

Variety Australia Limited

ACN 101 609 616
ABN 55 891 232 898

Annual Report
30 September, 2017

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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.

Nicole Haack

National Chairman

Director Appointed 22 November, 2011.

Directorships

Variety-the Children's Charity (SA), Raising Literacy Australia.

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

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.

Director Profiles (continued)**Skills and Experience**

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

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 12 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.

John Catarinich CPA, MAICD, BBus, LLB., Masters Taxation Law

Director Appointed 13 April, 2007, resigned 8 September, 2017.

Directorships

Agilyx Pty Limited, Agilyx NZ Limited, Agilyx Solutions Limited, Agilyx Solutions LLC, Develin Catarinich & Associates Pty Limited, previously Chair of the Variety Australia National Branding Committee.

Variety Experience

Director - Variety –the Children's Charity International.

Skills and Experience

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

David Flower

Director Appointed 4 December, 2014.

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.

Director Profiles (continued)**James Komninos**

Director Appointed 30 November, 2015.

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 oversees 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 subsequent became a director again on 8 December, 2015.

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.

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.

Paul Manning

Director appointed 17 February, 2017

Directorships

Variety – the Children's Charity Victoria

Independent Director – Williamstown Housing Association

Variety Experience

Paul was appointed as Treasurer of /Tent 77 (Victoria) in December 2014 and from December 2016 has been the Chairman of Variety Victoria.

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

Director Profiles (continued)

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.

Amanda Mead PhD

Director Appointed 10 December, 2015. Immediate past Alternate Director for Paul Mullaly Appointed 30 January, 2012.

Directorships

Chair of Variety - the Children's Charity New South Wales, Chairman of Centre for Disability Studies, an affiliate of the Sydney Medical School, The University of Sydney, Member of the NSW Board of the Medical Board of Australia and a Member of the Community Services Reference Group, North Sydney Council.

Variety Experience

Amanda has been a Director of Variety Australia since 2012 and Variety NSW since 2004 and has been the Chair of Variety NSW/ACT since 2015.

She has been the Chair and Member of several Variety NSW Committees, most notably the Grants and Programs Committee from 2008 to 2015 (previously known as General Appeals Committee until 2013) and the Co-chair of the Risk and Governance Committee from 2010 to 2015.

Skills and Experience

Amanda came to Variety with a wealth of senior-level marketing experience, both nationally and internationally. She mentors, researches and consults in corporate strategy and change management. Amanda's work focuses on the food, tourism and humanitarian supply chain sectors. Since joining Variety, Amanda has been active as an independent Non-executive Director in the health sector and has supplemented her experience with formal governance qualifications from the Australian Institute of Company Directors. In 2012 she was awarded a lifetime membership of Variety.

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

Director Profiles (continued)

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

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.

Kathryn Zeitz

Director Appointed 25 November, 2015. Immediate past Alternate Director for Ron Barton Appointed 24 December, 2014.

Directorships

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

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 Diagnostic Services Department at St Vincents hospital in Sydney.

Alternate Directors

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.

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.

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.

Rob Kerin

Alternate Director for Kathryn Zeitz Appointed 11 December, 2016.

Directorships

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.

Skills and Experience

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

Paul Mullaly MEM, BE

Alternate Director for Amanda Mead from 10 December, 2015. Paul was original appointed a director on 6 January, 2014, and moved to alternate director on 10 December, 2015.

Directorships

Variety – the Children’s Charity New South Wales.

Variety Experience

Paul is the immediate 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.

Alternate Directors (continued)**Richard Symon** FFin, MSA, 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.

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.

Ron Barton

Alternate Director for Kathryn Zeitz Appointed 25 November, 2015, resigned 18 November, 2016. Immediate past Director Appointed 15 November, 2012

Directorships

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

Variety Experience

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

Skills and Experience

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

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.

Alternate Directors (continued)**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.

Mohammad Aldergham

Alternative Director to David Flower appointed 1 December, 2016.

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. He is a member of the Institute of Managers and Leaders' Regional Advisory Committee in Tasmania and a committee member of SKAL.

John Wadley

Alternate director for Ian Mackay appointed 1 September, 2016

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.

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, 2017 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 10 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 two staff at 30 September, 2017.

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, 2017 was \$1,695,150 (30 September, 2016: \$1,811,130) and comprised:

	2017	2016
	\$	\$
Funds raised for distribution to Tents	801,871	523,988
Reimbursement of operating costs by Tents	299,872	342,140
Reimbursement of Capital Expenditure from Tents	-	67,206
Shared costs paid by Variety Australia, reimbursed by Tents	588,382	399,705
Funds Received for distribution to Children's Hospitals	-	449,196
Other Income	5,025	28,895
Total Income	1,695,150	1,811,130

Operating result before appeals granted and distributions

The operating profit before grants and distributions to the State Associations for the year ended 30 September, 2017 was \$723,853 (30 September, 2016 was \$875,436).

Net operating result

The operating result for the year ended 30 September, 2017 was a profit of \$25,251 (30 September, 2016 was a profit of \$98,260).

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 \$32.1 million (2016: \$32.5 million).

Operating result before appeals granted and distributions

The operating profit before grants was \$12.0 million (2016: \$11.5 million).

The amount granted to children in the year ended 30 September, 2017 was \$11.2 million (2016: \$10.8 million).

Directors' Report (continued)

Net operating result

The net operating result for the year ended 30 September, 2017 was \$0.51 million (2016: \$0.67 million).

State of affairs

The aggregated net assets, after eliminating duplications, of the Variety Family in Australia are \$17.6 million (2016: \$16.0 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 policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

Directors' Report (continued)

DIRECTORS' MEETINGS

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

Directors	Directors Meetings Attended	Directors Meetings Eligible to Attend
Nicole Haack	4	4
Neil Wykes OAM	4	4
Richard Symon	1	2
Don Brooker	2	4
John Catarinich	2	4
David Flower	1	4
Patrick Gray	1	1
Paul Manning	1	2
Ian Mackay	1	4
Amanda Mead	3	4
Foster Stavridis	3	3
Susan Warda	4	4
Kathryn Zeitz	4	4
James Komninos	0	4

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 16 of this financial report.

Signed in accordance with a resolution of the Board of Directors



Nicole Haack
National Chairman



Neil Wykes OAM
National Company Secretary

Sydney

Date: 8 December, 2017.



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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 2017, 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.

A handwritten signature in cursive script that reads 'Ernst + Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'JLR'.

John Robinson
Partner
Sydney
8 December 2017

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 SEPTEMBER, 2017	Notes	2017 \$	2016 \$
Contribution from fundraising	4	781,921	486,321
Donation income	4	19,950	37,667
Contribution to operating expenses	4	299,872	342,140
Contribution to Tent shared expenses	4	588,382	399,705
Reimbursement of capital purchases	4	-	67,206
Received for distribution to Children's Hospitals	4	-	449,196
Interest income	4	4,754	5,240
Membership Dues	4	13	13
Other income	4	258	23,642
Total Revenues		1,695,150	1,811,130
Operating Expenses			
Employment expenses	5	226,473	261,770
Advertising and promotion		-	663
Communications		8,277	8,528
Contractors		20,312	14,586
Design, print and stationery		-	727
Occupancy expenses		(4,387)	8,203
Production costs		10,320	24,601
Travel		19,500	19,135
Other expenses		23,000	22,993
Total Operating Expenses		303,495	361,206
Amortisation and Depreciation			
Amortisation	5	20,204	22,852
Depreciation	5	2,038	1,729
Total Amortisation and Depreciation		22,242	24,581
Shared Tent Expenses			
Communications		195,264	147,055
Production Costs		9,037	22,590
Fundraising Expenses Miss World Australia		59,106	90,384
Fundraising Expense Individual Giving		378,513	277,988
Trusts & Foundations		3,600	11,890
Total Shared Expenses		645,520	549,907
Total Expenses		971,257	935,694
Profit Before Grants and Income Tax		723,893	875,436
Tent distributions	4	698,642	327,980
Appeals Granted		-	449,196
Profit before tax		25,251	98,260
Income tax expense		-	-
Accumulated profit for the period		25,251	98,260
Other comprehensive income		-	-
Income tax on items of other comprehensive income		-	-
Total comprehensive income for the year		25,251	98,260

Statement of Financial Position

AS AT 30 SEPTEMBER, 2017	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	444,592	555,152
Trade and other receivables	7	116,470	304,374
Other assets	8	109,086	128,619
Total Current Assets		670,148	988,145
Non-current Assets			
Other Assets	8	3	3
Property, plant and equipment	9	2,842	3,462
Intangible assets	10	47,002	67,206
Total Non-Current Assets		49,847	70,671
TOTAL ASSETS		719,995	1,058,816
LIABILITIES			
Current Liabilities			
Trade and other payables	11	79,818	383,152
Provisions	12	5,690	34,798
Appeals payable		-	30,040
Total Current Liabilities		85,508	447,990
Non-current			
Provisions	12	3,078	4,668
Total Non-current Liabilities		3,078	4,668
TOTAL LIABILITIES		88,586	452,658
NET ASSETS		631,409	606,158
EQUITY			
Members interests	13	240,000	240,000
Accumulated Profit		391,409	366,158
TOTAL EQUITY		631,409	606,158

Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER, 2017

	Accumulated Profit	Funds held for distribution reserve	Members Interests	Total Equity
	\$	\$	\$	\$
At 30 September 2015	267,898	-	240,000	507,898
Total comprehensive income	98,260	-	-	98,260
At 30 September 2016	366,158	-	240,000	606,158
Total comprehensive income	25,251	-	-	25,251
At 30 September 2017	391,409	-	240,000	631,409

Statement of Cash Flows

FOR THE YEAR ENDED 30 SEPTEMBER, 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from donors, sponsors, members and functions		1,845,225	1,732,382
Payments to suppliers and employees including appeals		(1,959,121)	(1,684,400)
Net cash flows from/(used in) operating activities		(113,896)	47,982
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,418)	(2,282)
Purchase of Intangible asset		-	(67,206)
Interest received		4,754	5,240
Net cash flows from/(used in) investing activities		3,336	(64,248)
Net (decrease) in cash and cash equivalents		(110,560)	(16,266)
Cash and cash equivalents at beginning of period		555,152	571,418
Cash and cash equivalents at end of period	6	444,592	555,152

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER, 2017

1. CORPORATE INFORMATION

The financial report of Variety Australia Limited (the “Company”) for the year ended 30 September, 2017 was authorised for issue in accordance with a resolution of the Directors on – 8 December, 2017.

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, 2017. 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, 2016

- 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 2017. 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.

(d) Cash and cash equivalents

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

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

Notes to the Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Trade and other receivables

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

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

(f) Property, plant and equipment

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

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

Computer equipment – 3 years

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

De-recognition

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

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

(g) Intangible assets

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

(h) Impairment of non-financial assets

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

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

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

Notes to the Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Trade and other payables

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

(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.

(ii) Interest income

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

Notes to the Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 received. 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 is determined mainly by reference to invoiced amounts prepared by suppliers based on their market rates of services or supplying cost of goods. The condition of any goods not used during the year is assessed at each balance date to determine whether any adjustments are necessary to the carrying value.

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

Notes to the Financial Statements (continued)

4. FUND RAISING INFORMATION AND ADMINISTRATION COSTS

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

	2017 Variety Australia	2017 Tents	2017 Net Income	2016 Net Income
Fundraising information				
Tyres 4 U	-	18,056	18,056	22,482
Miss World Australia	26,142	135,816	161,958	268,402
Gloria Jeans	-	-	-	20,000
Peter Brock Rose	-	-	-	5,207
John Sands	-	50,575	50,575	-
Annie Danks	-	27,000	27,000	-
FGX Charter Hall	-	115,994	115,994	80,161
Clipsal	-	17,234	17,234	30,100
Individual Giving Program	-	266,612	266,612	59,817
Discovery Parks	-	116,626	116,626	-
Other donations	-	7,866	7,866	152
Total contribution from Fundraising	26,142	755,779	781,921	486,321
Donation Income	19,950	-	19,950	37,667
Appeals Income	-	-	-	449,196
Interest Income	4,754	-	4,754	5,240
Membership Dues	13	-	13	13
Other Income	258	-	258	23,642
Total Income	51,117	755,779	806,896	1,002,079
Miss World Australia fundraising	-	(57,137)	(57,137)	(90,384)
Cost of fundraising deducted from distributions	-	(57,137)	(57,137)	(90,384)
Net Income for Distribution to Tents	51,117	698,642	749,759	911,695
Net Income distributed	-	(698,642)	(698,642)	(777,176)
Income Retained by Variety Australia Limited	51,117	-	51,117	134,519
Shared Tent Expenses	-	(209,869)	(209,869)	(181,534)
Individual Giving Expenses	-	(378,513)	(378,513)	(277,988)
Administration Costs	(280,536)	-	(280,536)	(336,823)
Marketing Costs	-	-	-	(1,391)
Other Operating Costs	(22,960)	-	(22,960)	(22,993)
Depreciation charged to Tents	(2,038)	-	(2,038)	(1,729)
Depreciation & amortisation charge	(20,204)	-	(20,204)	(22,852)
Total Expenses	(325,738)	(588,382)	(914,120)	(845,310)
Expenses Charged to Tents	299,872	-	299,872	342,140
Contribution to Capital Purchase	-	-	-	67,206
Shared Expenses and Fundraising expenses Reimbursed	-	588,382	588,382	399,705
Amounts Reimbursed by Tents	299,872	588,382	888,254	809,051
Profit/ (loss) before income tax	25,251	-	25,251	98,260

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:	2017	2016
	\$	\$
Depreciation	2,038	1,729
Amortisation	20,204	22,852
	22,242	24,581
Employee Expenses		
Salary and wages	213,166	198,861
Superannuation	26,724	26,729
Workers compensation	671	1,024
Other employee benefits expense	(14,088)	35,156
	226,473	261,770

Audit Fees

Variety Australia Limited pays Ernst & Young an audit fee of \$17,000 (2016: \$17,000). Ernst & Young make a donation to Variety Australia Limited of \$10,000 (2016: \$10,000).

6. CASH AND CASH EQUIVALENTS

Cash in hand	200	200
Cash at bank	444,392	554,952
	444,592	555,152

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)

7. TRADE AND OTHER RECEIVABLES (CURRENT)	2017	2016
	\$	\$
Trade receivables	42,823	193,760
Tent Reimbursements receivable	73,206	110,482
Accrued Income	441	132
	<u>116,470</u>	<u>304,374</u>

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

8. OTHER ASSETS (CURRENT)		
Other - Deposit with Westpac	108,694	106,574
Prepayments	-	21,653
Variety Asia Pacific Loan	392	392
	<u>109,086</u>	<u>128,619</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	50,595	49,178
Accumulated depreciation	(47,753)	(45,716)
Net carrying amount of property, plant and equipment	<u>2,842</u>	<u>3,462</u>

Reconciliations

Opening	3,462	2,909
Additions	1,418	2,282
Depreciation charge for the year	(2,038)	(1,729)
Net carrying amount of property, plant and equipment	<u>2,842</u>	<u>3,462</u>

Notes to the Financial Statements (continued)

10. INTANGIBLE ASSETS	2017	2016
	\$	\$
Cost – National Website	282,132	282,132
Accumulated amortisation	(235,130)	(214,926)
Net carrying amount of intangible assets	47,002	67,206

Reconciliations

Opening	67,206	22,853
Additions	-	67,206
Amortisation charge for the year	(20,204)	(22,853)
Net carrying amount of intangible assets	47,002	67,206

11. TRADE AND OTHER PAYABLES (CURRENT)

Trade payables	(i)	11,168	145,458
Other payables and accruals	(ii)	58,023	184,146
Tent Payables		10,627	53,548
		79,818	383,152

- (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	5,690	34,798
Non-current		
Non-current employee benefits provision	3,078	4,668
	8,768	39,466

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

	2017	2016
	\$	\$
(a) Members Interest		
New South Wales	85,200	85,200
Victoria	59,760	59,760
Queensland	44,160	44,160
South Australia	18,960	18,960
Western Australia	23,520	23,520
Tasmania	6,000	6,000
Northern Territory	2,400	2,400
	240,000	240,000

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

Nicole Haack	Chairman (Appointed 22/11/11)
Neil Wykes OAM	Company Secretary (Appointed 01/01/12)
Don Brooker	Director (Appointed 17/12/2014)
John Catarinich	Director (Appointed 13/04/07, resigned 08/09/17)
David Flower	Director (Appointed 14/12/2014)
Ian Mackay	Director (Appointed 08/12/15)
Amanda Mead	Director (Appointed 10/12/15)
Susan Warda	Director (Appointed 20/04/12)
Kathryn Zeitz	Director (Appointed 25/11/15)
James Komninos	Director (Appointed 30/11/15)
Paul Manning	Director (Appointed 17/02/17)
Foster Stavridis	Director (Appointed 02/12/16)

Alternate Directors

Rob Kerin	Alternate Director (Appointed 11/12/16)
Paul Mulla	Alternate Director (Appointed 10/12/15)
Ron Barton	Alternate Director (Appointed 25/11/15, resigned 18/11/16)
Michelle d'Almeida	Alternate Director (Appointed 01/09/16)
Mohammad Alderghem	Alternate Director (Appointed 01/12/16)
Patrick Gray	Alternate Director (Appointed 02/12/16)
Richard Symon	Alternate Director (Appointed 14/02/17)
John Wadley	Alternate Director (Appointed 01/09/16)

(ii) Executive

Stefanie Kessler Chief Executive Officer (resigned 23/03/17)
 Michael Garnett Chief Executive Officer (appointed 09/06/17)

(b) Compensation of Key Management Personnel

	2017	2016
	\$	\$
Total benefits	<u>127,582</u>	<u>153,333</u>

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

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

Notes to the Financial Statements (continued)

16. RELATED PARTY DISCLOSURE

(a) Ultimate parent

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

(b) Key management personnel

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

(c) Transactions with related parties

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

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

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

	Total Funds	Costs incurred	Mgt Fee	NSW	VIC	QLD	WA	SA	TAS	NT
Seeley International	87,000	-	-	13,050	13,050	13,050	13,050	34,800	-	-
TOTAL	87,000	-	-	13,050	13,050	13,050	13,050	34,800	-	-

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

Miss World Australia	161,957	57,137	26,142	14,162	14,162	14,162	14,162	14,162	3,934	3,934
Tyres 4 U	18,057	-	-	8,109	4,359	3,549	-	1,440	120	480
FGX	115,994	-	-	44,658	15,659	15,659	15,659	15,659	4,350	4,350
John Sands	40,460	-	-	5,462	5,462	15,577	5,462	5,462	1,517	1,517
Individual Giving	266,612	-	-	113,843	84,516	-	36,819	24,102	7,332	-
Clipsal	17,234	-	-	-	7,522	3,788	-	5,924	-	-
Discovery Parks	116,627	-	-	19,577	9,597	7,559	20,189	56,009	2,269	1,427
Seeley International	1,500	-	-	203	203	203	203	578	55	55
Annie Danks	27,000	-	-	4,860	4,860	4,860	4,860	4,860	1,350	1,350
TOTAL	765,441	57,137	26,142	210,874	146,340	65,357	97,354	128,196	20,927	13,113
Other Donations received	6,367	-	-	2,069	751	1,000	1,323	948	147	129

3. Total National funds raised

Total funds raised Nationally in 2017	858,808	57,137	26,142	225,993	160,141	79,407	111,727	163,944	21,074	13,242
Total funds raised Nationally in 2016	532,990	150,201	45,807	82,831	51,680	72,333	46,528	57,764	12,849	12,997

Notes to the Financial Statements (continued)

16. RELATED PARTY DISCLOSURE (CONTINUED)

RELATED PARTY TRANSACTIONS 2017

		Payments from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
Variety International	2017	-	2,432	-	-
	2016	-	2,676	-	-
NT	2017	37,283	13,922	1,897	-
	2016	30,895	12,998	7,210	-
QLD	2017	109,637	67,221	5,942	-
	2016	112,085	70,982	-	-
SA	2017	98,248	132,423	1,074	-
	2016	118,180	65,471	1,363	-
TAS	2017	38,145	22,800	1,356	-
	2016	42,027	14,697	-	-
VIC	2017	326,836	159,671	6,309	-
	2016	238,741	70,764	147,447	140
WA	2017	170,347	102,414	5,942	3,229
	2016	168,858	53,438	31,265	-
NSW	2017	192,250	240,560	18,030	-
	2016	285,395	107,905	3,103	-
NZ	2017	79	10,115	-	-
	2016	-	-	341	-

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, 2017 the number of Members was 7 (2016: 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:

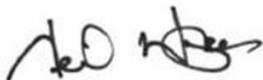
- (a) the financial statements and notes of the Company are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 September, 2017 and of its performance for the year ended on that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



Nicole Haack
National Chairman



Neil Wykes OAM
National Company Secretary

Sydney

Date: 8 December, 2017.



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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 2017, 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 2017 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 2017, 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 2017 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Act and Regulations

Ernst + Young
Ernst & Young

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

John Robinson
Partner
Sydney
8 December 2017