

Thankyou Charitable Trust

Trustee: Thankyou Holdings Pty Ltd

ABN: 87 337 503 580

Financial Report

For the Year Ended 30 June 2016

Thankyou Charitable Trust

ABN: 87 337 503 580

Contents

For the Year Ended 30 June 2016

	Page
Financial Statements	
Trustee Report	1
Auditors Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	15
Independent Audit Report	16

Thankyou Charitable Trust

ABN: 87 337 503 580

Trustee Report

For the Year Ended 30 June 2016

Thankyou Charitable Trust is the trust to which Thankyou Group Pty Ltd distributes profit generated through the sale of consumer goods in the Australian market. The purpose of the trust is to give to project partners in the pursuit of eradicating global poverty. The trustee aims to distribute 100% of the funds received by the trust to project partners (excluding transaction costs).

No directors of the trust's corporate trustee (Thankyou Holdings Pty Ltd) can receive distributions from or share in surpluses of the trust, and act as directors on a voluntary basis.

During this financial year, Thankyou Charitable Trust has been led by a group of three directors of its corporate trustee: Daniel Flynn (Chairman), Jarryd Burns and Justine Flynn. The director's present their report on behalf of the corporate trustee for the financial year ended 30 June 2016.

Meetings of directors

Over the financial year there were three meetings of directors of the corporate trustee.

Directors' Meetings	
Number eligible to attend	Number attended
Daniel Flynn	3
Justine Flynn	3
Jarryd Burns	3

Principal activity

The principal activity of Thankyou Charitable Trust during the financial year was to fund community development projects aimed at addressing the issues of global poverty in the following sectors: WASH (water, sanitation and hygiene), food aid and distribution, and food security and livelihood programs. Thankyou Charitable Trust carefully chooses and funds Impact Partners, who work with communities to deliver sustainable, measurable, empowering and wholistic solutions that aim to address the root causes of poverty.

No significant changes in the nature of the trust's activity occurred during the financial year.

Short term objectives

The trust's short term objectives are to:

- Continue funding food and WASH projects globally
- Commence funding maternal and child health projects
- Continue to ensure that funded projects have proven results and are evidence based

Thankyou Charitable Trust

ABN: 87 337 503 580

Trustee Report

For the Year Ended 30 June 2016

Long term objectives

The trust's long term objectives are to:

- Eradicate global poverty
- Fund other development areas to close the loop on contributors to extreme poverty
- Be an effective funder and partner, with measurable and transparent outcomes for each project funded

Strategy for achieving the objectives

To achieve these objectives, the trust has adopted the following strategies:

- Funding projects that address the root cause of global poverty
- Stringent and rigorous processes to evaluate potential projects and project partners
- Regular assessment of projects being funded (through reports from the field and trips to the field)
- Development of strong relationships with project partners
- Integration of technology and systems to assist in reporting and transparency

Operating results

During the financial year the trust distributed \$1,669,589 to project partners. This is an increase of 8% on the previous financial year.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the trust during the year.

Events after the reporting date

On 13 October 2016, the directors of the trust's subsidiary companies declared final dividends to Thankyou Charitable Trust on ordinary shares in respect of the 2016 financial year. The dividends declared were as follows:

- Thankyou Group Pty Ltd - unfranked ordinary dividend of \$330,000
- Thankyou Future Fund Pty Ltd - unfranked ordinary dividend of \$70,000

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the trust, the results of those operations or the state of affairs of the trust in future financial years.

Thankyou Charitable Trust

ABN: 87 337 503 580

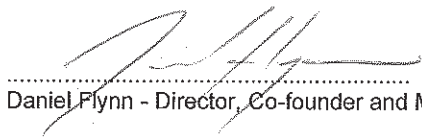
Trustee Report

For the Year Ended 30 June 2016

Proceedings on behalf of the trust

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

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



.....
Daniel Flynn - Director, Co-founder and Managing Director

Dated

31/1/17

Thankyou Charitable Trust

ABN: 87 337 503 580

Auditors Independence Declaration to the Trustee of Thankyou Charitable Trust

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Saward Dawson

Saward Dawson Chartered Accountants

Peter Shields

Peter Shields
Partner

Date 31 January 2017

Blackburn

Thankyou Charitable Trust

ABN: 87 337 503 580

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2016

	2016	2015
	\$	\$
Revenue		
Dividend revenue	1,200,000	649,250
Franking credits	454,791	278,250
Donation revenue	-	798,953
Interest income	1,048	-
Other revenue	56	27,075
	<u>1,655,895</u>	<u>1,753,528</u>
Expenses		
Donations to project partners	2 (1,669,589)	(1,546,484)
Other expenses	(120)	(192)
	<u>(13,814)</u>	<u>206,852</u>
Surplus/(deficit) for the year		
	<u>(13,814)</u>	<u>206,852</u>
Other comprehensive income		
Items that will be reclassified to profit or loss when specific conditions are met		
Net fair value movements in financial assets	2,154,400	299,093
	<u>2,154,400</u>	<u>299,093</u>
Other comprehensive income for the year		
	<u>2,154,400</u>	<u>299,093</u>
Total comprehensive income for the year	<u>2,140,586</u>	<u>505,945</u>

The accompanying notes form part of these financial statements.

Thankyou Charitable Trust

ABN: 87 337 503 580

Statement of Financial Position

As at 30 June 2016

	2016	2015
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3 187	98
Trade and other receivables	4 465,191	335,161
TOTAL CURRENT ASSETS	<u>465,378</u>	<u>335,259</u>
NON-CURRENT ASSETS		
Financial assets	5 3,083,903	929,403
TOTAL NON-CURRENT ASSETS	<u>3,083,903</u>	<u>929,403</u>
TOTAL ASSETS	<u>3,549,281</u>	<u>1,264,662</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	6 377,665	233,632
TOTAL CURRENT LIABILITIES	<u>377,665</u>	<u>233,632</u>
TOTAL LIABILITIES	<u>377,665</u>	<u>233,632</u>
NET ASSETS	<u>3,171,616</u>	<u>1,031,030</u>
EQUITY		
Settlement sum	50	50
Reserves	3,083,800	929,400
Accumulated surpluses	87,766	101,580
TOTAL EQUITY	<u>3,171,616</u>	<u>1,031,030</u>

The accompanying notes form part of these financial statements.

Thankyou Charitable Trust

ABN: 87 337 503 580

Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Settlement sum	Retained Earnings	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2015	50	101,580	929,400	1,031,030
Surplus/(deficit) for the year	-	(13,814)	-	(13,814)
Net fair value movements in financial assets	-	-	2,154,400	2,154,400
Balance at 30 June 2016	50	87,766	3,083,800	3,171,616

2015

	Settlement sum	Retained Earnings	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2014	50	(105,272)	630,307	525,085
Surplus/(deficit) for the year	-	206,852	-	206,852
Net fair value movements in financial assets	-	-	299,093	299,093
Balance at 30 June 2015	50	101,580	929,400	1,031,030

The accompanying notes form part of these financial statements.

Thankyou Charitable Trust

ABN: 87 337 503 580

Statement of Cash Flows For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Dividends and advances received from related party	1,343,933	516,181
Franking credits received	278,250	261,428
Donations received	-	798,953
GST refund received	56,967	-
Interest received	1,048	-
Payments to project partners and suppliers	(1,680,109)	(1,576,512)
Net cash provided by (used in) operating activities	9	50
	<u>89</u>	<u>50</u>
Net increase (decrease) in cash and cash equivalents held	89	50
Cash and cash equivalents at beginning of year	98	48
Cash and cash equivalents at end of financial year	3	98
	<u>187</u>	<u>98</u>

The accompanying notes form part of these financial statements.

Thankyou Charitable Trust

ABN: 87 337 503 580

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

Thankyou Charitable Trust is a charitable trust established under a deed of trust. The trustee is Thankyou Holdings Pty Ltd (ACN: 162 044 751). The trust is registered as a charity with the Australian Charities and Not-for-profits Commission, and is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The trustee has prepared the financial report on the basis that the trust is a non-reporting entity because there are no users who are dependent on a general purpose financial report. This financial report is therefore a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. Subsidiaries controlled by the trust have not been consolidated into this financial report, and as such this financial report does not comply with *AASB 10 Consolidated Financial Statements*. With the exception of AASB 10, this financial report has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

(b) Revenue and other income

Donations

Donations and bequests are recognised as revenue when received.

Dividend revenue

Dividends are recognised when the entity's right to receive payment is established.

Franking credits

Franking credits are recognised when the entity's right to receive a refund of franking credits on franked dividends is established.

(c) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997. The trust is registered as a charity with the Australian Charities and Not-for-profits Commission.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

Thankyou Charitable Trust

ABN: 87 337 503 580

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(e) Financial instruments

Investment in subsidiaries

Investments in subsidiaries are reflected at fair value, which is deemed to be the net assets of each subsidiary at balance date. Unrealised gains and losses arising from changes in fair value are shown as other comprehensive income reflected in the financial assets reserve.

(f) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included 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 is classified as operating cash flows.

Thankyou Charitable Trust

ABN: 87 337 503 580

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Donations to project partners

	2016	2015
	\$	\$
Australian Red Cross	104,000	298,367
Care Australia	250,000	250,000
Oxfam Australia	351,214	356,650
Salvation Army	50,002	50,000
Global Development Group	99,725	-
World Vision	814,648	591,467
	<u>1,669,589</u>	<u>1,546,484</u>

3 Cash and cash equivalents

Cash on hand	47	47
Cash at bank	140	51
	<u>187</u>	<u>98</u>

4 Trade and other receivables

CURRENT		
GST receivable	10,400	56,911
Franking credits receivable	454,791	278,250
	<u>465,191</u>	<u>335,161</u>

5 Financial assets

NON-CURRENT		
Investment in subsidiaries	3,083,903	929,403
	<u>3,083,903</u>	<u>929,403</u>

Investment in subsidiaries comprises unlisted shares, recorded at fair value. A list of subsidiaries is contained in Note 11 to the financial statements.

Thankyou Charitable Trust

ABN: 87 337 503 580

Notes to the Financial Statements

For the Year Ended 30 June 2016

6 Trade and other payables

	2016	2015
	\$	\$
CURRENT		
Related party payables	377,665	233,632
	<u>377,665</u>	<u>233,632</u>

Related party payables relate to a loan with Thankyou Group Pty Ltd, a subsidiary of the trust. The trust is the sole shareholder of the company, and as such the company makes interest-free loans to Thankyou Charitable Trust to provide funding for the trust's charitable activities. Loan settlement takes place through the declaration of dividends by the company. A summary of these transactions is as follows:

Related party payables at beginning of the year	233,632	366,701
Amounts advanced	1,344,033	516,181
Dividends declared	(1,200,000)	(649,250)
Related party payables at end of the year	<u>377,665</u>	<u>233,632</u>

7 Financial Risk Management

The main risks Thankyou Charitable Trust is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The trust's financial instruments consist mainly of deposits with banks, investments in subsidiaries and loans from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	187	98
Available-for-sale financial assets:		
- at fair value		
- unlisted investments	3,083,903	929,403
Total available-for-sale financial assets	<u>3,083,903</u>	<u>929,403</u>
Total financial assets	<u>3,084,090</u>	<u>929,501</u>

Financial Liabilities

Financial liabilities at amortised cost		
- Trade and other payables	377,665	233,632
Total financial liabilities	<u>377,665</u>	<u>233,632</u>

Thankyou Charitable Trust

ABN: 87 337 503 580

Notes to the Financial Statements

For the Year Ended 30 June 2016

8 Fair Value Measurement

The trust has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The trust does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

Recurring Fair Value Measurements

	2016	2015
	\$	\$
Financial assets		
- unlisted investments (i)	3,083,903	929,403
Total	3,083,903	929,403

(i) For unlisted investments that are investments in subsidiaries, fair values have been determined based on the net assets of these companies at the end of the reporting period.

9 Cash Flow Information

Reconciliation of net surplus to net cash provided by operating activities:

Surplus/(deficit) for the year	(13,814)	206,852
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(130,030)	(73,733)
- increase/(decrease) in trade and other payables	143,933	(133,069)
Cashflow from operations	89	50

10 Interests in Subsidiaries

	Principal place of business / Country of Incorporation	Percentage Owned (%)*	Percentage Owned (%)*
		2016	2015
Subsidiaries:			
Thankyou Group Pty Ltd	Australia	100	100
Thankyou Future Fund Pty Ltd (incorporated in December 2015)	Australia	100	-

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

Thankyou Charitable Trust

ABN: 87 337 503 580

Notes to the Financial Statements

For the Year Ended 30 June 2016

11 Events Occurring After the Reporting Date

On 13 October 2016, the directors of the trust's subsidiary companies declared final dividends to Thankyou Charitable Trust on ordinary shares in respect of the 2016 financial year. The dividends declared were as follows:

- Thankyou Group Pty Ltd - unfranked ordinary dividend of \$330,000
- Thankyou Future Fund Pty Ltd - unfranked ordinary dividend of \$70,000

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the trust, the results of those operations or the state of affairs of the trust in future financial years.

12 Trust Details

The registered office of the trustee company and principal place of business of the trust is:

Thankyou Charitable Trust
Level 4, 108-112 Langridge Street
Collingwood VIC 3066

Thankyou Charitable Trust

ABN: 87 337 503 580

Directors' Declaration

In accordance with a resolution of the directors of the trustee company, the directors have determined that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the directors of the trustee company:

- (a) there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of *Australian Charities and Not-for-profits Commission Act 2012*.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director 

Director 

Date: 31/1/17

Thankyou Charitable Trust

ABN: 87 337 503 580

Independent Audit Report to the trustee of Thankyou Charitable Trust

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Thankyou Charitable Trust, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year 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 trustee company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the trustee. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 statements are 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 judgement, 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 trust's preparation of the financial report that gives a true and fair view 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 trust'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.

Thankyou Charitable Trust

ABN: 87 337 503 580

Independent Audit Report to the trustee of Thankyou Charitable Trust

Opinion

In our opinion the financial report of Thankyou Charitable Trust has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the trust's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Saward Dawson

Saward Dawson Chartered Accountants

Peter Shields

Peter Shields
Partner

Blackburn

Date: 31 January 2017