Financial Statements for the eighteen months ended 31 December 2012

THE GLOBAL POVERTY PROJECT

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 2012.

Directors

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

- Hugh Evans
- Simon Moss (resigned 24 June 2012)
- Simon McKeon
- Samah Hadid (appointed 24 June 2012)
- Michael Smellie (appointed 18 May 2012)

Company Secretary

The following person held the position of entity secretary at the end of the reporting period:

- Samah Hadid worked for the Global Poverty Project Limited during the reporting period, performing secretarial and directorial roles.

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 deficit from operations amounted to ($204,313) 2011: ($43,401).

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 third and fourth years 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; and the execution of the "Live Below the Line" campaign with our partner Oaktree Foundation.

Significant Changes in State of Affairs

During the reporting period the company was part of a global legal restructure of the Global Poverty Project group of affiliated entities. As a result of this global restructure, the company became a fully owned subsidiary of Global Poverty Project Inc., a New York based not-for-parent entity (the "overseas parent'). Resulting from this change, the company changed its financial year from June to a December year end, to align with the financial reporting period of the overseas parent. The current period represents an 18 month trading period i.e. from 1 July 2011 to 31 December 2012.

After Balance Date Events

Subsequent to the reporting period, the company received $118,733.00 on 18 January 2013 funding from its overseas parent, with respect to the company's allocation of grant funding from the Bill & Melinda Gates Foundation to the Global

Poverty Project group. This amount represented 50% of the company's allocation for the period 1 November 2012 to 31 October 2013.

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

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
Simon Moss	—	Director (Executive)
Qualifications	—	Bachelor of Arts (Hons); Master of Developmental Studies (Hons)
Experience	—	Former Chief Operations Officer of Oaktree Foundation
Special Responsibilities	—	Managing Director of Programs
Samah Hadid	—	Australian Country Director (Non-Executive)
Qualifications	—	Masters of Human Rights Law and Policy; Bachelor of Economics and Social Science
Experience	—	Former Australian Youth Representative to the UN
Simon McKeon	—	Director (Non-Executive)
Qualifications	—	Bachelor of Laws; Bachelor of Commerce
Experience	—	Executive Chairman, Macquarie Bank, Melbourne
Michael Smellie	—	Director (Non-Executive)
Qualifications	—	Bachelor of Business NSWIT
Experience	—	COO Sony BMG, Managing Director PolyGram

Meetings of Directors

During the period, 11 meetings of directors were held (including advisory meetings). Attendances by each director were as follows:

	Board Meetings		Advisory Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Hugh Evans	7	7	4	4
Simon Moss	2	2	3	3
Simon McKeon	7	7	4	4
Samah Hadid	5	5	0	0
Michael Smellie	5	5	1	1

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.

Hugh Evans (Director) Simon McKeon (Director)

Dated this ______________ day of ______________ 2014

Statement of Comprehensive Income for the eighteen months ended 31 December 2012

	Note	18 Months Ended 31 December 2012	2011
		$	$
Revenue	2	1,654,753	438,749
Interest		588	-
Employee benefit expenses		(705,186)	(219,508)
Global Roll-out expenses		(507,625)	(82,204)
Campaigns expenses		(457,862)	(77,155)
Administrative expenses		(97,272)	(53,168)
Production expenses		(3,091)	(38,000)
Marketing and Communications expenses		(88,618)	(12,116)
(Deficit) /Surplus for the period		(204,313)	(43,401)
Total comprehensive income		(204,313)	(43,401)

	Note	31 December 2012	2011
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	58,856	67,019
Trade & Other receivables	3	2,789	46,340
TOTAL CURRENT ASSETS		61,645	113,359
TOTAL ASSETS		61,645	113,359
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	137,876	40,643
Provisions	5	48,403	-
TOTAL CURRENT LIABILITIES		186,279	40,643
NON-CURRENT LIABILITIES			
Provisions	5	6,963	-
TOTAL NON-CURRENT LIABILITIES		6,963	-
TOTAL LIABILITIES		193,242	40,643
NET ASSETS		(131,597)	72,716
EQUITY			
Retained Earnings		(131,597)	72,716
TOTAL EQUITY		(131,597)	72,716

	Retained Earnings	Total
	$	$
Opening Balance at 1 July 2010	72,279	72,279
Retained earnings transferred from GPP Charitable Trust	43,838	43,838
Total comprehensive income for the year	(43,401)	(43,401)
Balance at 30 June 2011	72,716	72,716
Total comprehensive income for the year	(204,313)	(204,313)
Balance at 31 December 2012	**(131,597)**	**(131,597)**

	Note	18 Months Ended 31 December 2012	2011
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt of grants		169,208	88,258
Receipts from operations		1,529,684	375,024
Payments to employees		(636,934)	(199,617)
Payments to suppliers		(1,070,121)	(249,796)
Net cash (outflow)/inflow generated from operating activities	10b	(8,163)	13,869
CASH FLOW FROM INVESTING ACTIVITIES			
Net cash inflow/ (outflow) from investing activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Capital Injection		-	28,586
Net cash generated from financing activities		-	28,556
Net increase/(decrease) in cash held		(8,163)	(14,717)
Cash and cash equivalents at beginning of the financial year		67,019	81,736
Cash and cash equivalents at the end of the financial year	10a	58,856	67,019

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).

c. **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.

d. **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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability 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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

the earliest comparative period must be disclosed.

The current period represents trading results for a 18 month period with a comparative shows a 12 month period. The change is due to align its separating period with that of its overseas parent.

l. **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.

	18 Months Ended 31 December 2012	2011
	$	$
NOTE 2: REVENUE AND OTHER INCOME		
Revenue		
Revenue from government grants and other grants		
— Grant funding	169,208	136,150
— Charitable income and fundraising	1,485,545	375,024
— Loan receivable from Global Poverty Project UK written off	-	(72,425)
Total Revenue	1,654,753	438,749
NOTE 2A: FUNDING SOURCES		
— state/federal government grants	-	-
— other organisations	169,208	136,150
	169,208	136,150
Charitable income and fundraising		
— Presentations	24,526	19,452
— Global Poverty Project UK	66	-
— Global Poverty Project Global	424,173	-
— Private Donations	769,551	140,127
— Live Below the Line Receipts	251,501	215,254
— Merchandise	1,296	191
— Other Income	14,432	-
	1,485,545	375,024
NOTE 3: OTHER RECEIVABLES		
Trade Receivables	8,039	40,035
Other Receivables	-	6,305
	8,039	46,340
Provision for Doubtful Debts	(5,250)	-
	2,789	46,340
NOTE 4: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	(907)	1,564
Superannuation liability	32,777	19,891
Sundry payables and accruals	106,006	19,188
	137,876	40,643

Note 5: Provisions

	18 Months Ended 31 December 2012	2011 $
Current		
Employee benefits	48,403	**-**
Total current provisions	**48,403**	**-**
Non-current		
Employee benefits	6,963	-
		-
Total non-current provisions	**6,963**	**-**

NOTE 6: CAPITAL AND LEASING COMMITMENTS

There are no capital and leasing commitments at 31 December 2012.

NOTE 7: CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2012.

NOTE 8: EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end Global Poverty Project Australia has received Grant funding from its overseas parent Global Poverty Project US in relation to the Gates Foundation. An amount of $118,733 was received on 18 January 2013.

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.

Samah Hadid	Country Director - Gross Salary 1 July 2011 to 31 December 2012	$38,753

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

Funding	$151,808
Reimbursements	$106,988

NOTE 10: CASH FLOW INFORMATION

		Note	18 Months Ended 31 December 2012	2011
			$	$
a.	**Reconciliation of Cash**			
	Cash at bank		58,856	67,019
b.	**Reconciliation of Cashflow from Operations with Profit after Income Tax**			
	(Loss)/Profit after income tax		(204,313)	(43,401)
	Non cash flows in Loss:			
	Write-off for the UK Loan			72,425
	Changes in assets and liabilities			
	(Increase)/decrease in other receivables		43,551	(46,340)
	Increase/(decrease) in trade and other payables		152,599	31,186
			(8,163)	13,869

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 Country 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.

NOTE 11: FINANCIAL RISK MANAGEMENT

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

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 trust 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 entities 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

	Within 1 Year		**1 to 5 Years**		**Over 5 Years**		**Total**	
	18 Months Ended 31 December 2012	**2011**	**18 Months Ended 31 December 2012**	**2011**	**18 Months Ended 31 December 2012**	**2011**	**18 Months Ended 31 December 2012**	**2011**
	$	**$**	**$**	**$**	**$**	**$**		**$**
Financial liabilities due for payment								
Trade and other payables	(137,876)	(40,643)	-	-	-	-	(137,876)	(40,643)
Employee Benefits	(48,403)	-	(6,963)	-	-	-	(55,366)	-
Total expected outflows	(186,279)	(40,643)	(6,963)	-	-	-	(193,242)	(40,643)
Financial Assets — cash flows realisable								
Cash and cash equivalents	58,856	67,019	-	-	-	-	58,856	67,019
Trade, term and loans receivables	2,789	46,340	-	-	-	-	2,789	46,340
Total anticipated inflows	61,645	113,359	-	-	-	-	61,645	133,359
Net (outflow)/inflow on financial instruments	(124,634)	72,716	-	-	-	-	(124,634)	72,716

NOTE 11: FINANCIAL RISK MANAGEMENT (CONT'D)

c. **Market Risk**

i. ***Interest rate risk***

The company's exposure to interest rate risk, which is the risk that a financial instruments 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:

	Weighted average effective interest rate		Floating interest rate		Non interest bearing		Total	
	18 Months Ended 31 December 2012	2011	18 Months Ended 31 December 2012	2011	18 Months Ended 31 December 2012	2011	18 Months Ended 31 December 2012	2011
	%	%	$	$	$	$	$	$
Financial Assets								
Cash and cash equivalents	-	-	58,856	67,019	-	-	58,856	67,019
Loans and receivables	-	-	-	-	2,789	46,340	2,789	46,340
Total Financial Assets	-	-	58,856	67,019	2,789	46,340	61,645	113,359
Financial Liabilities								
Trade and other payables	-	-	-	-	137,876	40,643	137,876	40,643
Provisions	-	-	-	-	55,366	-	55,366	-
Total Financial Liabilities	-	-	-	-	193,242	40,643	193,242	40,643

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 2012 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
15-31 Pelham Street
Carlton VIC 3053

Global Poverty Project Limited

ABN 71 343 713 729

Directors Declaration

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 2012 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.

Hugh Evans

Simon V. McKeon

Hugh Evans (Director) Simon McKeon (Director)

Dated this 15th day of September 2014

Crowe Horwath™

Independent Auditor's Report to the Members of Global Poverty Project Limited

Report on the financial report

We have audited the accompanying financial report of Global Poverty Project Limited (the company), which comprises the statement of financial position as at 31 December 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the 18 month period then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements* that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion

a) the financial report of Global Poverty Project Limited is in accordance with the *Corporations Act 2001*, including

   I. giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the period ended on that date; and

   II. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b) the financial statements and accompanying notes also comply with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 13 concerning the company's ability to continue as a going concern. In order to continue operations for the next 12 months the company is dependent upon continued financial support from its ultimate parent company, Global Poverty Project (US). This condition indicates the existence of a material uncertainty which may cast significant doubt as to the company's ability to continue as a going concern.

Crowe Horwath Melbourne

CROWE HORWATH MELBOURNE

Anne Lockwood

ANNE LOCKWOOD
Partner

Melbourne Victoria
Dated this 28th day of August 2014

Auditor Independence Declaration Under S307C of the *Corporations Act 2001* to the Directors of Global Poverty Project Limited

I declare that, to the best of my knowledge and belief, during the 18 month financial period ended 31 December 2012 there have been no contraventions of:

I. The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

II. Any applicable code of professional conduct in relation to the audit.

Crowe Horwath Melbourne

CROWE HORWATH MELBOURNE

Anne Lockwood

ANNE LOCKWOOD
Partner

Melbourne Victoria
Date: 28 August 2014