FIGHTING CHANCE AUSTRALIA LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

LBW & Partners
Chartered Accountants & Business Advisers

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Directors	Laura O'Reilly Tim Powell Jordan O'Reilly Robert Buckingham Stephen Cake (appointed 16th April 2018)
Company secretary	Laura O'Reilly
Registered office and Principal place of business	Building A, 5 Skyline Place Frenchs Forest NSW 2086
Auditor	LBW & Partners

LBW & Partners
Chartered Accountants & Business Advisers
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Partners
Rupa Dharmasiri
Alan M Perrott
George P Rochios
Mark W Willock

Fighting Chance Australia Limited

ABN: 85 140 018 702

Auditor's Independence Declaration to the Members of Fighting Chance Australia Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2018, there have been:

(i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Dharmasiri

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Dated this ....24th.......... day of January 2019

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CHARTERED ACCOUNTANTS
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Analysis
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Fighting Chance Australia Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 September 2018

	2018 $	2017 $
Revenue		
Fundraising	683,616	481,657
Service revenue	4,476,952	1,710,455
Grants	1,126,580	562,392
Business revenue	1,034,638	582,972
Interest	7,333	4,685
Other income	82	5,114
	7,329,201	3,347,275
Total revenue	7,329,201	3,347,275
Expenses		
Cost of sales	(46,842)	(43,665)
Administration expenses	(1,027,315)	(587,044)
Fundraising expenses	(87,754)	(109,502)
Service delivery expenses	(5,320,292)	(2,266,979)
Total expenses	(6,482,203)	(3,007,190)
Surplus before income tax expense	846,998	340,085
Income tax expense	-	-
Surplus after income tax expense for the year	846,998	340,085
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	846,998	340,085

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Fighting Chance Australia Limited
Statement of financial position
As at 30 September 2018

	Note	2018 $	2017 $
Assets			
Current assets			
Cash and cash equivalents	5	1,871,534	688,411
Trade and other receivables	6	359,268	245,884
Inventories	7	13,393	3,598
Other	8	171,944	49,917
Total current assets		2,416,139	987,810
Non-current assets			
Property, plant and equipment	9	482,935	407,809
Total non-current assets		482,935	407,809
Total assets		2,899,074	1,395,619
Liabilities			
Current liabilities			
Trade and other payables	10	575,354	313,164
Employee benefits	11	211,333	86,712
Other	12	298,115	69,257
Total current liabilities		1,084,802	469,133
Non-current liabilities			
Employee benefits	13	40,788	-
Total non-current liabilities		40,788	-
Total liabilities		1,125,590	469,133
Net assets		1,773,484	926,486
Equity			
Retained surpluses		1,773,484	926,486
Total equity		1,773,484	926,486

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

Fighting Chance Australia Limited
Statement of changes in equity
For the year ended 30 September 2018

	Retained profits $	Total equity $
Balance at 1 October 2016	586,401	586,401
Surplus after income tax expense for the year	340,085	340,085
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	340,085	340,085
Balance at 30 September 2017	926,486	926,486

	Retained profits $	Total equity $
Balance at 1 October 2017	926,486	926,486
Surplus after income tax expense for the year	846,998	846,998
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	846,998	846,998
Balance at 30 September 2018	1,773,484	1,773,484

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

	Note	2018 $	2017 $
Cash flows from operating activities			
Income received from donations, fundraising, grants and services (inclusive of GST)		7,557,131	3,335,524
Payments to suppliers and employees (inclusive of GST)		(6,164,200)	(2,752,882)
Interest received		7,333	9,798
Net cash from operating activities		1,400,264	592,440
Cash flows from investing activities			
Payments for property, plant and equipment	9	(217,141)	(206,259)
Net cash used in investing activities		(217,141)	(206,259)
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		1,183,123	386,181
Cash and cash equivalents at the beginning of the financial year		688,411	302,230
Cash and cash equivalents at the end of the financial year	5	1,871,534	688,411

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

Note 1. General information

The financial statements cover Fighting Chance Australia Limited as an individual entity. The financial statements are presented in Australian dollars, which is Fighting Chance Australia Limited's functional and presentation currency.

Fighting Chance Australia Limited is a not-for-profit unlisted public company limited by guarantee. The company is registered with Australian Charities and Not-for-profits Commission as a charity.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 January 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Charitable Fundraising Act 1991 and associated regulations, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Rendering of services

Fees charged for care or services provided to clients are recognised when the service is provided.

Interest

Interest 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, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 2. Significant accounting policies (continued)

Grants
Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Donations and bequests
Donations and bequests are recognised as revenue when received.

Income tax
As the company is a charity in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories
Inventories are stated at the lower of cost and net realisable value on a 'weighted average' basis. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Note 2. Significant accounting policies (continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	Life of lease
Fixtures & fittings	4 - 20 years
Motor vehicles	4 years
Office equipment	2 - 10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Leases
Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 2. Significant accounting policies (continued)

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at 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 currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Note 3. Critical 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, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 4. Expenses

	2018 $	2017 $
Surplus before income tax includes the following specific expenses:		
Employee benefits expense		
Wages and salaries	4,539,939	1,934,638
Defined contribution superannuation expense	420,864	181,273
Other employee benefits	153,026	94,220
Total employee benefits	5,113,829	2,210,131
Depreciation and amortisation		
Property, plant and equipment	142,015	58,443
Rental expense relating to operating leases		
Total rental expense relating to operating leases	592,188	290,802

Note 5. Current assets - cash and cash equivalents

	2018 $	2017 $
Cash on hand	1,391	3,375
Cash at bank	1,034,198	464,577
Cash on deposit	835,945	220,459
	1,871,534	688,411

Note 6. Current assets - trade and other receivables

	2018 $	2017 $
Trade receivables	341,694	245,884
BAS receivable	17,574	-
	359,268	245,884

Note 7. Current assets - inventories

	2018 $	2017 $
Finished goods - at cost	13,393	3,598

Note 8. Current assets - other

	2018 $	2017 $
Prepayments	171,944	49,917

Note 9. Non-current assets - property, plant and equipment

	2018 $	2017 $
Leasehold improvements - at cost	343,787	256,245
Less: Accumulated depreciation	(143,655)	(93,829)
	200,132	162,416
Fixtures and fittings - at cost	154,668	138,157
Less: Accumulated depreciation	(41,345)	(22,792)
	113,323	115,365
Motor vehicles - at cost	24,000	-
Less: Accumulated depreciation	(868)	-
	23,132	-
Office equipment - at cost	265,297	176,210
Less: Accumulated depreciation	(118,949)	(46,182)
	146,348	130,028
	482,935	407,809

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Leasehold improvements $	Fixtures & fittings $	Motor vehicles $	Office equipment $	Total $
Balance at 1 October 2017	162,416	115,365	-	130,028	407,809
Additions	87,543	16,511	24,000	89,087	217,141
Depreciation expense	(49,827)	(18,553)	(868)	(72,767)	(142,015)
Balance at 30 September 2018	200,132	113,323	23,132	146,348	482,935

Note 10. Current liabilities - trade and other payables

	2018 $	2017 $
Trade payables	125,055	92,108
Payroll accruals	424,716	211,329
BAS payable	-	4,414
Other payables	25,583	5,313
	575,354	313,164

Note 11. Current liabilities - employee benefits

	2018 $	2017 $
Annual leave	168,356	86,712
Other employee benefits	42,977	-
	211,333	86,712

Note 12. Current liabilities - other

	2018 $	2017 $
Deferred rental incentive	145,521	15,732
Deferred revenue	152,594	53,525
	298,115	69,257

Note 13. Non-current liabilities - employee benefits

	2018 $	2017 $
Long service leave	40,788	-

Note 14. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2018 $	2017 $
Aggregate compensation	232,915	195,252

Note 15. Contingent liabilities

The company has bank guarantees as at 30 September 2018 of $265,945 (2016: $218,946) to various landlords

The company has no other contingent liabilities at balance date.

Note 16. Commitments

	2018 $	2017 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	420,538	420,113
One to five years	1,716,914	1,171,157
More than five years	787,993	865,543
	2,925,445	2,456,813

Operating lease commitments includes contracted amounts for various offices under non-cancellable operating leases expiring within 4 to 9 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Note 17. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 14.

Transactions with related parties
The following transactions occurred with related parties:

Amount paid to director related entity - Hireup Pty Ltd:

	2018 $	2017 $
Sale of goods and services:		
Services rendered	29,705	4,973
Payment for goods and services:		
Services purchased	1,347	32,685

The company's related parties include its Key Management Personnel (KMP) and related entities as described below. KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the company including the Board of Directors, Chief Executive Officer and Chief Operating Officer. The Directors act in an honorary capacity and receive no paid remuneration for their services. The Directors receive reimbursement for travel costs and other incidental expenses and may provide personal donations to the company.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 18. Fundraising - Information to be Furnished under the Charitable Fundraising Act, 1991

	2018 $	2017 $
Gross income and total expenses in fundraising appeals		
Fundraising events	640,558	364,311
General donations	43,058	117,346
Corporate and other non-government grants	1,126,580	562,392
Gross proceeds from fundraising appeals (A)	1,810,196	1,044,049
Gross proceeds from fundraising appeals	1,810,196	1,044,049
Less: Direct costs of fundraising (B)	(87,754)	(109,502)
Surplus of fundraising (C)	1,722,442	934,547
Application of funds for charitable purposes		
Total revenue (D)	7,329,201	3,347,277
Revenue received was applied as follows:		
Cost of fundraising	87,754	109,502
Cost of services and other	5,367,134	2,310,646
Administrative expenses	1,027,315	587,044
Total expenditure (F)	6,482,203	3,007,192
Surplus transferred to retained earnings	846,998	340,085
Gross comparisons		
Total direct cost of fundraising / Gross proceeds from fundraising (B/A)	5%	10%
Surplus from fundraising / Gross proceeds from fundraising (C/A)	95%	90%
Total cost of services / Total expenditure (E/F)	83%	77%
Total cost of services / Total revenue (E/D)	73%	69%

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 September 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 20. Members guarantee

The company is limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $20 each towards meeting any outstanding obligations of the company.

As at 30 June 2018 the number of members was 5 (2017: 4).

The directors of the Company declare that:

The attached financial statements and notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012:

(a) comply with Australian Accounting Standards Reduced Disclosure Requirements and the Australian Charities and Not for profits Commission Regulation 2013;

(b) give a true and fair view of the financial position as at 30 September 2018 and of the financial performance for the year ended on that date of the Company; and

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

In the directors' opinion:

(a) the financial statements give a true and fair view of all income and expenditure with respect to fundraising;

(b) the statement of financial position gives a true and fair view of the state of affairs of the Company with respect to fundraising appeals;

(c) the provisions of the Charitable Fundraising Act 1991, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the Company; and

(d) the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and Charitable Fundraising Act 1991 & Regulations.

On behalf of the directors

Laura O'Reilly

25 January 2018

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Independent Auditor's Report to the Members of Fighting Chance Australia Limited

Report on the Audit of the Financial Report

Qualified Opinion

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

In our opinion, except for the effects of the matter described in the *Basis of Qualified Opinion* section of our report, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- 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 then ended; and
- complying with Australian *Accounting Standards – Reduced Disclosure Requirements*, and the Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Report on Other Legal and Regulatory Requirement

We also report that:

(a) the financial statements show true and fair view of the financial results of fundraising appeals conducted during the year;

(b) the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 and Regulations;

(c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and Regulations; and

(d) at the date of this report, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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Independent Auditor's Report to the Members of Fighting Chance Australia Limited

Basis for Qualified Opinion

As is common for organisations of this type, it is not practical for the Company to maintain an effective system of internal control over donations, bequests and other fundraising activities until their initial entry in the accounting records. Accordingly, our audit in relation to those activities was limited to amounts recorded.

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.

Comparative Figures

Comparative figures were audited by another firm of chartered accountants whose report dated 5 February 2018 expressed an unmodified opinion.

Responsibilities of 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 the *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 necessary to enable the preparation of a 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 related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

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Fighting Chance Australia Limited

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Independent Auditor's Report to the Members of Fighting Chance Australia Limited

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located in the auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

Dharmasiri

Rupaninga Dharmasiri
Partner

LBW & Partners
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Dated this ....25th......... day of January 2019

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CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

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