

# Variety Australia Limited

ACN 101 609 616  
ABN 55 891 232 898

Annual Report  
30 September 2018

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## 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.

The following directors and alternate directors held office during the period from start of the financial year until the date of this report.

#### **Paul Mullaly MEM, BE**

##### National Chairman

Paul was original appointed a director on 6 January 2014 and moved to alternate director for Amanda Mead on 10 December 2015. On 20 February 2018 Paul became a co-opted Director and on 1 May 2018 Paul was elected the National Chairman of Variety Australia.

##### *Directorships*

Variety – the Children's Charity New South Wales.

##### *Variety Experience*

Paul is a past Chairperson of Variety NSW and a Director of Variety Australia. Paul has actively supported Variety for more than 20 years and was elected to the Variety NSW Board in 2009 and continues to serve as a Director.

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, a Bachelor of Engineering and is the CEO of Mullaly Constructions.

#### **Nicole Haack**

##### Deputy National Chairman

Director Appointed 22 November 2011. Nicole stepped down as National Chairman on 1 May 2018 and was appointed a co-opted director.

##### *Directorships*

Variety - the Children's Charity (SA).

*Director Profiles (continued)*

*Variety Experience*

Nicole has been involved in Variety the Children's Charity for in excess of 20 years, culminating in her appointment to the board of Variety Australia in 2011. She is the past Chairman of Variety SA and still holds the roles of Chair of the Marketing and Communications Committee (both for Variety Australia and Variety SA), Chair of the Large Appeals Committee (Variety SA), and a member of the Governance and Audit Committee (Variety Australia and Variety SA).

*Skills and Experience*

Nicole Haack is the founder and Managing Director of corporate communications and public relations firm The Message Bureau, advising on high-profile communications and marketing campaigns as well as stakeholder engagement and crisis management. Nicole also has more than 20 years' experience in the media, encompassing television, radio and print. She was a presenter on talk back radio, leading discussion on news and current affairs and held the role of Director of News and Current Affairs for leading Adelaide radio station FIVEaa for eight years.

Nicole is a previous Telstra South Australian Young Businesswoman of the Year and also a recipient of the Prime Minister's Centenary Medal for service to Australian society in business leadership.

**Neil Wykes OAM FCA, AGIA, ACIS, BCom**

National Company Secretary Appointed 1 January 2012.

*Directorships*

Director, Treasurer and Chair of Finance, Audit and Risk Management Committee of National Trust of Australia (New South Wales). Director and Chair of the Audit and Risk Management Committee of Macular Disease Foundation Australia.

*Variety Experience*

Director, Chair of Audit, Risk, Finance, Administration and Governance Committee and Treasurer of Variety –the Children's Charity International, Member of Variety Australia Governance and Audit Committee. Life member of Variety NSW. 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 recently retired from the role of 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.

*Director Profiles (continued)*

**Mohammad Alderghem**

Mohammad became an alternative Director to David Flower on 1 December 2016, on 20 February 2018 he became a Director and resigned as a Director on 26<sup>th</sup> October 2018 to become the CEO of Variety - the Children's Charity Tasmania.

*Directorships*

Variety- the Children's Charity Tasmania. Vice Chairman Foodbank Tasmania Inc.

*Variety Experience*

Mohammad was first introduced to Variety through providing support to the 2011 bash while working at a resort on the west coast of Tasmania.

*Skills and Experience*

Mohammad is passionate about providing support for our young people and to guide them towards their greatest potential. He is a Fellow of the Institute of Managers and Leaders Australia/New Zealand (IML), with a Masters degree in Marketing Management from Griffiths University and a Bachelor of Business Management from his home country - Jordan.

Mohammad has spent his career in hotel and tourism management and a Judge on the Panel for the Tasmanian Tourism Awards since 2017.

**Don Brooker**

Director Appointed 17 December 2014. Don was originally appointed alternate Director for Evan Briers on 13 September 2013 and then became a director on 17 December 2014.

*Directorships*

Variety - the Children's Charity (WA).

*Variety Experience*

Don has been involved in Variety WA for 13 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.

**Ben Cox**

Ben was appointed a Director on 18 September 2018.

*Directorships*

Variety – the Children's Charity Queensland

*Director Profiles (continued)*

*Variety Experience*

Ben became a director of Variety QLD two years ago and regularly supports Variety as a donor through their events. Ben also assists Variety through the support of Fundraising, Marketing, Communications and not-for-profit strategies.

*Skills and Experience*

Ben Cox has dedicated his career to changing the lives of others through his work in the not-for-profit sector. He has extensive experience in fundraising working with the Royal Children's Hospital Foundation, the Cerebral Palsy League, MS Queensland and Legacy. Ben is a passionate advocate for the not for profit sector and is an experienced speaker and thinker on the design, delivery and value of effective fundraising, marketing and communications programs. He also speaks regularly on mentoring, leadership and perseverance. Ben currently serves as on the Fundraising Institute of Australia's (FIA) Queensland Executive Committee and as a member of FIA's Regulatory Code Authority. He also on several fundraising and marketing advisory panels in the not-for-profit sector.

**John Dennis**

Appointed a Director on 12 December 2017.

John holds Bachelor of Commerce (Accounting, Finance & Systems) and Master of Commerce (Finance) degrees.

*Directorships*

Variety – the Children's Charity NSW/ACT

John is a director of many private companies.

*Variety Experience*

John has been a Director of NFP/ DGR status Charities and Foundations since 2001. He has been involved with Variety NSW since 2007 as a major donor and Bash participant; as a Board member since 2012; Deputy Chair since 2015 and Chair since 2017.

*Skills and Experience*

In 1984, he established the Australian Structured Finance Group - a leading corporate finance business. As CEO since inception, John's experience extends to all aspects of business networking, revenue generation, management, compliance and corporate governance. In 2003, John was elected to the governing Council of the Australian Equipment Lessors Association (AELA) becoming Deputy Chairman in 2006/07 and Chairman in 2007/08. In 2017 as the longest serving Councillor of an organisation whose members fund over \$90 Billion of assets across Australia, he represented AELA in its restructure into the Equipment Finance Division of the Australian Finance Industry Association.

John offers strong fundraising experience – both at micro and macro level; he has sound financial management and compliance skills; he has long term experience at Committee/Board/Council level within charitable foundations and industry lobby groups; he is an active networker and has a strong affinity with Variety NSW and the work we undertake.

*Director Profiles (continued)*

**David Flower**

Director Appointed 4 December 2014. On 20 February 2018 he became an Alternate Director to Mohammad Alderghem and on 26 October 2018 was appointed an Alternate Director for Daniel Hoult

*Directorships*

Variety – the Children’s Charity Tasmania.

*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.

**Daniel Hoult**

Daniel was appointed a Director on 26 October 2018.

*Directorships*

Variety – the Children’s Charity Tasmania

*Variety Experience*

Daniel has been a Director of Variety Tasmania for the last 4 years.

*Skills and Experience*

Daniel is currently a National Manager at NBN and has a background in project management and a Bachelor’s Degree in Electronics and Communications Engineering from the University of Tasmania.

**Rob Kerin**

Rob was appointed Alternate Director for Kathryn Zeitz on 11 December 2016 and on 20 February 2018 he became a Director.

*Directorships*

Variety – the Children’s Charity South Australia

Rob is currently the Executive Chair of Primary Producers SA, is Chair of Regional Development SA, is a member of the State’s Economic Development Board and is on the SANFL Board.

*Variety Experience*

Rob has been a regular Bash entrant over the last decade.

*Director Profiles (continued)*

*Skills and Experience*

Rob is the owner of Rob Kerin Consulting which is responsible for strategically restructuring organisations.

**James Komninos**

Director Appointed 30 November 2015, resigned 29 November 2018.

*Directorships*

Variety-the Children's Charity (WA)

James is a Member of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Institute of Company Directors and in addition to his position as Chairman of Variety WA, is a councillor for the Western Australian Chapter of the Australian Business Arts Foundation.

*Variety Experience*

James has been an active Board Member of WA for many years and continues to show his support at every WA event possible.

*Skills and Experience*

James is the Managing Partner of RSM Bird Cameron, Perth and overseas the strategic direction of the firm's Perth office, leading business development, marketing and management initiatives. James has extensive experience in auditing and providing general accounting assistance to audit clientele.

**Ian Mackay**

Director Appointed 8 December 2015. Ian was originally appointed a director on 30 November 2010, he then became Alternate Director for Peter Ffrench and subsequently became a director again on 8 December 2015. Ian resigned as a director on 20 February 2018.

*Directorships*

Variety – the Children's Charity Queensland.

*Variety Experience*

Ian served as Treasurer of Variety Queensland from 2006 to 2010 prior to his election as Chair of Variety Queensland a position he held until 2013. He was re-elected to the position in 2015 through to 2017, and now continues on the Variety Queensland board.

*Skills and Experience*

Ian 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



*Director Profiles (continued)*

**Paul Manning**

Director appointed 17 February 2017

*Directorships*

Variety – the Children’s Charity Victoria  
Independent Director – Williamstown Housing Association

*Variety Experience*

Paul has been on the Board of Variety Victoria for over 4 years with 2 years as Treasurer and 2 years as President.

*Skills and Experience*

Paul has worked in finance and banking industries for more than 25 years including a range of senior leadership positions. As Chief Financial Officer for State Trustees Paul was responsible for financial management, investments, risk, compliance and corporate legal services. Prior to State Trustees, Paul was Chief Financial Officer at BankVic, driving a number of major transformation projects including obtaining a banking license, process reengineering for superannuation services and implementing a detailed management reporting system.

Paul has also held lead roles at JPMorgan, Members Equity Bank, Primary Superannuation, Westpac and PwC. He has travelled extensively and worked in Budapest, Bucharest, London, Wellington, Sydney and Melbourne. As well as senior corporate roles, Paul previously spent four years as Director/Treasurer of Experimenta, a not-for-profit arts organisation based in Melbourne.

**Foster Stavridis**

Director Appointed 2 December 2016. Immediate past Alternate Director for Patrick Gray Appointed 3 June 2014.

*Directorships*

Variety – the Children’s Charity Northern Territory, Vice-Chair Red Cross Advisory Board Northern Territory, Member of the Council of the Australian Red Cross Society; and Vice President YMCA.

*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). Member of Variety International Asian Pacific Regional Committee. Chair of the Governance and Audit Committee Variety Australia and supports Variety Japan as a portfolio as a Member 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.

*Director Profiles (continued)*

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.

**John Wadley**

John was appointed an Alternate director for Ian Mackay on 1 September 2016. On 20 February 2018 he became a director and resigned on 10 September 2018.

*Directorships*

Variety - the Children's Charity Queensland

*Variety Experience*

First Participated in 1996. Has been involved in many Bashes, 4WD Explorer Trips, Jet Treks and RV Trips. Has been both participant and official. Presently involved in 3 events per year.

*Skills and Experience*

Comes from a Pharmacy background both managing and owning stores. Has been a member of many pharmacy committees, advisory committees and steering groups. Has recently sold and semi-retired.

**Susan Warda MAICD, BSAB Diploma of Law, Acc. Spec. Family Law, Bond University Mediation Training and a Collaborative Family Lawyer**

Director Appointed 20 April 2012.

*Directorships*

Susan is the past Chair of the Austlaw Board, an association of independent law firms located throughout NSW, Victoria, Queensland and the ACT, a founding member of the Greater Sydney Collaborative Family Lawyers network, a member of the Australian Institute of Company Directors (AICD) and a Director of Variety Australia. Susan also sits on the Collaborative Professionals NSW (Inc) Board.

*Variety Experience*

Susan was a member of the Board of Variety NSW from 2010 to December 2016 and was previously the Chair of the Teen Variety Committee and the Risk Committee in NSW. Susan is a member of Variety International Asian Pacific Regional Committee

*Skills and Experience*

Susan Warda is team leader and partner at Mills Oakley. Susan has particular expertise in family law matters that involve complex financial issues, including property settlements that incorporate family businesses, multiple assets and superannuation splitting. Susan is an accredited specialist in family law

and was named 2013 Woman Lawyer of the Year in Private Practice by the Women Lawyers Association of NSW. Susan also has extensive experience in resolving family law matters outside of the Court system. She is an experienced mediator and trained collaborative law practitioner.

#### **Alternate Directors**

##### **Michelle d’Almeida**

Alternative Director to James Komnimos appointed 1 September 2016

#### *Directorships*

Variety-the Children’s Charity (WA)

Michelle is Chair (NED) of the Community Newspaper Group in Western Australia and a Non-Executive Director of Fashion Council WA. Prior to the sale of The Sunday Times and Perth Now to Seven West Media in 2016 Michelle was the managing director of News Corporation Australia, Western Australian operations.

#### *Variety Experience*

Michelle has been involved with Variety for the past five years, in 2013 Michelle joined the Fundraising Committee and has been Chair of the Fundraising Committee for the past two years. In 2014 Michelle joined the Variety WA Board and has been Deputy Chair for the last two years.

#### *Skills and Experience*

Originally from Perth, Michelle worked for News Corp in New York and Sydney before she returned home to Perth in 2012. Michelle holds a Bachelor Business from Edith Cowan University. She has a passion for the important role Media plays in society along with a keen interest in driving transformation within traditional businesses and a real passion and curiosity in digital technology. Michelle is extremely passionate about the amazing work Variety does for the children of Western Australia and is committed to leveraging her strong business and personal relationships and networks to identify opportunities for more businesses and individuals to become aware and involved with Variety. Michelle also enjoys lending her commercial, sales, marketing and media experience to the Variety Board to support ongoing innovation, identifying new opportunities to raise the much-needed funds for the children and families Variety supports.

#### **Patrick Gray MTem**

Alternate Director for Foster Stavridis from 2 December 2016. Patrick was originally appointed a director on 16 July 2013 and moved to alternate director on 2 December 2016. He resigned on 10 September 2018.

#### *Directorships*

Variety – the Children’s Charity Northern Territory.

#### *Variety Experience*

Patrick has been involved with Variety in the Northern Territory for over 20 years fundraising and assisting at various Variety events and has participated in 8 Bashes.

## Alternate Directors (continued)

### *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 Technical Specialist in Smart Metering and Data Logging of potable water supplies in the Darwin water supply network.

### **Liza Houghton**

Liza was appointed as an alternate for Foster Stavridis on 10 September 2018.

### *Directorships*

Variety – the Children's Charity Northern Territory.

Liza has a Masters Degree in Business Administration, is a Fellow of the Australian College of Health Service Managers, a Member of the Australian Institute of Company Directors, and Lecturer in the Masters Public Health at Menzies School of Health Research.

### *Variety Experience*

Liza is new to the NT and to Variety. This year Liza has become a member of Variety, volunteering at many events, and attending others in Darwin. Liza is a member of the Kid's Support Committee reviewing incoming grant requests and allocating or advising the Board on such.

### *Skills and Experience*

Liza Houghton has experience as a Registered Nurse, Project and Change Manager for over 25 years, offering a wealth of practical clinical experience and industry knowledge within public healthcare organisations and across Government. Working across Vic, WA, SA and NT working in the Health Industry- Liza is a specialist in Strategic Planning, Policy Development, Operational Change, Reform, Governance and Risk, and Health Infrastructure Projects

Liza has experience as a Gateway Review team member for major Commonwealth Government IT Infrastructure programs, Department of Health, Canberra. Based in Darwin, Liza is Director of Liza Houghton Consulting and projects include:

- Advisory Services and facilitation to introduce customized change management solutions across the Top End Health Service facilitating and linking key initiatives
- Advisory Services and co-facilitation of workshop for Malabam Health Board in Maningrida, Northern Territory as part of business case development for Transition to Community Control
- Development of Clinical Governance Framework, Policies and Strategic Plan for Red Lily Health Board in preparation for Transition to Aboriginal Community Control

*Alternate Directors (continued)*

**Amanda Mead PhD**

Amanda was appointed Alternate Director for Paul Mullaly on 30 January 2012. She was appointed a Director on 10 December 2015 and on 12 December 2017 she became alternate Director for John Dennis

*Directorships*

Variety - the children's Charity New South Wales. Centre for Disability Studies, an affiliate of the Sydney Medical School, The University of Sydney.

*Variety Experience*

Amanda has been a Non-Executive Director of Variety NSW since 2004 and Chair since December 2015. She has worked in a range of Board committees, Charing the Grants and Programs Committee (from 2013 until 2015), earlier General Appeals Committee (since 2008) and member of the Risk and Governance Committee since 2011.

*Skills and Experience*

Amanda is an experienced leader with extensive executive management experience in the food industry. She currently works as researcher, strategist and academic mentor in marketing innovation, organisational change and strategic development. Amanda researches emotions and self-identity in organisational change and her work focuses on the food, tourism and humanitarian supply chain sectors. Amanda is interested in building long term sustainability of organisations and communities through good governance. Her alignment with Variety's work with children and the community stems from volunteer work in a Leonard Cheshire Home for children permanently disabled through war when she was a child in West Africa.

**Richard Symon FFin, MSAA, Dip (Securities)**

Alternate director for Paul Manning, appointed 17 February 2017. Richard was originally appointed an Alternate Director for Vito Interlandi on 25 July 2013. He then became a director on 3 December 2014 and then moved back to alternate director on 17 February 2017

*Directorships*

Variety – the Children's Charity Victoria, co-founder and Chair of the Financial Services Foundation Ltd and Director of three commercial companies and their subsidiaries.

*Variety Experience*

Richard was appointed a member of the crew of Tent 77 (Victoria) on 23 November 2011 and was the Chairman of Variety Victoria from December 2014 until December 2016. 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 since 2002.

*Alternate Directors (continued)*

*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 Responsible Manager of a financial services company.

**Kim Wainwright**

Kim was appointed as an alternate for Ben Cox on 18 September 2018

*Directorships*

Variety – the Children’s Charity Queensland  
The Prince Charles Hospital Foundation  
Kontrarian Resources Fund No. 1 Pty Ltd  
Xplore Resources Pty Ltd

*Variety Experience*

Kim has been involved with Variety Queensland for over 6 years.

*Skills and Experience*

In 2009 Kim Wainwright took her first step into business ownership, launching a consultation business in the mining, transport and training sectors. In 2014 Kim founded Xplore Resources to provide professional and technical services to the mining industry.

Xplore Resources now has around 60 employees across Australia and overseas and specialises in battery minerals, as well as coal. Kim has embarked on a continued drive for improvement, starting numerous new companies, and accepting a range of directorships and board positions including being a founding director on a resources Private Equity Fund since 2015.

Kim believes in promoting mining’s social license to operate which is demonstrated in her community engagement activities including being on the board of Variety the Children’s Charity for the past 6 years and recently being appointment by the Minister for Health to the Prince Charles Hospital Foundation.

**Kathryn Zeitz**

Kathryn was appointed Alternate Director for Ron Barton on 24 December 2014. She moved to Director on 25 November 2015. Kathryn became an Alternate Director for Rob Kerin when Rob became a Director on 20 February 2018.

*Alternate Directors (continued)*

*Directorships*

Variety-the Children's Charity (SA), Zeitz Enterprises Pty Ltd.

*Variety Experience*

Kathryn was first introduced to Variety after providing medical support to the SA Variety Bash in 1989. She has been a Board Director for Variety-the Children's Charity SA since November 2007 and became chair in November 2015. Kathryn is a member of the Governance and Audit committee for Variety Australia and Variety SA.

*Skills and Experience*

Kathryn is currently Interim Director Medicine Stream at St Vincent's hospital in Sydney.

## 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 2018 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 15 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 1 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 four (4) staff at 30 September 2018.

### OBJECTIVES AND STRATEGIES

Variety Australia Limited 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 assist the member Tents in achieving their objectives within Australia and represent Variety International in 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. 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 2018 was \$2,063,427 (30 September 2017: \$1,695,150) and comprised:

	2018 \$	2017 \$
Funds raised for distribution to Tents	966,316	801,871
Reimbursement of operating costs by Tents	343,557	299,872
Reimbursement of Capital Expenditure from Tents	-	-
Shared costs paid by Variety Australia, reimbursed by Tents	749,413	588,382
Funds Received for distribution to Children's Hospitals	-	-
Other Income	4,141	5,025
<b>Total Income</b>	<b>2,063,427</b>	<b>1,695,150</b>

### *Operating result before appeals granted and distributions*

The operating profit before grants and distributions to the State Associations for the year ended 30 September 2018 was \$870,553 (30 September 2017 was \$723,853).

### *Net operating result*

The operating result for the year ended 30 September 2018 was a profit of \$16,537 (30 September 2017 was a profit of \$25,251).

**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 \$30.5 million (2017: \$32.1 million).

### *Operating result before appeals granted and distributions*

The operating profit before grants was \$11.3 million (2017: \$12.0 million).

The amount granted to children in the year ended 30 September 2018 was \$11.9 million (2017: \$11.2 million).

## Directors' Report (continued)

### *Net operating result*

The net operating result for the year ended 30 September 2018 was a deficit of \$0.6 million (2017: \$0.51 million).

### *State of affairs*

The aggregated net assets, after eliminating duplications, of the Variety Family in Australia are \$17 million (2017: \$17.6 million).

### **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

## Directors' Report (continued)

policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

### 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
Paul Mullaly	3	3
Nicole Haack	4	4
Neil Wykes	4	4
Mohammad Aldergham	3	3
Don Brooker	4	4
Ben Cox	0	0
John Dennis	3	3
David Flower	1	1
Daniel Hoult	0	0
Rob Kerin	3	3
James Komninos	1	4
Ian Mackay	1	1
Paul Manning	4	4
Amanda Mead	1	1
Foster Stavridis	4	4
John Wadley	2	3
Susan Warda	3	4
Kathryn Zeitz	1	1

## Directors' Report (continued)

### INDEMNIFICATION OF AUDITORS

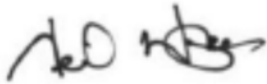
To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young during or since the financial year.

The Directors have received an independence declaration from the auditor, Ernst & Young. A copy of this declaration can be found at page 21 of this financial report.

Signed in accordance with a resolution of the Board of Directors



Paul Mullaly  
National Chairman



Neil Wykes OAM  
National Company Secretary

Sydney  
Date: 30 November 2018



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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 2018, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

John Robinson  
Partner  
Sydney  
7 December 2018

## Statement of Comprehensive Income

FOR THE YEAR ENDED 30 SEPTEMBER 2018	Notes	2018 \$	2017 \$
Contribution from fundraising	4	958,550	781,921
Donation income	4	7,766	19,950
Contribution to operating expenses	4	343,557	299,872
Contribution to Tent shared expenses	4	749,413	588,382
Interest income	4	4,128	4,754
Membership dues	4	13	13
Other Income	4	-	258
<b>Total Revenues</b>		<b>2,063,427</b>	<b>1,695,150</b>
Employment expenses	5	275,394	226,473
Communications		3,455	8,277
Contractors		18,642	20,312
Design, print and stationery		300	-
Occupancy expenses		12,000	(4,387)
Production costs		3,101	10,320
Travel		17,379	19,500
Other expenses		11,669	23,000
<b>Total Operating Expenses</b>		<b>341,940</b>	<b>303,495</b>
Amortisation	5	24,246	20,204
Depreciation	5	2,008	2,038
<b>Total Amortisation and Depreciation</b>		<b>26,254</b>	<b>22,242</b>
Communications		229,623	195,264
Production Costs		806	9,037
Miss World Australia fundraising costs		75,268	56,106
Individual giving program expenses		518,982	378,513
Trusts and foundations expenses		-	3,600
<b>Total Shared Expenses</b>		<b>824,679</b>	<b>645,520</b>
<b>Total Expenses</b>		<b>1,192,873</b>	<b>971,257</b>
<b>Profit before grants and income tax</b>		<b>870,554</b>	<b>723,893</b>
Tent distributions	4	854,017	698,642
<b>Profit before tax</b>		<b>16,537</b>	<b>25,251</b>
Income tax expense		-	-
<b>Total comprehensive income for the year</b>		<b>16,537</b>	<b>25,251</b>

## Statement of Financial Position

AS AT 30 SEPTEMBER 2018	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	376,206	444,592
Trade and other receivables	7	399,357	116,470
Other assets	8	111,122	109,086
<b>Total Current Assets</b>		<b>886,685</b>	<b>670,148</b>
<b>Non-current Assets</b>			
Other Assets	8	3	3
Property, plant and equipment	9	2,289	2,842
Intangible assets	10	22,756	47,002
<b>Total Non-Current Assets</b>		<b>25,048</b>	<b>49,847</b>
<b>TOTAL ASSETS</b>		<b>911,733</b>	<b>719,995</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	231,356	79,818
Provisions	12	24,212	5,690
<b>Total Current Liabilities</b>		<b>255,568</b>	<b>85,508</b>
<b>Non-current</b>			
Provisions	12	8,219	3,078
<b>Total Non-current Liabilities</b>		<b>8,219</b>	<b>3,078</b>
<b>TOTAL LIABILITIES</b>		<b>263,787</b>	<b>88,586</b>
<b>NET ASSETS</b>		<b>647,946</b>	<b>631,409</b>
<b>EQUITY</b>			
Members interests	13	240,000	240,000
Accumulated profit		407,946	391,409
<b>TOTAL EQUITY</b>		<b>647,946</b>	<b>631,409</b>

## Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER  
2018

	Accumulated Profit	Funds held for distribution reserve	Members Interests	Total Equity
	\$	\$	\$	\$
<b>At 30 September 2016</b>	<b>366,158</b>	-	<b>240,000</b>	<b>606,158</b>
Total comprehensive income	25,251	-	-	25,251
<b>At 30 September 2017</b>	<b>391,409</b>	-	<b>240,000</b>	<b>631,409</b>
Total comprehensive income	16,537	-	-	16,537
<b>At 30 September 2018</b>	<b>407,946</b>	-	<b>240,000</b>	<b>647,946</b>



## Statement of Cash Flows

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from donors, sponsors, members and functions		2,038,820	1,845,225
Payments to suppliers and employees		(2,109,878)	(1,959,121)
<b>Net cash used in operating activities</b>		<b>(71,058)</b>	<b>(113,896)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1,455)	(1,418)
Funds transfer from term deposit <3 months		-	-
Interest received		4,128	4,754
<b>Net cash from investing activities</b>		<b>2,673</b>	<b>3,336</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(68,386)</b>	<b>(110,560)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>444,592</b>	<b>555,152</b>
<b>Cash and cash equivalents at end of period</b>	6	<b>376,206</b>	<b>444,592</b>

# Notes to the Financial Statements

## FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 1. CORPORATE INFORMATION

The financial report of Variety Australia Limited (the “Company”) for the year ended 30 September 2018 was authorised for issue in accordance with a resolution of the Directors on – 30 November 2018.

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 Australian Charities and Not-for-Profits Commission Act 2012, Australian Accounting Standards Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on an accrual basis of accounting including the historical cost convention except as otherwise stated 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 2018. 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). 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.

#### (c) New accounting standards and adoption

##### *(i) New accounting standards, amendments and interpretations*

The following standards, amendments to standards and interpretations have been identified as those which are effective for annual periods beginning on or after 1 October 2017

- AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
- AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities

These amendments have had no impact on the Company’s presentation or disclosure for the period.

##### *(ii) New accounting standards and interpretations issued but not yet effective*

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the year ended 30 September 2018. The directors have not early adopted any of these new or amended standards or interpretations. The directors have not yet fully assessed the impact of the following new or amended standards (to the extent relevant to the Company) and interpretations.

## Notes to the Financial Statements (continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (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.

#### (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.

## Notes to the Financial Statements (continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

#### **(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.

#### **(j) 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.

#### **(k) Employee leave benefits**

##### ***(i) Wages, salaries and annual leave***

Liabilities for wages and salaries, including non-monetary benefits, and annual 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.

##### ***(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 Government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### **(l) 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.

## Notes to the Financial Statements (continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *(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.

#### *(l) 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.

##### *(v) Donations – Tax Deductible*

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

#### *(m) Income tax*

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

#### *(n) 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 are 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:

	2018 Variety Australia	2018 Tents	2018 Total	2017 Total
National Corporate Partnership Income	-	493,937	493,937	345,485
Third party fundraising	27,930	141,341	169,271	161,958
Individual Giving Program	-	295,342	295,342	266,612
Other donations	-	-	-	7,866
<b>Total contribution from fundraising</b>	<b>27,930</b>	<b>930,620</b>	<b>958,550</b>	<b>781,921</b>
Donation income	7,766	-	7,766	19,950
Other income	4,141	-	4,141	5,025
	11,907	-	11,907	24,975
<b>Total income</b>	<b>39,837</b>	<b>930,620</b>	<b>970,457</b>	<b>806,896</b>
Cost of third party fundraising	-	(75,268)	(75,268)	(57,137)
<b>Net income for distribution</b>	<b>39,837</b>	<b>855,352</b>	<b>895,189</b>	<b>749,759</b>
Net income distributed	-	(854,017)	(854,017)	(698,642)
<b>Net income retained by VA</b>	<b>39,837</b>	<b>1,335</b>	<b>41,172</b>	<b>51,117</b>
Shared tent expenses	-	(230,429)	(230,429)	(209,869)
Operating expenses	(24,637)	(343,557)	(368,194)	(325,738)
Individual Giving Program costs	-	(518,982)	(518,982)	(378,513)
	(24,637)	(1,092,968)	(1,117,605)	(914,120)
	<b>15,200</b>	<b>(1,091,633)</b>	<b>(1,076,433)</b>	<b>(863,003)</b>
Expense recoupment from tents	-	343,557	343,557	299,872
Shared tent expenses recouped	-	230,431	230,431	209,869
Individual Giving Program costs recouped	-	518,982	518,982	378,513
	-	1,092,970	1,092,970	888,254
<b>Profit / (loss) before income tax</b>	<b>15,200</b>	<b>1,337</b>	<b>16,537</b>	<b>25,251</b>

## 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.

### 5. EXPENSES

Operating profit is stated after charging the following items:	2018 \$	2017 \$
Depreciation	24,246	2,038
Amortisation	2,008	20,204
	26,254	22,242
Employee Expenses		
Salary and wages	218,316	213,166
Superannuation	29,318	26,724
Workers compensation	804	671
Other employee benefits expense	26,956	(14,088)
	275,394	226,473

### Audit Fees

Variety Australia Limited pays Ernst & Young an audit fee of \$17,000 (2017: \$17,000). Ernst & Young make a donation to Variety Australia Limited of \$10,000 (2017: \$10,000).

### 6. CASH AND CASH EQUIVALENTS

Cash in hand	-	200
Cash at bank	376,206	444,392
	376,206	444,592

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.



## Notes to the Financial Statements (continued)

<b>7. TRADE AND OTHER RECEIVABLES (CURRENT)</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	563	42,823
Tent Reimbursements receivable	330,713	73,206
Accrued Income	68,081	441
	<u>399,357</u>	<u>116,470</u>

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

### 8. OTHER ASSETS (CURRENT)

Other - Deposit with Westpac	111,122	108,694
Variety Asia Pacific Loan	-	392
	<u>111,122</u>	<u>109,086</u>

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

### OTHER ASSETS (NON-CURRENT)

Shares in Insurance Underwriter	<u>3</u>	<u>3</u>
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### 9. PROPERTY, PLANT AND EQUIPMENT

Cost	52,051	50,595
Accumulated depreciation	(49,762)	(47,753)
Net carrying amount of property, plant and equipment	<u>2,289</u>	<u>2,842</u>

#### Reconciliations

Opening	2,842	3,462
Additions	1,455	1,418
Depreciation charge for the year	(2,008)	(2,038)
Net carrying amount of property, plant and equipment	<u>2,289</u>	<u>2,842</u>

## Notes to the Financial Statements (continued)

<b>10. INTANGIBLE ASSETS</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Cost – National Website	67,206	282,132
Accumulated amortisation	(44,450)	(235,130)
Net carrying amount of intangible assets	<b>22,756</b>	<b>47,002</b>
<b>Reconciliations</b>		
Opening	47,002	67,206
Additions	-	-
Amortisation charge for the year	(24,246)	(20,204)
Net carrying amount of intangible assets	<b>22,756</b>	<b>47,002</b>

### 11. TRADE AND OTHER PAYABLES (CURRENT)

Trade payables	(i)	255	11,168
Other payables and accruals	(ii)	53,898	58,023
Tent Payables		177,203	10,627
		<b>231,356</b>	<b>79,818</b>

- (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	24,212	5,690
Non-current employee benefits provision	8,219	3,078
<b>Total employee benefits provisions</b>	<b>32,431</b>	<b>8,768</b>

#### *Employee benefits*

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

## Notes to the Financial Statements (continued)

### 13. EQUITY

	2018	2017
<b>(a) Members Interest</b>	<b>\$</b>	<b>\$</b>
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
	<b>240,000</b>	<b>240,000</b>

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.

## 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

Paul Mullaly	Chair	Appointed 6 January 2014
Nicole Haack	Deputy Chair	Appointed 22 November 2011
Neil Wykes	Company Secretary	Appointed 1 January 2012
Don Brooker	Director	Appointed 17 December 2014
Ben Cox	Director	Appointed 18 September 2018
John Dennis	Director	Appointed 12 December 2017
Rob Kerin	Director	Appointed 20 February 2018
James Komninos	Director	Appointed 30 November 2015
Paul Manning	Director	Appointed 17 February 2018
Foster Stavridis	Director	Appointed 2 December 2016
Susan Warda	Director	Appointed 20 April 2012
David Flower	Alternate Director	Appointed 20 February 2018
Michelle D'Almeida	Alternate Director	Appointed 1 September 2016
Liza Houghton	Alternate Director	Appointed 10 September 2018
Amanda Mead	Alternate Director	Appointed 12 December 2017
Richard Symon	Alternate Director	Appointed 17 February 2017
Kim Wainwright	Alternate Director	Appointed 18 September 2018
Kathryn Zeitz	Alternate Director	Appointed 20 February 2018

##### (ii) Executive

Michael Garnett Chief Executive Officer (appointed 09/06/17)

## Notes to the Financial Statements (continued)

### (b) Compensation of Key Management Personnel

	2018	2017
	\$	\$
-		
Total benefits	148,920	127,582

### (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.

## 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.

## Notes to the Financial Statements (continued)

### 16. RELATED PARTY DISCLOSURE (CONTINUED) RELATED PARTY TRANSACTIONS 2018

		Payments from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
Variety International	2018	-	805	-	-
	2017	-	2,432	-	-
NT	2018	23,731	15,021	11,702	4,052
	2017	37,283	13,922	1,897	-
QLD	2018	78,727	119,351	43,253	23,887
	2017	109,637	67,221	5,942	-
SA	2018	103,285	126,303	31,306	48,627
	2017	98,248	132,423	1,074	-
TAS	2018	37,195	23,134	9,870	4,964
	2017	38,145	22,800	1,356	-
VIC	2018	102,651	139,448	90,625	24,261
	2017	326,836	159,671	6,309	-
WA	2018	115,519	90,956	77,806	30,532
	2017	170,347	102,414	5,942	3,229
NSW	2018	312,356	245,500	46,773	37,623
	2017	192,250	240,560	18,030	-
NZ	2018	-	-	-	-
	2017	79	10,115	-	-

#### 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 2018 the number of Members was 7 (2017: 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, we state that in the opinion of the directors:

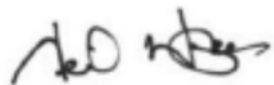
- (a) the financial statements and notes of the Company are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 September 2017 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 2017 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 2017 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.



**Paul Mullaly**  
National Chairman



**Neil Wykes OAM**  
National Company Secretary  
Sydney -  
Date: 8 December 2017



# Independent Auditor's Report to the Members of Variety Australia Limited

## Report on the Financial Report

### Opinion

We have audited the financial report of Variety Australia Limited, which comprises the statement of financial position as at 30 September 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with 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 September 2018 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

### Basis for Opinion

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

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

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

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

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

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

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

## **Responsibilities of the Directors for the Financial Report**

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 60-45(3)(b) of the ACNC Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 60-30(3)(b), (c) or (d) of the ACNC Act.

Our opinion on the financial report is not modified in respect of the following matter(s) because, in our opinion, it has been appropriately addressed by Variety Australia Limited and is not considered material in the context of the audit of the financial report as a whole:

## Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015*

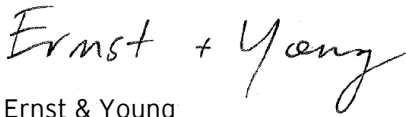
We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015*.

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

## Opinion

In our opinion:

- a) the financial report of Variety Australia Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 September 2018, in all material respects, in accordance with:
  - i. sections 20(1), 22(1-2), 24(1-3) of the NSW Charitable Fundraising Act 1991;
  - ii. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015;
- b) The money received as a result of fundraising appeals conducted by the entity during the financial year ended 30 September 2018 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Act and Regulations



Ernst & Young



John Robinson  
Partner  
Sydney  
7 December 2018