

# Fighting Chance Australia Limited

ABN 85 140 018 702

Financial Statements for the year ended 30 November 2012

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# Directors' report

Your directors present their report on the Company for the year ended 30 November 2012.

## **Directors**

The names of the directors in office at any time during or since the end of the financial year are:

Laura O'Reilly  
Peta Morrison  
Nicola Ashton  
Timothy Moore  
Stephen Rothman (Appointed 10 January 2012)

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

## **Information on Company Secretary**

Laura O'Reilly held the position of Company Secretary for the entire year up until the date of this report.

## **Principal activities**

The principal activity of the company is fundraising for and provision of services for people with physical disabilities.

The focus of our service delivery for 2011/12 was our employment venture called The Enterprise Program. The program is designed to create employment opportunities for people with physical disabilities who are otherwise considered unemployable.

No significant change in the nature of these activities occurred during the year.

## **Short-term objectives**

The Charity's short-term objectives are to:

- Provide opportunities to school leavers and adults with disabilities in Sydney in the areas of employment and social participation.
- Provide opportunities to 50 people with physical disabilities in Sydney in the area of employment and 250 people with physical disabilities in Sydney in the area of social participation.
- To establish world-class, innovative services here in Sydney which set the pace in terms of quality and outcomes for our service users.

## Long-term objectives

The Charity's long-term objectives are to:

- Provide opportunities to school leavers and adults with disabilities across Australia in the areas of employment and social participation.
- To reach communities across Australia in urban, rural and remote communities by partnering with local disability services who can implement the services locally which we have designed in Sydney.
- To be recognized as a thought-leader in the sector
- To continue developing new, innovative projects in Sydney which can be spread across Australia.

## Strategy for achieving short and long term objectives

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

- To allow key staff members high levels of access to centres of thinking in this sector, to inform the services we are creating in Sydney.
- Retain the independence of the organisation in terms of its financial partners, to allow it to continue developing innovative services.
- To attract and retain staff of the highest quality to implement our services, and to achieve a very low staff turnover through rewarding effort and success.
- To develop voluntary teams of the highest quality to allow the organisation to remain at the forefront of thought leadership.
- Foster an internal culture which is about innovation, creativity, and creating the best possible services for our service users.
- Set high standards of best practice and quality, which all employees are expected to adhere to.
- Enter into strong partnerships with other providers from the outset and throughout.

## Information on Directors

<b>Name</b>	<b>Laura O'Reilly (Executive director)</b>
<b>Qualifications</b>	BA (Hons) Cantab
<b>Experience</b>	Laura has experience with running not for profits, experience in events and fundraising.
<b>Name</b>	<b>Justice Stephen Rothman, AM (Chairman)</b>
<b>Qualifications</b>	LLB (UNSW)
<b>Experience</b>	Stephen is a judge of the Supreme Court of NSW and a life member and/or governor of a number of charitable bodies.
<b>Name</b>	<b>Timothy Moore (Non-executive director)</b>
<b>Qualifications</b>	BBus (UTS)
<b>Experience</b>	Timothy founded and ran a very successful content media company which was sold in 2011. He is currently a Director of an ASX listed mining company.
<b>Name</b>	<b>Nicola Ashton (Non-executive director)</b>
<b>Qualifications</b>	BA (Economics and Politics) (USYD)
<b>Experience</b>	Nicola has 16 years of experience across equity and derivative markets globally. She founded Chance Investment Management, managing a specialist thematic equities product focused on climate change investment opportunities.
<b>Name</b>	<b>Peta Morrison (Non-executive director)</b>
<b>Qualifications</b>	BBus (Industrial Law and Human Resources) (UTS), JP.
<b>Experience</b>	Peta has many years of experience in marketing and management across a variety of fields. She has served on the boards and committees of various charities.

**Directors Meetings Attendance**

Directors	19 Jan 2011	31 May 2012	26 July 2012	25 October 2012
Laura O'Reilly	*	*	*	*
Justice Stephen Rothman	*	*	*	*
Timothy Moore	*	*	*	*
Nicola Ashton	*	A	*	*
Peta Morrison	*	*	*	*

Key: \* = Attended and A = Absent. This is applied to all meetings which the director was eligible to attend.

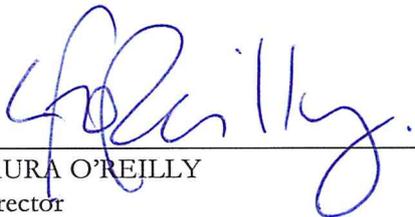
**Members' guarantee**

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

**Lead auditor's independence declaration**

A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of this directors' report.

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




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LAURA O'REILLY  
Director

Dated this 27<sup>th</sup> day of March 2013

Grant Thornton Audit Pty Ltd  
ACN 130 913 594

Level 17, 383 Kent Street  
Sydney NSW 2000  
Locked Bag Q800  
QVB Post Office  
Sydney NSW 1230

T +61 2 8297 2400  
F +61 2 9299 4445  
E [info.nsw@au.gt.com](mailto:info.nsw@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

**Auditor's Independence Declaration  
To the Directors of Fighting Chance Australia Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Fighting Chance Australia Limited for the year ended 30 November 2012, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

*Grant Thornton*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



P J Woodley  
Partner - Audit & Assurance

Sydney, 27 March 2013

# Statement of comprehensive income

## For the year ended 30 November 2012

		2012	2011
	Note	\$	\$
<b>Revenue</b>			
Donations		59,272	107,939
Grants		82,097	-
Functions		139,159	100,006
Care funding		76,686	5,635
Other income	4	6,358	7,870
		<u>363,572</u>	<u>221,450</u>
<b>Expenses</b>			
Administration expenses		5,546	5,054
Function expenses		85,589	66,185
Donations		-	3,370
Marketing expenses		5,221	18,398
Project expenses	5	276,594	72,709
Therapy expenses		-	9,900
Other expenses		787	568
		<u>373,737</u>	<u>176,184</u>
<b>(Deficit) / surplus for the year</b>		<u><b>(10,165)</b></u>	<u><b>45,266</b></u>
Other comprehensive income for the year, net of income tax		<u>-</u>	<u>-</u>
<b>Total comprehensive (loss) / income for the year</b>		<u><b>(10,165)</b></u>	<u><b>45,266</b></u>

These financial statements should be read in conjunction with the accompanying notes.

# Statement of financial position

## As at 30 November 2012

	Note	2012 \$	2011 \$
<b>Current assets</b>			
Cash and cash equivalents	8	91,547	96,856
Trade and other receivables	9	<u>27,555</u>	<u>28,180</u>
Total current assets		<u>119,102</u>	<u>125,036</u>
<b>Non-current assets</b>			
Plant and equipment	10	<u>30,319</u>	<u>24,878</u>
Total non-current assets		<u>30,319</u>	<u>24,878</u>
Total assets		<u>149,421</u>	<u>149,914</u>
<b>Current liabilities</b>			
Trade and other payables	11	16,604	10,156
Employee benefits	12	<u>5,203</u>	<u>1,979</u>
Total current liabilities		<u>21,807</u>	<u>12,135</u>
Total liabilities		<u>21,807</u>	<u>12,135</u>
<b>Net assets</b>		<u>127,614</u>	<u>137,779</u>
<b>Equity</b>			
Retained earnings		<u>127,614</u>	<u>137,779</u>
Total equity		<u>127,614</u>	<u>137,779</u>

These financial statements should be read in conjunction with the accompanying notes.

# Statement of changes in equity

## For the year ended 30 November 2012

	Retained earnings \$	Total equity \$
Total equity at 1 December 2010	92,513	137,779
Total comprehensive income for the year	<u>45,266</u>	<u>45,266</u>
Total equity at 30 November 2011	<u>137,779</u>	<u>137,779</u>
Total comprehensive income for the year	<u>(10,165)</u>	<u>(8,505)</u>
Total equity at 30 November 2012	<u>127,614</u>	<u>137,779</u>

These financial statements should be read in conjunction with the accompanying notes.

## Statement of cash flows

### For the year ended 30 November 2012

		2012 \$	2011 \$
	<b>Note</b>		
<b>Cash flows from operating activities</b>			
Donations		363,824	192,831
Payments to suppliers and employees		(364,051)	(186,814)
Interest income received		<u>2,418</u>	<u>4,012</u>
Net cash provided by operating activities	13	<u>2,191</u>	<u>10,029</u>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		<u>(7,500)</u>	<u>(5,686)</u>
Net cash used in investing activities		<u>(7,500)</u>	<u>(5,686)</u>
Net change in cash and cash equivalents held		<u>(5,309)</u>	<u>4,343</u>
Cash and cash equivalents at beginning of period		<u>96,856</u>	<u>92,513</u>
Cash and cash equivalents at end of period	8	<u><u>91,547</u></u>	<u><u>96,856</u></u>

These financial statements should be read in conjunction with the accompanying notes.

# Notes to the financial statements

## For the year ended 30 November 2012

### 1 Reporting entity

Fighting Chance Australia Limited (“the Company”) is incorporated and domiciled in Australia. Fighting Chance Australia Limited, a not-for-profit company limited by guarantee, as at and for the year ended 30 November 2012 comprises the Company only.

### 2 Basis of preparation

#### (a) Statement of compliance

The Company early adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Standards arising from Reduced Disclosure Requirements for the financial year beginning on 1 December 2011 to prepare Tier 2 general purpose financial statements.

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial statements were authorised for issue by the Board of Directors on 21 March 2013.

#### (b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs.

#### (c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company’s functional currency.

#### (d) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

**(d) Use of estimates and judgements (cont'd)**

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note [15] – lease classification.

*Key judgments – Employee benefits*

Management judgment is applied in determining the following key assumptions used in the calculation of long service leave at reporting date:

- Future increases in wages and salaries
- Future on-cost rates and
- Experience of employee departures and period of service.

**(e) Presentation of financial statements and reduced disclosure**

The Company early adopted reduced disclosure requirements in AASB 1053 Application of Tiers of Australian Accounting Standards, AASB 2010-2 Amendments to Australian Standards arising from Reduced Disclosure Requirements and AASB 2011-02 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements. This has resulted in a reduction of disclosures for items such as financial instruments and reconciliation of cash flows.

Comparative information has been re-presented or removed so that it also conforms to the new disclosure requirements. Since the change in accounting policy only impacts presentation aspects there was no impact on comprehensive income.

**3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company, except as explained in note 2(e) which addresses changes in accounting policies.

**(a) 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.

**(b) Financial instruments**

**(i) Non-derivative financial assets**

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

**(II) Non-derivative financial assets (cont'd)**

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non-derivative financial assets: loans and receivables.

*Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and, trade and other receivables.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

**(III) Non-derivative financial liabilities**

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise trade and other payables.

**(c) Plant and equipment**

**(i) Use of estimates and Judgements Recognition and measurement**

Donated items of plant and equipment are recognised at the fair value of the item at the date of donation, less accumulated depreciation and accumulated impairment losses.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gains and losses on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

**(ii) Depreciation**

Items of plant and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component.

Items of plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years of significant items of plant and equipment are as follows:

Plant and equipment: 3-25 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(d) Impairment of Assets**

At each reporting date, the company 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 income statement.

Impairment testing is performed annually for intangible assets with indefinite lives.

When the future economic benefits of the asset are not primarily dependant on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use shall be determined as the depreciated replacement cost of the asset

**(e) Employee benefits**

**Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

**(f) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(g) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(h) Revenue**

**(I) Donations**

Revenue from donations is recognised on a cash basis.

**(II) Grants**

An unconditional grant is recognised in profit or loss as other income when the grant becomes receivable. Other grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant, and are then recognised in profit or loss on a systematic basis over the useful life of the asset.

Grants that compensate the Company for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised.

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

**(i) Finance income**

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

**(j) 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 the 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..

**4 Revenue**

	Note	2012 \$	2011 \$
<b>Other income</b>			
- Accommodation seminar income		-	3,130
- Bunnings barbeque miscellaneous fundraiser		2,590	-
- Chocolate selling miscellaneous fundraiser		1,275	-
- Entertainment book income		75	286
- Raffle income		-	400
- Interest		2,418	4,054
		<u>6,358</u>	<u>7,870</u>
Total other income		<u>6,358</u>	<u>7,870</u>

**5 Project expenses**

	2012 \$	2011 \$
Project expenses include the following types of expenses:		
<b>(a) Depreciation</b>		
Depreciation expense	<u>3,559</u>	<u>1,438</u>
<b>(b) Employee benefits expenses</b>		
Wages and salaries	183,361	26,706
Superannuation	16,414	2,403
Increase in annual leave provisions	<u>2,709</u>	<u>1,979</u>
Total employee benefits expense	<u>202,484</u>	<u>31,088</u>

## 6 Key management personnel compensation

The key management personnel compensation included within employee expenses is:

	Short-term benefits \$	Bonus \$	Post employment benefit \$	Other long- term benefits \$	Total \$
<b>2012</b>					
Total compensation	24,193	-	2,180	-	26,373
<b>2011</b>					
Total compensation	15,452	-	1,296	-	16,748

## 7 Auditors' remuneration

The audit is being performed on a pro-bono basis.

## 8 Cash and cash equivalents

	2012 \$	2011 \$
Petty cash	646	500
Cash at bank	90,901	96,356
Total cash and cash equivalents	91,547	96,856

## 9 Trade and other receivables

	2012 \$	2011 \$
Grant receivable	17,325	3,935
Deposits paid	5,133	9,883
GST refundable	3,012	5,007
Prepayments	2,085	9,355
Total trade and other receivables	27,555	28,180

## 10 Plant and equipment

	2012	2011
	\$	\$
<b>Plant and equipment</b>		
Plant and equipment:		
At cost	35,316	26,316
Accumulated depreciation	<u>(4,997)</u>	<u>(1,438)</u>
Total plant and equipment	<u>30,319</u>	<u>24,878</u>

	Plant and equipment	Total
	\$	\$
<b>Reconciliation of movements in carrying amounts</b>		

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year are as follows:

Balance at 15 October 2009	-	-
Additions	26,316	26,316
Depreciation expense	<u>(1,438)</u>	<u>(1,438)</u>
Balance at 30 November 2011	<u>24,878</u>	<u>24,878</u>
Additions	9,000	9,000
Depreciation expense	<u>(3,559)</u>	<u>(3,559)</u>
Balance at 30 November 2012	<u>30,319</u>	<u>30,319</u>

## 11 Trade and other payables

	2012	2011
	\$	\$
Trade creditors	3,337	3,599
Payroll accruals	12,517	6,195
Other current liabilities	<u>750</u>	<u>362</u>
Total trade and other payables	<u>16,604</u>	<u>10,156</u>

## 12 Employee benefits

### Provisions

	2012	2011
	\$	\$
Provision for annual leave	<u>5,203</u>	<u>1,979</u>
Total short-term provisions	<u>5,203</u>	<u>1,979</u>

	Total
	\$
<b>Reconciliation</b>	
Opening balance at 1 December 2011	1,979
Additional provisions raised during the year	3,224
Balance at 30 November 2012	<u>5,203</u>

## 12 Employee benefits (Cont'd)

### Defined contribution plans

The Company has paid or has payable, contributions of \$16,414 to defined contributions plans on behalf of employees for the year ended 30 June 2012 (2011: \$ 2,403).

## 13 Cash flow information

	2012 \$	2011 \$
(a) Reconciliation of cash flow from operating activities with (deficit) / surplus after income tax:		
Operating (deficit) / surplus after income tax	(10,165)	45,266
Non-cash flows		
- Donations fixed assets	(1,500)	(20,630)
- Depreciation	3,559	1,439
Changes in assets and liabilities		
- Decrease/(increase) in trade and other receivables	625	(28,180)
- Increase in trade and other payables	6,448	10,155
- Increase in employee benefits	3,224	1,979
	<u>2,991</u>	<u>10,029</u>
Cash flow from operating activities	<u>2,991</u>	<u>10,029</u>

## 14 Events after the balance sheet date

No matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future periods.

## 15 Capital commitments

	2012 \$	2011 \$
Less than 12 months	28,000	28,000
More than 12 months less than 5 years	11,667	39,667
Greater than 5 years	-	-
Total	<u>39,667</u>	<u>67,667</u>

## 16 Contingent assets and contingent liabilities

There are no contingent assets or liabilities at balance date.

## 17 Members guarantee

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

## 18 Company Details

The registered office of the Company is:

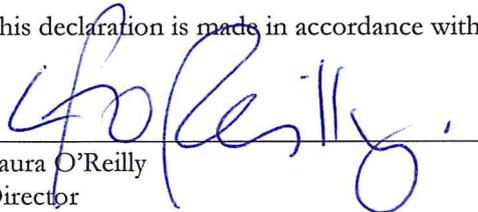
3b Newton Parade  
Forestville NSW 2087

## Directors' declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 17, are in accordance with the Corporations Act 2001:
  - (a) give a true and fair view of the financial position as at 30 November 2012 and of the performance for the year ended on that date of the Company; and
  - (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the Corporations Act 2001.
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

  
\_\_\_\_\_  
Laura O'Reilly  
Director

Dated this 27<sup>th</sup> day of March 2013



# Grant Thornton

Grant Thornton Audit Pty Ltd  
ACN 130 913 594

Level 17, 383 Kent Street  
Sydney NSW 2000  
Locked Bag Q800  
QVB Post Office  
Sydney NSW 1230

T +61 2 8297 2400  
F +61 2 9299 4445  
E [info.nsw@au.gt.com](mailto:info.nsw@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **Independent Auditor's Report To the Members of Fighting Chance Australia Limited**

We have audited the accompanying financial report of Fighting Chance Australia Limited (the "Company"), which comprises the statement of financial position as at 30 November 2012, the statement of 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 of the company.

### **Directors' responsibility for the financial report**

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001. The Directors' responsibility also includes 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.

### **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. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 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 Company'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 Company'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 the financial report of Fighting Chance Australia Limited is in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the Company's financial position as at 30 November 2012 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

*Grant Thornton*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



P J Woodley  
Partner - Audit & Assurance

Sydney, 27 March 2013