1,218,682
Trade payables and accrued expenses	3,207	3,150
PAYG payable	-	1,884
Total trade and other payables	3,207	5,034

Note 8: Cash Flow Information

(a) Reconciliation of cash

		2019	2018
	Notes	\$	\$
<p>For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.</p> <p>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:</p>			
Cash at bank		1,165,865	1,288,933
Cash on deposit			
Cash at the end of the year	5	1,165,865	1,288,933

(b) Reconciliation of Cash Flows from Operations with

Surplus for the reporting period

Operating surplus/(deficit) after tax		(42,682)	52,200
<i>Net changes in working capital</i>			
• Changes in trade debtors			8,070
• Changes in prepayments		(80,386)	583,436
• Changes in other creditors			
• Changes in employee entitlements			
• Changes in sundry provisions			

Net cash used in operating activities		(123,068)	643,706
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Notes to the Financial Statements

Note 9: Contingent liabilities and contingent assets

The association has no contingent liabilities or contingent liabilities as at 30 June 2019 (2018:\$-).

Note 10: Events after the reporting period

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

Note 11: Related Parties

Donation income totalling \$78,098 was received from associates of multiple directors during the period ended 30 June 2019. The donations were made and received on terms equivalent to those applying to third party transactions.

Note 12: 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 2019 the number of members was 3 .

Note 13: Association details

Effective Altruism Ltd
Level 7, 41 Exhibition Street
MELBOURNE VIC 3000

Responsible Entitie's Declaration

In the opinion of the Directors of Effective Altruism Australia Ltd

1. The financial statements and notes of Effective Altruism 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 2019 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*; and

2 In the committee members' opinion there are reasonable grounds to believe that the Effective Altruism 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.



Luke Freeman
Director

Dated this 14th day of November 2019

INDEPENDENT AUDIT REPORT TO THE DIRECTORS OF EFFECTIVE ALTRUISM AUSTRALIA LTD

Opinion

We have audited the financial report of Effective Altruism Australia Ltd which comprises the balance sheet as at 30 June 2019, the statement 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 statement by directors.

In our opinion, the accompanying financial report of the company is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2019 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 the *Corporations Regulations 2001*.

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 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 directors 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 – 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 *Corporations Act 2001*. 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 2019, 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 *Corporations Act 2001* and is appropriate to meet the needs of the members. The director's responsibility also includes 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.

Ryecrofts Pty Ltd

A handwritten signature in black ink, appearing to read 'T. Vail', with a horizontal line underneath.

Terrence Vail CPA

Director
Registered Company Auditor - 305706

Dated: 29th day of November 2019

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.

We 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.