

Variety Australia Limited
ACN 101 609 616

Annual Report
30 September 2014

CONTENTS TO ANNUAL FINANCIAL REPORT

| | |
|---|----|
| Director Profiles..... | 3 |
| Directors' Report | 10 |
| Statement of Comprehensive Income..... | 16 |
| Statement of Financial Position..... | 17 |
| Statement of Changes in Equity | 18 |
| Statement of Cash Flows | 19 |
| Notes to the Financial Statements | 20 |
| Directors' Declaration..... | 34 |
| Independent Auditor's Report..... | 35 |

Director Profiles

Directors during the Company's financial year

The Board of Variety Australia Limited is comprised of the Chair (or the nominee) of each State Tent and a number of seconded Directors. The seconded Directors are chosen to provide an appropriate range of skills and experience. Alternate Directors are generally selected to ensure some continuity and as a consequence are encouraged to attend the Company's Board Meetings.

01. Nicole Haack

National Chairman

Director Appointed 22nd November, 2011

Directorships

Variety-the Children's Charity (SA), the Big Book Club Incorporated.

Variety Experience

Nicole was appointed Chief Barker of Tent 75, South Australia, in November 2011. She is currently Chair of the Marketing and Communications Committee, Chair of the Large Appeals Committee, Chair of the Variety Family Christmas Picnic Committee and a member of the Governance and Audit Committee of Variety SA.

Skills and Experience

Nicole has more than 20 years' experience in the media, encompassing television, radio and print, Nicole maintains a strong network of contacts within all sectors of the media, government and corporate sector. As the Managing director of The Message Bureau, Nicole advises on high-profile communications and marketing campaigns as well as stakeholder engagement and crisis management.

02. Neil Wykes OAM FCA, ACIS, BCom

National Company Secretary

National Company Secretary Appointed 1st January, 2012

Directorships

Director, Treasurer and Chair of Finance, Audit and Risk Management Committee of National Trust of Australia (New South Wales), Chair of Audit & Risk Management Committee of Justice Health and Forensic Mental Health Network in NSW, Chair of the Variety Australia Regulatory Committee, Chair of Audit and Risk Management Committee.

Variety Experience

International Vice President, Chair of Audit, Risk, Finance, Administration and Governance Committee and Treasurer Variety International. Neil was the Honorary Auditor of Variety NSW and Variety Australia for 15 years prior to retiring from Ernst & Young in 2010.

Skills and Experience

Neil is a Retired Partner from Ernst & Young and is currently the General Manager, Audit and Risk for Ramsay Health Care. At Ernst & Young Neil was responsible for the audit of many charitable and Not for Profit clients. Neil's skills include Accounting and Finance, Risk Management and Corporate Governance.

03. Charles Badenach BA, LLB

Alternate Director for Anna Grant Appointed 8th December, 2013. Resigned 4th December, 2014.

Directorships

Variety – the Children’s Charity (Tas)

Variety Experience

Charles has enjoyed his time as Director on the Variety Tas Board of Directors and continues to support the charity when possible.

Skills and Experience

Charles is a Financial Planner who specialises in providing advice to busy professionals, small business owners, retirees and charitable foundations. He previously worked in the legal profession and is a Certified Financial Planner. Charles is also a Justice of the Peace.

04. Ron Barton

Director Appointed 15th November, 2012

Directorships

Variety – the Children’s Charity (SA), Member of Olympic Games appeals committee (SA), Treasurer, Body corporate, Silverton Apartments, Gold Coast.

Variety Experience

Participant in most Variety events in SA over the last eleven years and he has also been the chair of the Variety Adventure TV Project in SA.

Skills and Experience

Ron is the owner of the Yellow Corporation, which includes Yellow Couriers and Taxi Trucks, Aussie fast Transport Solutions and Consolidated Security Services. The fleet totals around 200 vehicles making Yellow Corporation one of the largest privately owned transport companies in South Australia.

05. Evan Briers

Director Appointed 27th November, 2012. Resigned 17th December, 2014.

Directorships

Variety – the Children’s Charity (WA), Director of Property Investments.

Variety Experience

Evan has participated in 5 Variety 4WD Challenge events.

Skills and Experience

Evan oversees Western Australian property group Hawaiian which controls property investment and development projects. Since joining Hawaiian in September 2004, some of the projects undertaken by Evan’s team have included the redevelopment of 50 Pitt Street in Sydney, Claremont Quarter and development of Perth’s first 5 star NABERS Energy Base Building, 235 St Georges Terrace. Prior to joining Hawaiian, Evan’s experience was predominantly gained in the field of asset management with Jones Lang LaSalle. As well as business partnerships, Evan has also been responsible for developing partnerships and working closely with community groups and supporting those in need.

06. Don Brooker

Director Appointed 17th December, 2014. Immediate past Alternate Director for Evan Briers Appointed 13th September, 2013.

Directorships

Variety - the Children’s Charity (WA)

Variety Experience

Don has been involved in Variety WA for 11 years. He has been actively involved in Bashes, Bike Run, 4WD

Challenges and Splash events. He is the proud sponsor of the WA Coleman Variety 4WD challenge.

Skills and Experience

Don is the owner of a wholesale distribution company in the sports and camping industry.

07. John Catarinich CPA, MAICD, BBus., LL.B.M. Taxation Law

Director Appointed 13th April, 2007.

Directorships

Agresso Pty Limited, Agresso NZ Limited, Develin Catarinich & Associates Pty Limited, Chair of the Variety Australia National Branding Committee.

Variety Experience

International Vice President Variety International.

Skills and Experience

John is a seasoned finance and legal professional. John is admitted as a solicitor of the High Court of Australia, the Supreme Court of NSW and has practiced in corporate, commercial and insurance law. Starting his career in Chartered Accounting John has since worked in senior finance, legal and strategic advisory roles for several leading blue-chip companies in Australia, United Kingdom and Asia prior to founding his own firm specialising in strategy and enterprise performance improvement. John is a member of the Law Society of NSW, CPA Australia and the Australian Institute of Company Directors. John holds Post Graduate qualifications in Strategic Change Management from UNSW. As a keen believer in empowering individuals and as part of his responsibility to the community, John takes great satisfaction to serve children in need through his role as Director of Variety Australia.

08. Anna Grant B.A, LL.B.

Alternate Director for David Flower Appointed 4th December, 2014. Immediate past Director Appointed 6th December, 2012.

Directorships

Variety - the Children's Charity (Tas)

Variety Experience

Anna was appointed to the Board of Tent 78 in 2008 and was elected the Vice Chief Barker of Tent 78 in December 2010 and Chief Barker in 2012. Anna was appointed to the National Board in December 2012.

Skills and Experience

Anna is a Partner at the law firm Butler McIntyre & Butler situated in Hobart, Tasmania. Anna specializes in family law.

09. Peter Ffrench BSoc Wk, Grad Dip Bus Admin, FAICD, FAMI

Director Appointed 2nd August, 2013.

Directorships

Variety – the Children's Charity (Qld), Boys Town.

Variety Experience

Peter has been on the board of Variety Qld since 2008 and has served in various roles and committees including Strategy, Marketing and previously the national marketing committee.

Skills and Experience

Peter has over 25 years' experience in senior executive positions in general management and marketing in large national corporations. For the past eight years he has been Director of Ffrench Connection, advising boards and senior executive teams on business strategy and coaching senior executives.

10. David Flower

Director appointed 4th December, 2014

Directorships

Variety – the Children’s Charity (Tas)

Variety Experience

David has had an extensive involvement with Variety since 1986 when his father, John, started event managing the Variety Bashes.

Skills and Experience

David is co-owner and producer of production company Hype TV.

11. Patrick Gray MTEM

Director Appointed 16th July, 2013

Directorships

Variety – the Children’s Charity (NT)

Variety Experience

Patrick has been involved with Variety in the Northern Territory for over 15 years fundraising and assisting at various Variety events and has participated in 5 Bashes.

Skill and Experience

Patrick has worked for various Northern Territory Government agencies undertaking land and water management projects. He is currently working for the Power and Water Corporation as a hydro geologist managing potable groundwater supplies for the major centres across the Northern Territory.

12. Peter Hebbes AM JP

Director Appointed 12th December, 2011. Resigned 4th December, 2013.

Directorships

Variety - the Children’s Charity (NSW), Hebbes Music Group Pty Ltd, Eaton Music (Australia) Ltd, CAS Music Publishing Ltd, Australasian Music Publishers Association (AMPAL, the Australasian Mechanical Copyright Owners Society (AMCOS)).

Variety Experience

Peter became a member of Tent 56 in 1987 and during the past 27 years has been an active member of the organisation serving in many capacities on fundraising committees, holding various management positions including 15 years as Chairman of the NSW Bash. In 1990 Peter became Chairman of the NSW region and in 1999 was elected Chief Barker (Chairman) of Tent 56 for two years. In 2003 he was made a life member of Variety. Peter has continued to serve on the NSW Crew throughout this period and in 2011 was re-elected as Chairman of Tent 56 and appointed as a Director of Variety Australia. In 2010/2011 Peter was also the National Chairman of Motoring Events.

Skills and Experience

Peter is the Managing Director and owner of Hebbes Music Group, one of Australia’s leading independent music publishing companies and acts as a consultant and music business manager to the theatrical, film, television and advertising industries. Peter is currently a director of the main music industry bodies AMPAL and AMCOS was previously deputy chairman of APRA and has been a member of MIAC and AMPCOM. He is a co-founder and a trustee of The Golden Stave Foundation, the music industries major fundraising organisation and a past director of the Nordoff Robbins Music Therapy Association of Australia. Peter has been a Justice of the Peace (JP) since 1994 and in 2006 he was awarded the Medal of Australia (AM) for his services to Charity and the Music Industry.

13. Vito Interlandi FCA, MAICD

Alternate Director for Richard Symon Appointed 3rd December, 2014. Immediate past Director Appointed 28th November, 2012.

Directorships

Variety -the Children's Charity (Vic.), Fellow of The Institute of Chartered Accountants in Australia. Associate of the Australian Society of CPA's Hayes Knight (Melbourne) Pty Ltd and Hayes Knight Corporate Pty Ltd.

Variety Experience

Vito joined the Variety Victoria Board in 2007. Vito is a Board member and advisor for Variety Victoria – the Children's Charity, for which he is also the Chairman.

Previously he was an advisor to Variety Victoria from January 2000 to the time when Vito became a board member.

Skills and Experience

Vito is a Director of Hayes Knight Melbourne Pty Ltd and Hayes Knight Corporate Pty Ltd and has over 20 years of finance expertise and management experience which he has gained from both corporate public practice and private practice.

14. Ian Mackay

Alternate Director for Peter Ffrench Appointed 30th November, 2010

Directorships

Variety – the Children's Charity (Qld)

Variety Experience

Ian served as Treasurer of Variety QLD, Tent 76 from 2006 to 2010 prior to his election as Chair of Variety Queensland a position he held until 2013. He now sits on the board of Variety Queensland.

Skills and Experience

Ian is qualified as a Public Accountant in 1975 and held senior management positions in the fledgling micro and personal computer industry before establishing a mail order software business in 1986. The company evolved into an award winning distributor and software publisher and was sold to a public company in 2007. Ian retired in 2009, resigned his public company directorship and he now has more time to share his management and marketing expertise.

15. Amanda Mead GAICD

Alternate Director for Paul Mullaly Appointed 30th January, 2012.

Directorships

Variety, The children's Charity (NSW).

Variety Experience

Amanda has been an active Director of Variety NSW since 2004. She has worked in a range of Tent 56 committees. She Chairs the Grants and Programs Committee (since 2013), earlier General Appeals Committee (since 2008) and has been chair and member of the Risk and Governance Committee since 2011.

Skills and Experience

Amanda mentors, researches and consults in corporate strategy and change management. Amanda's work focuses on the food, tourism and humanitarian supply chain sectors.

16. Paul Mullaly MEM

Director Appointed 6th January, 2014.

Directorships

Variety – the Children's Charity (NSW).

Variety Experience

Paul is the current Chairperson of Variety NSW and a Director of Variety Australia. Paul has actively supported Variety for more than 20 years and was appointed to the Variety NSW Board in 2009. Paul, along with other members of his family, is a recipient of an International Presidential Citation Award for his support of Variety.

Skills and Experience

Paul holds a Master's Degree in Engineering Management and is the CEO of Mullaly Constructions.

17. John Simpson

Alternate Director for Ann Grant Appointed 18th June, 2013. Resigned 6th December, 2013.

Directorships

Variety-the Children's Charity (Tas.)

Variety Experience

John has been a basher since 2000, was appointed as a Variety Tasmanian director in 2010 and as an alternate director to the National Board in 2013.

Skills and Experience

John is a semi-retired Forest Industry Consultant who provides advice on Operational Management, OH&S and Quality Management to Public and Private Companies in Australia and Overseas.

18. Foster Stavridis

Alternate Director for Patrick Gray Appointed 3rd June, 2014.

Directorships

Variety – the Children's Charity (NT), Director Asian Pacific Regional Committee; Vice-Chair Red Cross Advisory Board Northern Territory; Member of the Council of the Australian Red Cross Society; Treasurer Australia Day Council (Northern Territory).

Variety Experience

Variety Northern Territory Board Member since December 2012. Chair of a number of sub-committees, Strategic/Business Plan Sub Committee (NT) Governance/Board Composition Sub Committee (NT) Scholarships Program Committee (NT). Chair Audit and Governance Committee Variety Australia and have Variety Japan as a portfolio as a Director on the Asian Pacific Regional Committee.

Skills and Experience

Master of Business Administration (MBA), Majoring in Human Resource Management and Industrial Relations; Bachelor of Commerce, Majoring in Personnel, Industrial Relations and Economics; Graduate Diploma in Further Education and Training, Majoring in constructing training and designing development programs; Graduate Certificate in Public Sector Management, Majoring in administrative and fiscal management and Certificate IV in Assessment and Workplace Training. He has extensive experience in addressing strategic workforce planning, strategic planning generally, organisational development and change management initiatives stemming from a number of reforms/reviews. These stem from two jurisdictions across Queensland and the Northern Territory within the areas of law enforcement, community services and the health industry.

19. Richard Symon FFin, MSAA, Dip (Securities)

Director Appointed 3rd December, 2014. Immediate past Alternate Director for Vito Interlandi Appointed 25th July, 2013.

Directorships

Variety – the Children's Charity (Vic.), co-founder and Chair of the Victoria Financial Services Foundation Ltd and Director of three commercial companies (one of which is listed on ASX) and their subsidiaries.

Variety Experience

Richard was appointed a member of the crew of Tent 77 (Victoria) on 23rd November, 2011 and Variety Australia as Alternate Director in July, 2013. Richard Co-founded and is the Chairman of the Financial Services Foundation which continues to raise funds for Victorian based children’s charities including Variety Vic and has partnered with Variety Vic to host “A Monetary Affair” annual ball for the financial services industry.

Skills and Experience

Richard is a Fellow of the Financial Securities Institute of Australia, and a Master Stockbroker (Stockbrokers Association of Australia). He has served as an Executive Director of Stockbroking and Financial Services organisations since 1991. His areas of expertise include, management and leadership, corporate governance, corporate structuring, initial public offerings and listings. Richard is currently an Executive Director and Responsible Manager of an ASX listed financial services company.

20. Ennio Tavani FCA, MBus., Grad Dip (Accy)

Director Appointed 23rd March, 2006. Resigned 6th February, 2014.

Directorships

Clontarf Foundation and Director of four commercial companies and he is the Chairman of three.

Variety Experience

International Vice President of Variety International. Ennio was a member of the crew of Tent 74 (Western Australia) for 6 years including 5 years as the Chairman.

Skills and Experience

Ennio’s areas of expertise include, corporate governance, commercial and technical business advice, including accounting, financial reporting, management, leadership, business succession planning, mergers and acquisitions, corporate planning, business expansion, strategic planning and international business.

21. Susan Warda MAICD, BSAB Diploma of Law, Acc. Spec. Family Law, Bond University Mediation Training

Director Appointed 20th April, 2012.

Directorships

Variety-the Children’s Charity (NSW), Chair Austlaw.

Variety Experience

Susan was appointed to the Board of Variety NSW in 2010 and is currently the Chair of the Teen Variety Committee and the Risk Committee in NSW

Skills and Experience

Susan became a solicitor in 1993 and has extensive experience in the practice of family law. She is a Partner at Mills Oakley Lawyers and is the Chairperson of Austlaw, an association of independent law firms located throughout NSW, Victoria, Queensland and the ACT. Susan has particular experience in family law matters involving complex financial issues. She is a qualified mediator.

22. Kathryn Zeitz

Alternate Director for Ron Barton Appointed 24th December, 2014.

Directorships

Variety-the Children’s charity (SA)

Variety Experience

Kathryn was first introduced to Variety after providing medical support to the SA Variety Bash in 1989.

Skills and Experience

Kathryn is currently the Executive Director Culture and Consumers Experience for the Central Adelaide Local Health Network.

Directors' Report

The Directors of Variety Australia Limited (the "Company") have pleasure in submitting the following report in respect of the year ended 30 September, 2014 and in accordance with a resolution of Directors.

DIRECTORS

The Directors in office at the date of this report are set out on pages 3 to 9 of this report. The Directors had no interests in contracts or proposed contracts with Variety Australia Limited during the course of the financial year other than noted in the statutory information of this report.

COMPANY SECRETARY

Neil Wykes OAM was appointed National Company Secretary on 1st January, 2012.

DIVIDENDS

The Company is a not-for-profit organisation and is prevented by the Corporations Act 2001 from paying dividends.

COMPANY INFORMATION

Variety Australia Limited is a public company Limited by Guarantee that is incorporated and domiciled in Australia. The registered office and the principal place of business of the Company is 47 Herbert St, Artarmon, NSW, 2064. The Company employed 2 staff at 30 September 2014.

OBJECTIVES AND STRATEGIES

Variety Australia Limited is the Australian 'Association' responsible to Variety International for the performance of the Variety Tents in Australia. It exists to assist the Member Tents to achieve their objective of helping Australian children, who are sick, disadvantaged or have special needs. The Variety Australia Board is committed to providing the Tents with good governance including policies and procedures and a clear strategy on the best way forward for Variety in Australia.

PRINCIPAL ACTIVITIES

The principal activities of Variety Australia Limited are to represent Variety International in Australia and to assist the member Tents in achieving their objectives within Australia.

OPERATING AND FINANCIAL REVIEW

Variety Australia Limited exists to help its member Tents, all the state based, Variety - the Children's Charity, organisations in Australia to help Australian children, who are sick, disadvantaged or have special needs. Consequently looking at the figures of Variety Australia Limited in isolation does not provide the reader with an understanding of Variety Australia's real purpose and results. Variety Australia is part of the Variety Family worldwide and under the Variety International charter it is the Australian Association responsible for the performance of the Variety Tents in Australia. These financial statements provide only the results of operations and state of Affairs of Variety Australia Limited because Variety Australia Limited does not have any ownership interest in the Australian Tents, indeed the Australian Tents own Variety Australia Limited.

Directors' Report (continued)

The standalone results of Variety Australia Limited are as Follows:

Operating revenue

The operating revenue for the year ended 30 September 2014 was \$1,151,844 (30 September 2013: \$826,932) and comprised:

| | 2014 \$ | 2013 \$ |
|--|------------------|------------------|
| Funds raised for distribution to Tents | 561,298 | 275,043 |
| Reimbursement of operating costs by Tents | 282,893 | 203,967 |
| Reimbursement of Capital Expenditure from Tents | 45,705 | - |
| Shared costs paid by Variety Australia , reimbursed by Tents | 214,581 | 332,390 |
| Other Income | 47,367 | 15,532 |
| Total Income | 1,151,844 | \$826,932 |

Operating result before appeals granted and distributions

The operating profit before grants and distributions to the State Associations for the year ended 30 September 2014 was \$576,110 (30 September 2013: \$128,001).

Net operating result

The operating result for the year ended 30 September 2014 was a profit of \$252,345 (30 September 2013: Loss of \$65,649).

Below are the results of the Variety family in Australia. The results contained below are unaudited.

In order to provide the user of these statements with an understanding of the total Variety Operations in Australia we provide the following summary taken from an aggregation of Variety Australia Limited and the Australian Tents (see note 16 for a list of these organisations).

Operating Revenue

The Variety Family in Australia is comprised of eight (8) separate charities each of which is an event based Charity with aggregated total revenue of \$29.3million (2013:\$28.5 million).

Operating result before appeals granted and distributions

The Operating profit before grants was \$11.2million (2013:\$12.7 million).

The amount granted to children in the year ended 30 September, 2014 was \$8.9million (2013:\$13.2million)

Directors' Report (continued)

Net operating result

The net Operating result for the year ended 30 September 2014 was \$2.4million (2013:\$0.36million).

State of affairs

The aggregated net assets, after eliminating duplications, of the Variety Family in Australia are \$15.0million (2013:\$12.6million)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the operations of the Company which occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Since the end of the financial year, the Directors have not become aware of any matter or circumstances not otherwise dealt with in the report or financial statements that has significantly, or may significantly, affect the operations of the Company the results of those operations or the state of affairs of the Company in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the Directors there are no likely changes in the operations of the Company which will adversely affect the results of the Company in subsequent financial years.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is not subject to any particular or significant environmental regulation.

DIRECTORS' BENEFITS

No Director of the Company has, since the end of the previous financial year, received or become entitled to receive a benefit by reason of a contract made by the Company in which they have substantial financial interest except for those items disclosed in the notes to this Annual Financial Report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS

Variety Australia Limited has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Directors and Executive Officers of Variety. The insurance is in the normal course of business and grants indemnity for liabilities permitted to be indemnified by Variety under Section 300 of the Corporations Act 2001. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

Directors' Report (continued)

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

| Directors | Directors Meetings Attended | Directors Meetings Eligible to Attend |
|------------------|-----------------------------|---------------------------------------|
| Nicole Haack | 6 | 8 |
| Neil Wykes OAM | 7 | 8 |
| Charles Badenach | 3 | 8 |
| Ron Barton | 5 | 8 |
| Evan Briers | 0 | 8 |
| Don Brooker | 4 | 8 |
| John Catarinich | 5 | 7 |
| Peter Ffrench | 7 | 8 |
| Anna Grant | 2 | 8 |
| Patrick Gray | 4 | 8 |
| Peter Hebbes AM | 2 | 3 |
| Vito Interlandi | 6 | 8 |
| Ian Mackay | 4 | 7 |
| Amanda Mead | 4 | 7 |
| Paul Mullaly | 5 | 5 |
| John Simpson | 1 | 3 |
| Foster Stavridis | 3 | 3 |
| Richard Symon | 5 | 7 |
| Ennio Tavani | 4 | 4 |
| Susan Warda | 5 | 7 |

Auditor's Independence Declaration

The Directors' have received an independence declaration from the auditor, Ernst & Young. A copy of this declaration can be found at page 15 of this financial report.

Signed in accordance with a resolution of the Board of Directors



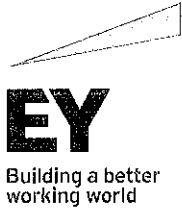
Nicole Haack
National Chairman



Neil Wykes OAM
National Company Secretary

Sydney

Date: 19 January, 2015



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

In relation to our audit of the financial report of Variety Australia Limited for the financial year ended 30 September 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.

Ernst & Young

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

John Robinson
Partner
19 January 2015

Statement of Comprehensive Income

| FOR THE YEAR ENDED 30 SEPTEMBER 2014 | Notes | 2014 \$ | 2013 \$ |
|---|-------|------------------|-----------------|
| Contribution from fundraising | 4 | 413,406 | 210,918 |
| Donation income | 4 | 147,892 | 64,125 |
| Contribution from Tents | | | |
| Contribution to operating expenses | 4 | 282,893 | 203,967 |
| Contribution to Tent shared expenses | 4 | 214,581 | 332,390 |
| Reimbursement of capital purchases | | 45,705 | - |
| Appeals income | 4 | - | - |
| Interest income | 4 | 3,923 | 922 |
| Other income | 4 | 43,444 | 14,610 |
| Total Revenues | | 1,151,844 | 826,932 |
| Operating Expenses | | | |
| Employment expenses | 5 | 103,381 | 109,647 |
| Advertising and promotion | | 2,888 | 4,123 |
| Communications | | 5,726 | 8,311 |
| Contractors | | 11,388 | 12,685 |
| Depreciation | 5 | 893 | 958 |
| Design, print and stationery | | 11,607 | 7,541 |
| Insurance | | 82 | - |
| Motor vehicle expenses | | 90 | 71 |
| Occupancy expenses | | 8,000 | 7,273 |
| Production costs | | 39,189 | 45,948 |
| Travel | | 23,991 | 40,054 |
| Other expenses | | 30,781 | 37,678 |
| Total Operating Expenses | | 238,016 | 274,289 |
| Amortisation and Depreciation | | | |
| Amortisation | 5 | 26,963 | 79,824 |
| Depreciation | 5 | 9,321 | 12,428 |
| Total Amortisation and Depreciation | | 36,284 | 92,252 |
| Shared Tent Expenses | | | |
| Advertising and promotion | | 12,942 | 11,549 |
| Communications | | 76,922 | 111,966 |
| International Dues | | 105,798 | 203,526 |
| Production Costs | | 12,695 | 5,349 |
| Other Expenses | | 93,077 | - |
| Total Shared Expenses | | 301,434 | 332,390 |
| Total Expenses | | 575,734 | 698,931 |
| Profit Before Grants and Income Tax | | 576,110 | 128,001 |
| Grants | 4 | - | - |
| Tent distributions | 4 | 323,765 | 193,650 |
| Profit/(loss) before tax | | 252,345 | (65,649) |
| Income tax expense | | - | - |
| Accumulated profit/(loss) for the period | | 252,345 | (65,649) |
| Other comprehensive income | | - | - |
| Income tax on items of other comprehensive income | | - | - |
| Total comprehensive income/(loss) for the year | | 252,345 | (65,649) |

Statement of Financial Position

AS AT 30 SEPTEMBER 2014

| | Notes | 2014 \$ | 2013 \$ |
|--------------------------------------|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 6 | 543,103 | 168,236 |
| Trade and other receivables | 7 | 135,912 | 121,224 |
| Other assets | 8 | 2,387 | 15,161 |
| Total Current Assets | | 681,402 | 304,621 |
| Non-current Assets | | | |
| Property, plant and equipment | 9 | - | 10,215 |
| Intangible assets | 10 | 45,705 | 26,962 |
| Total Non-Current Assets | | 45,705 | 37,177 |
| TOTAL ASSETS | | 727,107 | 341,798 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | 11 | 257,230 | 125,050 |
| Provisions | 12 | 3,482 | 3,681 |
| Total Current Liabilities | | 260,712 | 128,731 |
| Non-current | | | |
| Provisions | 12 | 12,351 | 11,368 |
| Total Non-current Liabilities | | 12,351 | 11,368 |
| TOTAL LIABILITIES | | 273,063 | 140,099 |
| NET ASSETS | | 454,044 | 201,699 |
| EQUITY | | | |
| Members interests | 13 | 240,000 | 240,000 |
| Funds held for distribution reserve | 13 | - | - |
| Accumulated profit/ loss | | 214,044 | (38,301) |
| TOTAL EQUITY | | 454,044 | 201,699 |

Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER 2014

| | Accumulated Profit/ Losses | Funds held for distribution reserve | Members Interests | Total Equity |
|--|-------------------------------|--|----------------------|----------------|
| | \$ | \$ | \$ | \$ |
| At 30 September 2012 | 12,481 | 14,867 | 240,000 | 267,348 |
| Total comprehensive income/(loss) | (65,649) | - | - | (65,649) |
| Funds distributed and used during the year from reserve (note 13) | 14,867 | (14,867) | - | - |
| At 30 September 2013 | (38,301) | - | 240,000 | 201,699 |
| Total comprehensive income/(loss) | 252,345 | - | - | 252,345 |
| At 30 September 2014 | 214,044 | - | 240,000 | 454,044 |

Statement of Cash Flows

FOR THE YEAR ENDED 30 SEPTEMBER 2014

Cash flows from operating activities

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|-----------------|----------------|
| Receipts from donors, sponsors, members and functions | | 1,133,232 | 823,736 |
| Payments to suppliers and employees including appeals | | (716,581) | (799,790) |
| Interest received | | 3,923 | 922 |
| Net cash flows from/(used in) operating activities | | <u>420,574</u> | <u>24,868</u> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (45,705) | - |
| Purchase of intangible assets | | - | - |
| Net cash flows from/(used in) investing activities | | <u>(45,705)</u> | <u>-</u> |
| Net increase/(decrease) in cash and cash equivalents | | <u>374,867</u> | <u>24,868</u> |
| Cash and cash equivalents at beginning of period | | <u>168,236</u> | <u>143,368</u> |
| Cash and cash equivalents at end of period | 6 | <u>543,103</u> | <u>168,236</u> |

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. CORPORATE INFORMATION

The financial report of Variety Australia Limited (the "Company") for the year ended 30 September 2014 was authorised for issue in accordance with a resolution of the Directors on 1 January, 2015.

The Company is incorporated and domiciled in Australia as a company limited by guarantee. The registered office, which is the principal place of business, is located at 47 Herbert St, Artarmon, NSW, 2064. The nature of the operations and principal activities of the Company are described in the Directors report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on an accruals basis of accounting including the historical cost convention and the going concern assumption.

The financial report is presented in Australian Dollars.

(b) Statement of compliance

Variety has adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements for the financial year beginning on 1 October 2011 and continued for the year ending 30 September 2014. Variety is a not-for-profit, private entity and has prepared tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The adoption of AASB 1053 and AASB 2010-2 allowed Variety to remove a number of disclosures. There was no other impact on the current or prior year financial statements.

The Company is a not-for-profit, private entity and has prepared tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs) (including Australian Interpretations) adopted by the Australia Accountings Standards Board (AASB) and the Corporations Act 2001. The adoption of AASB 1053 and AASB 2010-2 allowed the Company to remove a number of disclosures. There was no other impact on the current or prior year financial statements.

(c) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended are not expected to have significant impact on the Company for the annual reporting period ended 30 September 2014 and subsequent periods.

(d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Notes to the Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Trade and other receivables

Trade receivables, which generally have 14 day terms, are recognised and carried at original invoice amount less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable.

(f) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated life of the specific assets as follows:

Computer equipment – 3 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income.

(g) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets have been assessed as having a finite life and will be amortised using the straight line method over a period of 3 years.

(h) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In determining recoverable amount, the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate. Non-financial assets that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed

Notes to the Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. If the effect of the time value of money is material, 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, where appropriate, the risks specific to the liability.

(l) Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(m) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Events revenue

In some cases, revenue is received in respect of an event that falls into the following financial year. In such cases, the revenue and any associated costs are deferred and recognised as deferred income. Consulting revenue is recognised in the period for which the work was performed.

(ii) Interest income

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate.

Notes to the Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue (continued)

(iii) Donated goods

Goods are donated to be sold at auctions, or to be used in events or functions. In both cases, they are recognised as revenue at their replacement cost, and expensed when the goods are sold, or otherwise used.

(iv) Donation of services

Donated services, such as the use of a conference centre to host an event, are recognised as revenue at their replacement cost. An equivalent amount is recognised as an expense, relating to the type of service donated.

The pledges received are not recognised as income until received in cash or until a firm commitment has been received.

(n) Income tax

Variety Australia Limited is exempt from income tax. It is a Deductible Gift Recipient (DGR) and an Income Tax Exempt Corporation (ITEC).

(o) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on various other factors it believes to be reasonable under the circumstances, the result of which forms the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(a) Significant accounting judgements

Impairment of non-financial assets other than goodwill

The Company assesses impairment of all assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. These include technology, economic and political environments and future expectations. If an impairment trigger exists the recoverable amount of the asset is determined. Given the current uncertain economic environment management considered that the indicators of impairment were significant enough and as such these assets have been tested for impairment in this financial period.

(b) Significant accounting estimates and assumptions

Estimation of useful lives of assets

The estimation of the useful life of assets has been based on historical experience and industry practice. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful life are made when considered necessary.

Depreciation charges are included in note 9.

Assessment of fair value for donated goods and services

The assessment of fair value of goods and services donated to the company is based on an estimation of their replacement cost. The replacement costs is determined mainly by reference to invoiced amounts prepared by suppliers based on their market rates of services or supplying cost of goods. The condition of any goods not used during the year is assessed at each balance date to determine whether any adjustments are necessary to the carrying value.

No other significant judgements, estimates and assumptions were made during the financial year.

Notes to the Financial Statements (continued)

4. FUND RAISING INFORMATION AND ADMINISTRATION COSTS

Details of aggregate income and expenditure of fundraising are as follows:

| | 2014 Variety Australia | 2014 Tents | 2014 Convention | 2014 Net Income | 2013 Net Income |
|---|---------------------------|------------------|--------------------|--------------------|--------------------|
| Fundraising information | | | | | |
| Tyres 4 U | 49,408 | - | - | 49,408 | 53,797 |
| Miss World Australia | 188,475 | - | - | 188,475 | 82,671 |
| National Convention | - | - | 65,700 | 65,700 | - |
| National Bash Sponsorship | 80,000 | - | - | 80,000 | - |
| Nurofen | - | - | - | - | 60,000 |
| Peter Brock Rose | 10,000 | - | - | 10,000 | - |
| Vodafone | 7,378 | - | - | 7,378 | 14,450 |
| Other Online Donations | 19,254 | - | - | 19,254 | - |
| Total contribution from Fundraising | 354,515 | - | 65,700 | 420,215 | 210,918 |
| Donation Income | 147,892 | - | - | 147,892 | 64,125 |
| Appeals Income | - | - | - | - | - |
| Interest Income | 3,923 | - | - | 3,923 | 922 |
| Other Income | 43,444 | - | - | 43,444 | 14,610 |
| Total Income | 549,774 | - | 65,700 | 615,474 | 290,575 |
| Income Distributed to Tents | (323,765) | - | - | (323,765) | (193,650) |
| Income Retained by Variety Australia Limited | 226,009 | - | 65,700 | 291,709 | 96,925 |
| Shared Tent Expenses | - | (301,434) | - | (301,434) | (332,390) |
| Administration Costs | (120,500) | - | - | (120,500) | (223,989) |
| Marketing Costs | (5,354) | - | (9,141) | (14,495) | (11,664) |
| Other Operating Costs | (64,048) | - | (44,889) | (108,937) | (37,678) |
| Depreciation charged to Tents | (893) | - | - | (893) | (958) |
| Depreciation & amortisation charge | (36,284) | - | - | (36,284) | (92,252) |
| Total Expenses | (227,079) | (301,434) | (54,030) | (582,543) | (698,931) |
| Expenses Charged to Tents | 282,893 | - | - | 282,893 | 203,967 |
| Contribution to Capital Purchase | - | 45,705 | - | 45,705 | - |
| Shared Expenses Reimbursement | - | 214,581 | - | 214,581 | 332,390 |
| Total Expenses Retained by Variety Australia Limited | 55,815 | (41,148) | (54,030) | (39,364) | (162,574) |
| Profit/(loss) before grants | 281,824 | (41,148) | 11,670 | 252,345 | (65,649) |
| Appeals Granted | - | - | - | - | - |
| Profit/(loss) before income tax | 281,824 | (41,149) | 11,670 | 252,345 | (65,649) |

Notes to the Financial Statements (continued)

Comparison of Monetary figures and percentages

Variety Australia Limited is primarily an administration and cost centre for the state-based Tents of Variety, The Children's Charity in Australia. As a result, comparison of monetary figures and percentages regarding administration costs relative to funds raised is not relevant to Variety Australia Limited.

Notes to the Financial Statements (continued)

5. EXPENSES

Operating loss is stated after charging the following items:

Depreciation and Amortisation included in
Statement of comprehensive income

| | 2014 | 2013 |
|-------------------------------------|----------------|----------------|
| | \$ | \$ |
| Total Depreciation and amortisation | <u>37,177</u> | <u>93,210</u> |
| Employee Expenses | | |
| Salary and wages | 93,056 | 80,899 |
| Superannuation | 8,689 | 7,442 |
| Workers compensation | 107 | 431 |
| Other employee benefits expense | 1,529 | 20,875 |
| | <u>103,381</u> | <u>109,647</u> |

Audit Fees

Variety Australia Limited pays Ernst & Young an audit fee of \$17,660. Ernst & Young make a donation to Variety Australia Limited for the same amount.

6. CASH AND CASH EQUIVALENTS

| | | |
|--------------|----------------|----------------|
| Cash in hand | 200 | 200 |
| Cash at bank | 542,903 | 168,036 |
| Total | <u>543,103</u> | <u>168,236</u> |

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents, represents fair value.

7. TRADE AND OTHER RECEIVABLES (CURRENT)

| | | |
|--------------------------------|----------------|----------------|
| Trade receivables | 118,079 | 17,298 |
| Tent Reimbursements receivable | - | 86,92 |
| Other receivables | - | - |
| Accrued Income | 17,833 | 17,000 |
| | <u>135,912</u> | <u>121,224</u> |

Trade debtors are non-interest bearing and generally on 7 day terms.

8. OTHER ASSETS (CURRENT)

| | | |
|---------------|--------------|---------------|
| Loan | 147 | - |
| Deposits paid | - | 13,600 |
| Prepayments | 2,240 | 1,561 |
| | <u>2,387</u> | <u>15,161</u> |

Deposits paid are non-interest bearing and generally on indefinite terms.

Notes to the Financial Statements (continued)

9. PROPERTY, PLANT AND EQUIPMENT

| | 2014 | 2013 |
|--|----------|----------|
| | \$ | \$ |
| Cost | 43,420 | 43,420 |
| Accumulated depreciation | (43,420) | (33,205) |
| Net carrying amount of property, plant and equipment | - | 10,215 |

Reconciliations

| | | |
|--|----------|----------|
| Cost | 43,420 | 43,420 |
| Accumulated depreciation | (33,205) | (19,819) |
| Carrying amount at beginning of period | 10,215 | 23,601 |
| Additions | - | - |
| Depreciation charge for the year | (10,215) | (13,386) |
| Net carrying amount of property, plant and equipment | - | 10,215 |

10. INTANGIBLE ASSETS

| | | |
|--|-----------|-----------|
| Cost | 214,926 | 239,470 |
| Accumulated amortisation | (169,221) | (212,508) |
| Net carrying amount of intangible assets | 45,705 | 26,962 |

Reconciliations

| | | |
|--|----------|----------|
| Opening | 26,962 | 106,786 |
| Additions | 45,705 | - |
| Amortisation charge for the year | (26,962) | (79,824) |
| Net carrying amount of intangible assets | 45,705 | 26,962 |

Notes to the Financial Statements (continued)

11. TRADE AND OTHER PAYABLES (CURRENT)

| | | 2014 | 2013 |
|-----------------------------|------|----------------|----------------|
| | | \$ | \$ |
| Trade payables | (i) | 75,277 | 41,325 |
| Other payables and accruals | (ii) | 181,953 | 83,725 |
| | | <u>257,230</u> | <u>125,050</u> |

- (i) Trade payables are non-interest bearing and are normally settled on 30 day terms.
(ii) Other payables and accruals are non-interest bearing and have an average term of 30 days.

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

12. PROVISIONS

| | | |
|-------------------------------------|--------|--------|
| Current employee benefits provision | 3,482 | 3,681 |
| Non-current | | |
| Employee benefits | 12,351 | 11,368 |
| | 15,833 | 15,049 |

Employee benefits

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date.

13. EQUITY

(a) Members Interest

| | | |
|--------------------|----------------|----------------|
| New South Wales | 85,200 | 85,200 |
| Victoria | 59,760 | 59,760 |
| Queensland | 44,160 | 44,160 |
| South Australia | 18,960 | 18,960 |
| Western Australia | 23,520 | 23,520 |
| Tasmania | 6,000 | 6,000 |
| Northern Territory | 2,400 | 2,400 |
| | <u>240,000</u> | <u>240,000</u> |

Each tent has one representative on the Variety Australia Limited Board and one voting right. The Company is a not-for-profit organisation and is prevented by the Corporations Act 2001 from paying its members dividends. During the previous year Variety Australia limited resolved to transfer the remaining funds/ equity in the distribution reserve to retained profits

| | 2014 | 2013 |
|--|------|----------|
| | \$ | \$ |
| (b) Funds held for distribution reserve | | |
| Opening Reserve | - | 14,867 |
| Funds distributed and used during the year | - | (14,867) |
| Closing reserve at 30 September 2014 | | |

Notes to the Financial Statements (continued)

14. COMMITMENTS AND CONTINGENCIES

(a) Expense and capital commitments

As at the balance sheet date, the Directors of Variety Australia Limited have not committed to spending any capital expenditure or significant expense.

(b) Contingencies

There are no contingent liabilities that exist at, or after, the balance date.

15. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) Directors

| | |
|------------------|---|
| Nicole Haack | Chairman (Appointed 22/11/11) |
| Neil Wykes OAM | Company Secretary (Appointed 01/01/12) |
| Charles Badenach | Alternate Director (Appointed 08/01/14) |
| Ron Barton | Director (Appointed 05/11/12) |
| Evan Briers | Director (Appointed 27/11/12) |
| Don Brooker | Alternate Director (Appointed 27/06/12) |
| John Catarinich | Director (Appointed 13/04/07) |
| Peter Ffrench | Director (Appointed 02/08/13) |
| Anna Grant | Director (Appointed 12/01/12) |
| Patrick Gray | Director (Appointed 16/04/13) |
| Peter Hebbes AM | Director Appointed 12/12/11 Resigned 04/12/13) |
| Vito Interlandi | Director (Appointed 28/11/12) |
| Ian Mackay | Alternate Director (Appointed 30/11/10) |
| Susan Warda | Director (Appointed 20/04/12) |
| Ennio Tavani | Director (Appointed 23/03/06 Resigned 06/02/14) |
| Ron Barton | Director (Appointed 15/11/12) |
| Amanda Mead | Alternate Director (Appointed 30/01/12) |
| Paul Mullaly | Director (Appointed 06/01/14) |
| John Simpson | Alternate Director (Appointed 18/06/13 Resigned 06/12/13) |
| Foster Stavridis | Alternate Director (Appointed 03/06/14) |
| Richard Symon | Alternate Director (Appointed 25/07/13) |

(ii) Executive

Anita Hardy National Association Manager

(b) Compensation of Key Management Personnel

| | 2014 | 2013 |
|----------------|---------------|---------------|
| Total benefits | \$ | \$ |
| | <u>69,609</u> | <u>84,000</u> |

(c) Other transactions and balances with Key Management Personnel (KMP) and their related parties

There has been no material transactions between Key Management Personnel and Variety Australia Limited and its related parties.

Notes to the Financial Statements (continued)

16. RELATED PARTY DISCLOSURE

(a) Ultimate parent

Variety Australia Limited is part of a worldwide organisation, Variety - the Children's Charity International. Each State in Australia is a Member of Variety – the Children's Charity International.

(b) Key management personnel

Details relating to key management personnel, including remuneration, are included in note 15.

(c) Transactions with related parties

Variety Australia and the state based Tents are party to a number of national corporate sponsorships. The table below includes those national corporate sponsorships where the state based Tent is party to the agreement. In these instances, the funds were received by the state Tent and distributed to the other state Tents in accordance with the trader's agreement signed by both parties.

The following information is a record of National Corporate donations that were initially received by either Variety Australia Limited or one of the State based Associations.

1. National distribution of donated funds received in the books of the State based Associations

| | Total Funds Received | NSW | VIC | QLD | WA | SA | TAS | NT |
|---------------|----------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Gloria Jean's | 174,510 | 66,884 | 23,625 | 23,625 | 23,625 | 23,625 | 6,563 | 6,563 |
| MWA | 7,175 | 4,902 | 1,764 | - | 322 | 187 | - | - |
| Adrenalin | 100,000 | 38,500 | 13,500 | 13,500 | 13,500 | 13,500 | 3,750 | 3,750 |
| Charter Hall | 60,000 | 25,000 | 9,000 | 17,000 | 9,000 | - | - | - |
| Kmart | 98,639 | 31,906 | 22,992 | 19,925 | 13,866 | 6,756 | 2,380 | 794 |
| Dick Smith | 10,000 | 3,850 | 1,350 | 1,350 | 1,350 | 1,350 | 375 | 375 |
| TOTAL | 450,324 | 171,043 | 72,231 | 75,400 | 61,663 | 45,418 | 13,068 | 11,482 |

2. National Corporate Sponsorship & Fundraising recorded in the books of Variety Australia Limited

| | | | | | | | | |
|--------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|
| Miss World Australia | 188,475 | 22,155 | 22,372 | 19,960 | 13,728 | 15,060 | 3,600 | 3,600 |
| Tyres 4 U | 49,408 | 30,203 | 8,523 | 7,008 | 930 | 1,440 | 400 | 904 |
| Vodafone Group Plc. | 7,378 | 1,328 | 1,328 | 1,328 | 1,328 | 1,328 | 369 | 369 |
| Destination NSW | 80,000 | 14,400 | 14,400 | 14,400 | 14,400 | 14,400 | 4,000 | 4,000 |
| Peter Brock Rose | 10,000 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 500 | 500 |
| Other fundraising Donations | 19,254 | 9,037 | 470 | 782 | 2,470 | 495 | - | 6,000 |
| TOTAL | 354,515 | 78,923 | 48,893 | 45,278 | 34,656 | 34,523 | 8,869 | 15,373 |

Other Donations received

| | | | | | | | | |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 30,892 | 5,561 | 5,561 | 5,561 | 5,561 | 5,561 | 1,545 | 1,545 |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|

3. Total National funds raised

| | | | | | | | | |
|--|---------|---------|---------|---------|---------|--------|--------|--------|
| Total funds raised Nationally in 2014 | 835,731 | 255,526 | 126,685 | 126,239 | 101,880 | 85,501 | 23,482 | 28,400 |
| Total funds raised Nationally in 2013 | 708,372 | 262,330 | 158,811 | 137,672 | 85,752 | 42,667 | 13,699 | 7,441 |

Notes to the Financial Statements (continued)

16. RELATED PARTY DISCLOSURE (CONTINUED)

RELATED PARTY TRANSACTIONS 2014

| | | Payments from related parties | Payments to related parties | Amounts owed by related parties | Amounts owed to related parties |
|--------------------------|------|-------------------------------------|-----------------------------------|--|--|
| Variety International | 2014 | - | 143,551 | | 21,679 |
| | 2013 | 2,907 | 245,938 | - | 10,500 |
| NT | 2014 | 26,679 | 11,893 | - | 6,059 |
| | 2013 | 14,251 | 2,637 | 648 | 410 |
| QLD | 2014 | 99,513 | 37,019 | 19,385 | 17,990 |
| | 2013 | 111,502 | 37,689 | 12,718 | 6,014 |
| SA | 2014 | 95,884 | 27,582 | 211 | 17,530 |
| | 2013 | 77,790 | 15,982 | 5,187 | 3,259 |
| TAS | 2014 | 28,414 | 5,058 | - | 6,304 |
| | 2013 | 19,711 | 2,790 | 1,899 | 596 |
| VIC | 2014 | 105,946 | 49,140 | 28,536 | 18,148 |
| | 2013 | 137,736 | 33,742 | 15,784 | 13,724 |
| WA | 2014 | 129,796 | 25,115 | 64,076 | 17,470 |
| | 2013 | 125,177 | 25,318 | 17,769 | 2,606 |
| NSW | 2014 | 150,677 | 98,263 | 6,295 | 34,254 |
| | 2013 | 153,171 | 79,487 | 22,901 | 15,352 |
| NZ | 2014 | 300 | | 69 | |
| | 2013 | 257 | - | - | - |

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash.

Notes to the Financial Statements (continued)

17. MEMBERS GUARANTEE

The Company is a public Company limited by guarantee that is incorporated and domiciled in Australia. If the Company is wound up, its Constitution states that each Member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company.

At 30 September 2014, the number of Members was 7 (2013: 7)

18. EVENTS AFTER BALANCE DATE

There were no other significant events after the balance date which may affect the Company's operations or results of these operations or the Company's state of affairs.

Directors' Declaration

In accordance with a resolution of the directors of Variety Australia Limited, I state that in the opinion of the directors:

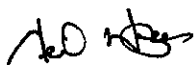
- (a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 September 2014 and of its performance for the 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.

Declaration under the Charitable Fundraising Act 1991 (the "Act") and Charitable Fundraising Regulation 2008 (the "Regulation")

- (i) The financial report and associated records of the Company have been properly kept during the year ended 30 September 2014 in accordance with the Act and the Regulation; and
- (ii) Money received as a result of fundraising appeals conducted during the year ended 30 September 2014 has been properly accounted for and applied in accordance with the Act and the Regulation; and
- (iii) There are grounds to believe that the Company will be able to pay its debts as and when they fall due; and
- (iv) The Company has complied with the obligations imposed by the Act and the Regulation.



Nicole Haack
National Chairman



Neil Wykes OAM
National Company Secretary

Sydney
Date: 19 January, 2015



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Independent auditor's report to the members of Variety Australia Limited

Report on the financial report

We have audited the accompanying financial report of Variety Australia Limited, which comprises the statement of financial position as at 30 September 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view 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 controls. 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.

