Financial Statements for the period ended 31 December 2015

Global Poverty Project Limited
ABN: 58 143 115 664

www.globalpovertyproject.com
The Directors present this report on the entity for the financial period ended 31 December 2015.

Directors
The names of each person who has been a director during the reporting period of this report are:

- Ian Bell Allen
- Patricia Daley
- Hugh Christopher Evans
- Simon McKeon
- Michael John Smellie

Principal Activities
The principal activities of the entity during the reporting period were activities relating to media, education, and communications policy and campaigning with respect to issues of global poverty.

Operating Results
The surplus from operations amounted to $527,827.61, 2014: $122,944.75.

Dividends Paid or Recommended
No dividends were paid or declared during the reporting period. No recommendation for payment of dividends has been made.

Review of Operations
This reporting period covers the sixth year of operations, with the focus on campaigning on polio eradication through the “The End of Polio” campaign. Other major activities in the reporting period include the delivery of the “1.4 Billion Reasons” presentations, with our partner Plan International Australia, throughout high schools in Western Australia, New South Wales and Victoria.

Significant Changes in State of Affairs
There are no significant changes in state of affairs.

Future Developments
There are no future developments.

Environmental Issues
The entity’s operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Options
No options over issued shares or interests in the entity were granted during or since the end of the reporting period and there were no options outstanding at the date of this report.
Information on Directors

Ian Bell Allen — Director (Non-Executive)
Qualifications
Bachelor of Economics
Master of Administration
Fellow Australia Institute of Company Directors
Fellow Australian Institute of Management
Order of Australia
Experience
Trustee and director of many private and public philanthropic entities
Director Peter MacCallum Cancer Centre

Patricia Daley — Director (Non-Executive)
Qualifications
Grad Dip Religious Education/Philosophy
Bachelor of Arts
Diploma of Teaching
Experience
Public Education Officer, Singapore Institute International Affairs
Advisor Global Poverty Project Global Board New York

Hugh Evans — Director (Executive)
Qualifications
Bachelor of Laws (Hons); Bachelor of Science (Hon);
Master of International Relations
Experience
Former Chief Executive Officer of Oaktree Foundation
Special Responsibilities
Chief Executive Officer

Michael Smellie — Director (Non-Executive)
Qualifications
Bachelor of Business NSWIT
Experience
COO Sony BMG, Managing Director PolyGram

Meetings of Directors
During the period 7 meetings of directors were held. Attendances by each director were as follows:

<table>
<thead>
<tr>
<th>Board Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number eligible to attend</td>
</tr>
<tr>
<td>---------------------------</td>
</tr>
<tr>
<td>Ian Allen</td>
</tr>
<tr>
<td>Patricia Daley</td>
</tr>
<tr>
<td>Hugh Evans</td>
</tr>
<tr>
<td>Michael Smellie</td>
</tr>
</tbody>
</table>
Members’ guarantee
The Company is a company limited by guarantee. If the Company is wound up, the constitution states every member
undertakes to contribute an amount not more than $100 to the property of the company if it is wound up while the
person is a member or within one year after the person ceases to be a member, for:

(a) Payment of the company’s debts and liabilities contracted before the time he or she ceased to be a member;
and
(b) The costs, charges and expenses of winding up

Indemnifying Officers or Auditor
No indemnities have been given or insurance premiums paid, during or since the end of the reporting period, for any
person who is or has been an officer or auditor of the entity.

Proceedings on Behalf of the Entity
No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any
proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or
any part of those proceedings.

The entity was not a party to any such proceedings during the reporting period.

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

______________________________  ________________________________
Michael Smellie (Director)      Patricia Daley (Director)

Dated this _______________________ day of __________________ 2015
Global Poverty Project Limited  
ABN 58 143 115 664  
Statement of Comprehensive Income for the period ended 31 December 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td>1,194,334</td>
<td>430,119</td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td>119</td>
<td>163</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td></td>
<td>(43,971)</td>
<td>(69,618)</td>
</tr>
<tr>
<td>Campaign Costs</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Employee Benefit Expenses</td>
<td></td>
<td>(67,747)</td>
<td>(176,497)</td>
</tr>
<tr>
<td>Global Roll-out Expenses</td>
<td></td>
<td>-</td>
<td>(41,016)</td>
</tr>
<tr>
<td>Internal</td>
<td></td>
<td>(506,115)</td>
<td>-</td>
</tr>
<tr>
<td>Marketing &amp; Communication Expenses</td>
<td></td>
<td>(48,792)</td>
<td>(20,205)</td>
</tr>
<tr>
<td>(Deficit) /Surplus for the period</td>
<td></td>
<td>527,828</td>
<td>122,946</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td></td>
<td>527,828</td>
<td>122,946</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements
### Statement of Financial Position as at 31 December 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**ASSETS**

**CURRENT ASSETS**

- Cash and cash equivalents
  - 10: 604,130
  - 2014: 387,303
- Trade & Other receivables
  - 3: 7,288
  - 2014: 79,730

TOTAL CURRENT ASSETS: 611,418

TOTAL ASSETS: 611,418

**LIABILITIES**

**CURRENT LIABILITIES**

- Trade and other payables
  - 4: 5,873
  - 2014: 387,504
- Provisions
  - 5: 775
  - 2014: 2,587

TOTAL CURRENT LIABILITIES: 6,648

**NON-CURRENT LIABILITIES**

- Provisions
  - 5: -
  - 2014: -

TOTAL NON-CURRENT LIABILITIES: -

TOTAL LIABILITIES: 6,648

NET ASSETS: 604,770

**EQUITY**

- Retained Earnings
  - 604,770
  - 2014: 76,942

TOTAL EQUITY: 604,770

The accompanying notes form part of these financial statements.
Global Poverty Project Limited
ABN 58 143 115 664
Statement of Changes in Equity for the period ended 31 December 2015

<table>
<thead>
<tr>
<th></th>
<th>Retained Earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Opening Balance at 1 January 2014</td>
<td>(46,004)</td>
<td>(46,004)</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>122,946</td>
<td>122,946</td>
</tr>
<tr>
<td>Balance at 31 December 2014</td>
<td>76,942</td>
<td>76,942</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>527,828</td>
<td>85,593</td>
</tr>
<tr>
<td>Balance at 31 December 2015</td>
<td>604,770</td>
<td>(46,004)</td>
</tr>
</tbody>
</table>

Note 2015 2014
$ $

CASH FLOW FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipt of grants</td>
<td>1,190,493</td>
<td>45,000</td>
</tr>
<tr>
<td>Receipts from operations</td>
<td>74,045</td>
<td>339,355</td>
</tr>
<tr>
<td>Payments to employees</td>
<td>(80,530)</td>
<td>(243,474)</td>
</tr>
<tr>
<td>Payments to suppliers</td>
<td>(100,363)</td>
<td>(139,237)</td>
</tr>
<tr>
<td>Net cash (outflow)/inflow generated from operating activities</td>
<td>10b 1,083,645</td>
<td>1,644</td>
</tr>
</tbody>
</table>

CASH FLOW FROM INVESTING ACTIVITIES

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash inflow/ (outflow) from investing activities</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

CASH FLOW FROM FINANCING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Injection</td>
<td>107,758</td>
<td>363,059</td>
</tr>
<tr>
<td>Net cash generated from financing activities</td>
<td>363,059</td>
<td>363,059</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash held</td>
<td>216,828</td>
<td>364,703</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the financial year</td>
<td>387,303</td>
<td>22,600</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the financial year</td>
<td>10a 604,131</td>
<td>387,303</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Revenue

Grant revenue is recognised in the statement of comprehensive income 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 it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

b. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

c. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified ‘at fair value through profit or loss’ in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Amortised cost is calculated as:

i. the amount at which the financial asset or financial liability is measured at initial recognition;
ii. less principal repayments;
iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
iv. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after reporting date. (All other loans and receivables are classified as non-current assets.)

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset’s ability
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

f. Employee Benefits

Provision is made for the company’s liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

j. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

k. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

The current period represents trading results for a 12 month period.
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. **Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

n. **Economic Dependence**

Global Poverty Project Limited is dependent on its Partners Donors, and Sponsors for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe this group will not continue to support Global Poverty Project.

o. **Adoption of New and Revised Accounting Standards**

During the reporting period the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these standards has not impacted the recognition, measurement and disclosure of certain transactions.
### NOTE 2: REVENUE AND OTHER INCOME

**Revenue**

- **Charitable income and fundraising**
  - 2B
  - 3,840
  - 385,119

- **Grant Funding**
  - 2A
  - 1,190,494
  - 45,000

**Total Revenue**

- 1,194,334
- 430,119

#### NOTE 2A: FUNDING SOURCES

- **state/federal government grants**
  - -

- **other organisations**
  - 1,190,494
  - 45,000

**Total**

- 1,190,494
- 45,000

#### NOTE 2B: CHARITABLE INCOME AND FUNDRAISING

- **Global Citizen Festival Pledges**
  - -

- **Global Poverty Project, Inc**
  - 103,970

- **Live Below the Line Receipts**
  - -

- **Private Donations**
  - 87
  - 273,854

- **Presentations**
  - -

- **Other Income**
  - -

- **Exchange gain**
  - 3,753
  - -

**Total**

- 3,840
- 385,119

### NOTE 3: OTHER RECEIVABLES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Receivables</td>
<td>5,891</td>
<td>79,730</td>
</tr>
<tr>
<td>Taxes Payable: Goods and Services Tax</td>
<td>1,397</td>
<td>-</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,288</td>
<td>79,730</td>
</tr>
<tr>
<td>Provision for Doubtful Debts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,288</td>
<td>79,730</td>
</tr>
</tbody>
</table>

### NOTE 4: TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superannuation Liability</td>
<td>1,508</td>
<td>3,403</td>
</tr>
<tr>
<td>Taxes Payable: PAYG Withholding</td>
<td>1,729</td>
<td>14,094</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>-</td>
<td>718</td>
</tr>
<tr>
<td>Other Payables</td>
<td>2,636</td>
<td>6,229</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,873</td>
<td>24,444</td>
</tr>
<tr>
<td>Funds Held in Trust by Global Poverty Project Global</td>
<td>470,817</td>
<td>363,060</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>476,690</td>
<td>387,504</td>
</tr>
</tbody>
</table>
NOTE 5: PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>775</td>
<td>2,587</td>
</tr>
<tr>
<td><strong>Total current provisions</strong></td>
<td>775</td>
<td>2,587</td>
</tr>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total non-current provisions</strong></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

NOTE 6: CAPITAL AND LEASING COMMITMENTS
There are no capital and leasing commitments at 31 December 2015.

NOTE 7: CONTINGENT LIABILITIES
There are no contingent liabilities as at 31 December 2015.

NOTE 8: EVENTS AFTER THE REPORTING PERIOD
There are no significant events after the reporting period.

NOTE 9: RELATED PARTY TRANSACTIONS
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. With the exception of the following no other payments were made to related parties.

Global Poverty Project Ltd received the following from its overseas parent company:

- Funding: $0.00
NOTE 10: CASH FLOW INFORMATION

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reconciliation of Cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank</td>
<td>604,130</td>
<td>387,303</td>
</tr>
<tr>
<td>Cash at bank – held on behalf of Global Poverty Project, Inc</td>
<td>-</td>
<td>363,059</td>
</tr>
<tr>
<td>Total Funds on Hand</td>
<td>604,130</td>
<td>387,303</td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reconciliation of Cashflow from Operations with Profit after Income Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Loss)/Profit after income tax</td>
<td>527,828</td>
<td>122,947</td>
</tr>
<tr>
<td>Non cash flows in Profit &amp; Loss:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in other receivables</td>
<td>73,839</td>
<td>(45,926)</td>
</tr>
<tr>
<td>Increase/(decrease) in trade and other payables</td>
<td>(384,839)</td>
<td>287,683</td>
</tr>
<tr>
<td>Total</td>
<td>216,828</td>
<td>364,704</td>
</tr>
</tbody>
</table>

NOTE 11: FINANCIAL RISK MANAGEMENT

The company’s financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable.

Financial Risk Management Policies
The County Director manages overall risk to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are further refined and reviewed by the Global Leadership Team of the overseas parent on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management
The main risks the company is exposed to through its financial instruments are liquidity risk and market risk relating to interest rate risk.

a. Credit risk
The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company as disclosed in the balance sheet and notes to the financial statements.

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

The company does not have any material credit risk exposure as its major source of revenue is the receipt of grants. Credit risk is further mitigated as 60% of the grants being received are in accordance with funding agreements which ensures regular funding for the period of 1 year.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.
NOTE 11: FINANCIAL RISK MANAGEMENT

The company has no significant concentration of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Country Director in accordance with Board policy.

b. Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capitals are maintained.

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- performing detailed scheduled reviews of cash flows to ensure liquidity risk is minimised and keeping directors informed of the entity’s cash position in order to avert liquidity risk.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management’s expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

### Financial liability and financial asset maturity analysis

<table>
<thead>
<tr>
<th></th>
<th>Within 1 Year</th>
<th>1 to 5 Years</th>
<th>Over 5 Years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities due for payment</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>- (7,600)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>(6,648) (19,431)</td>
<td>-</td>
<td>-</td>
<td>- (6,647) (19,431)</td>
</tr>
<tr>
<td>Total expected outflows</td>
<td>(6,648) (27,031)</td>
<td>-</td>
<td>-</td>
<td>- (6,648) (27,031)</td>
</tr>
</tbody>
</table>

### Financial Assets — cash flows realisable

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>604,130</td>
<td>387,303</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade, term and loans receivables</td>
<td>5,891</td>
<td>79,730</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total anticipated inflows</td>
<td>610,021</td>
<td>467,033</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net (outflow)/inflow on financial instruments</td>
<td>603,374</td>
<td>440,002</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 11: FINANCIAL RISK MANAGEMENT (CONT’D)

i. **Interest rate risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument's values will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Weighted average effective interest rate %</th>
<th>Floating interest rate $</th>
<th>Non-interest bearing $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>604,130</td>
<td>-</td>
<td>604,130 387,303</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td>-</td>
<td>-</td>
<td>5,891</td>
<td>79,730 5,891 79,730</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>-</td>
<td>604,130</td>
<td>5,891</td>
<td>610,021 467,033</td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
<td>5,873</td>
<td>24,444 5,873 24,444</td>
</tr>
<tr>
<td>Provisions</td>
<td>-</td>
<td>-</td>
<td>775</td>
<td>2,587 775 2,587</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td></td>
<td>-</td>
<td>6,648</td>
<td>27,031 6,648 27,031</td>
</tr>
</tbody>
</table>

**Sensitivity Analysis**

**Interest Rate risk**

The company is not susceptible to any interest rate risk as Cash and Cash Equivalents, Loans and Receivables, Trades and Other Payables and Borrowings are classified as non-interest bearing components. The entity does have active policies to review the interest rate risk should it become material.
NOTE 11: FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign Currency risk
No sensitivity analysis has been performed on foreign exchange risk as the company only has limited exposure to foreign currency fluctuations, and a 2% increase or decrease would have a negligible effect on profit and equity.

Net Fair Values
Fair value estimation
For all financial assets and liabilities, the net fair value approximates their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form. The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

NOTE 12: CONTINGENT LIABILITY
The company has paid its superannuation and payroll related liabilities late to the relevant authorities. As a consequence of the late payments of the liabilities we are unaware of the financial impact of any potential late payment penalties which may have on the company.

NOTE 13: GOING CONCERN
Global Poverty Project Limited is currently financially dependent on its overseas parent entity, Global Poverty Project Inc., an entity registered in New York, United States of America. To meet its ongoing financial requirements. The parent has committed to continue providing financial support to Global Poverty Project Limited. The accounts have been prepared on the going concern basis on the assumption of continued financial support from its overseas parent entity.

The directors are confident that the company with the continued support of the parent will continue as a going concern. The company has received a letter of support from the parent stating its commitment to provide sufficient financial support to enable the company to trade as a going concern and to discharge its debts and liabilities as and when they fall due until at least 12 months from the date of sign off of the 31 December 2015 year ended financial statements. Should the ongoing financial support from the ultimate parent not be forthcoming over the next twelve-month period, the ability for the entity to meet its financial commitments as and when they fall due and remain a going concern is inherently uncertain.

NOTE 14: ENTITY DETAILS
The registered office and principal place of business of the entity is:

   Global Poverty Project Limited
   2 Minona Street
   HAWTHORN VIC 3122
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 17, present fairly the company’s financial position as at 31 December 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations); and

2. In the directors’ opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors of the company.

__________________________  __________________________
Michael Smellie (Director)   Patricia Daley (Director)

Dated this __________________ day of ____________________ 2015

The accompanying notes form part of these financial statements
Audit report (2 pages). Intentionally left blank
The accompanying notes form part of these financial statements