

Fighting Chance Australia Limited

ABN 85 140 018 702

Financial Statements for the year ended 30 September 2014

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Directors' report

Your directors present their report on the Company for the year ended 30 September 2014.

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	
Tim Powell	(Appointed 20 August 2014)
Justice Stephen Rothman	(Resigned 20 August 2014)
Timothy Moore	(Resigned 20 August 2014)

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

Company Secretary

Laura O'Reilly

Principal activities

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

The focus of our service delivery for the year ended 30 September 2014 was our employment ventures for people with disability, Avenue and Jigsaw. These social enterprises are designed to create employment opportunities for people with disabilities who are otherwise considered unemployable, through our internship, work experience and open employment programs.

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

Name	Laura O'Reilly (Executive director)
Qualifications	BA (Hons) Cantab
Experience	Laura has experience with running not for profits, experience in events and fundraising.
Name	Tim Powell (Chairman)
Qualifications	MBA (University of New England), MAICA
Experience	20-years experience in senior consulting and risk management positions with Deloitte, KPMG, Accenture and Aon Hewitt.
Name	Nicola Ashton (Non-executive director)
Qualifications	BA (Economics and Politics) (USYD)
Experience	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.
Name	Peta Morrison (Non-executive director)
Qualifications	BBus (Industrial Law and Human Resources) (UTS), JP.
Experience	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.
Name	Justice Stephen Rothman, AM (Chairman)
Qualifications	LLB (UNSW)
Experience	Stephen is a judge of the Supreme Court of NSW and a life member and/or governor of a number of charitable bodies.

Name	Timothy Moore (Non-executive director)
Qualifications	BBus (UTS)
Experience	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.

Directors Meetings Attendance

Directors	04 Nov 2013	03 Feb 2014	20 May 2014	11 Aug 2014	29 Sep 2014	
Laura O'Reilly	*	*	*	*	*	
Justice Stephen Rothman	A	A	A	A	N/A	Resigned 20 August 2014
Timothy Moore	*	*	*	*	N/A	Resigned 20 August 2014
Nicola Ashton	*	*	*	*	*	
Peta Morrison	*	*	*	*	*	
Tim Powell	N/A	N/A	N/A	N/A	*	Appointed 20 August 2014

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.

Events arising since the end of the reporting period

Apart from the final dividend declared, there are no other matters or circumstances that have arisen since the end of the year that have significantly affected or may significantly affect either:

- the Entity's operations in future financial years
- the results of those operations in future financial years; or
- the Entity's state of affairs in future financial years

Environmental legislation

The company's operations are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

Indemnities given and insurance premiums paid to auditors and officers

During the year, the company paid a premium to insure officers of the Company. The officers of the Company covered by the insurance policy include all directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

Details of the amount of the premiums paid in respect of the insurance policies is not disclosed, as such disclosure is prohibited under the terms of the contract.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Company against a liability incurred as such by an officer or auditor.

Proceedings of behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Lead auditor's independence declaration

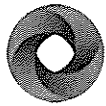
A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5 and forms part of this directors' report.

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



Laura O'Reilly
Director

Dated this 17 day of December 2014



Grant Thornton

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**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 September 2014, 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, 17 December 2014

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Statement of profit or loss and other comprehensive income

For the year ending 30 September 2014

	Note	Year ended 30 September 2014 \$	10 months to 30 September 2013 \$
Revenue			
Donations received		230,622	128,771
Grants		101,974	66,618
Functions		302,173	89,884
Care funding		250,538	94,827
Other income	4	27,489	3,527
		<u>912,796</u>	<u>383,627</u>
Cost of goods sold		(18,717)	(4,844)
Gross profit		<u>894,079</u>	<u>378,783</u>
Expenses			
Administration expenses		(4,892)	(2,330)
Function expenses		(80,582)	(46,494)
Donations paid		(90)	(1,200)
Marketing expenses		(21,042)	(1,762)
Project expenses	5	(516,963)	(297,349)
Other expenses		(179)	(151)
		<u>(623,748)</u>	<u>(349,286)</u>
Surplus for the year		<u>270,331</u>	<u>29,497</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>270,331</u>	<u>29,497</u>

Statement of financial position

As at 30 September 2014

	Note	Year ending 30 September 2014	10 months to 30 September 2013 \$
Current assets			
Cash and cash equivalents	8	289,818	113,806
Trade and other receivables	9	103,876	31,257
Inventory	10	8,716	5,497
Total current assets		<u>402,410</u>	<u>150,560</u>
Non-current assets			
Plant and equipment	11	102,408	35,432
Total non-current assets		<u>102,408</u>	<u>35,432</u>
Total assets		<u>504,818</u>	<u>185,992</u>
Current liabilities			
Trade and other payables	12	71,218	27,694
Employee benefits	13	6,056	1,187
Total current liabilities		<u>77,274</u>	<u>28,881</u>
Total liabilities		<u>77,274</u>	<u>28,881</u>
Net assets		<u>427,544</u>	<u>157,111</u>
Equity			
Retained earnings		427,544	157,111
Total equity		<u>427,544</u>	<u>157,111</u>

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

Statement of changes in equity

For the year ended 30 September 2014

	Retained earnings \$	Total equity \$
Total equity at 1 December 2012	127,615	127,615
Total comprehensive income for the 10 month period ended 30 September 2013	<u>29,497</u>	<u>29,497</u>
Total equity at 30 September 2013	<u>157,112</u>	<u>157,112</u>
Total comprehensive income for the period	<u>270,432</u>	<u>270,432</u>
Total equity at 30 September 2014	<u>427,544</u>	<u>427,544</u>

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

Statement of cash flows

For the year ended 30 September 2014

	Note	Year ended 30 September 2014 \$	10 months to 30 September 2013 \$
Cash flows from operating activities			
Donations		835,767	371,848
Payments to suppliers and employees		(589,418)	(348,773)
Interest income received		4,410	1,657
Net cash provided by operating activities	14	<u>250,758</u>	<u>24,732</u>
Cash flows from investing activities			
Purchase of plant and equipment		<u>(74,748)</u>	<u>(2,473)</u>
Net cash used in investing activities		<u>(74,748)</u>	<u>(2,473)</u>
Net change in cash and cash equivalents held		<u>176,010</u>	<u>22,259</u>
Cash and cash equivalents at beginning of period		<u>113,806</u>	<u>91,547</u>
Cash and cash equivalents at end of period	8	<u>289,818</u>	<u>113,806</u>

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

Notes to the financial statements

For the year ended 30 September 2014

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 period ended 30 September 2014 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 17 December 2014.

(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 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)

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.

Management have determined that no long-service leave provision is required given it is currently not probable for any employee to reach ten years service. This will continue to be revised in future years.

(e) Reporting Period

The financial statements for the comparative period have been prepared for the ten month reporting period ended on 30 September 2013. The current reporting period ended 30 September 2014 has been disclosed in this financial report as a twelve month period ended on that date and therefore the comparative amounts disclosed in this financial report and related notes are not comparable as a result of the different reporting periods. The Company changed its reporting period to end on 30 September of each respective year to better align with grant funding application periods and pro-bono service offerings, as permitted by the Australian Charities and Not-for-Profits Commission.

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.

(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.

(i) Non-derivative financial assets (cont'd)

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.

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.

(ii) 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) 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: 3-20 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.

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.

(f) 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.

(g) 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).

(iii) Functions

Revenue from functions is recognised on a cash basis when received.

(h) 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.

(i) 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.

(j) Inventory

Inventories are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4 Revenue

	Year ended 30 September 2014 \$	10 Months to 30 September 2013 \$
Other income		
- Social enterprise revenue	23,079	-
- Miscellaneous fundraisers	-	1,869
- Interest income	4,410	1,657
Total other income	<u>27,489</u>	<u>3,527</u>

5 Project expenses

	Year ended 30 September 2014 \$	10 Months to 30 September 2013 \$
Project expenses include the following types of expenses:		
(a) Depreciation		
Depreciation expense	<u>7,771</u>	<u>3,780</u>
(b) Employee benefits expenses		
Wages and salaries	332,748	207,199
Superannuation	31,924	18,186
Increase / (Decrease) in annual leave provisions	<u>4,990</u>	<u>(4,017)</u>
Total employee benefits expense	<u>369,661</u>	<u>221,368</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 \$
Year ended 30 September 2014					
Total compensation	<u>122,053</u>	<u>-</u>	<u>11,382</u>	<u>-</u>	<u>133,435</u>
10 Months to 30 September 2013					
Total compensation	<u>77,276</u>	<u>-</u>	<u>6,952</u>	<u>-</u>	<u>84,228</u>

7 Auditors' remuneration

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

8 Cash and cash equivalents

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Petty cash	77	199
Cash at bank	137,079	113,606
Term deposit	<u>152,662</u>	<u>-</u>
Total cash and cash equivalents	<u>289,818</u>	<u>113,805</u>

9 Trade and other receivables

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Trade debtors	65,578	1,945
Grant receivable	-	18,424
Deposits paid	5,133	5,133
GST refundable	20,291	-
Prepayments	12,875	5,755
	<u>103,876</u>	<u>31,257</u>
Total trade and other receivables	<u>103,876</u>	<u>31,257</u>

10 Inventory

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Inventory		
Stock on hand	8,716	5,497
Total Inventory	<u>8,716</u>	<u>5,497</u>

11 Plant and equipment

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Plant and equipment		
Plant and equipment:		
At cost	118,850	44,101
Accumulated depreciation	(16,442)	(8,669)
Total plant and equipment	<u>102,408</u>	<u>35,432</u>

Total
\$

Reconciliation of movements in carrying amounts

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 30 November 2012	30,319
Additions	8,893
Depreciation expense	(3,780)
Balance at 30 September 2013	<u>35,432</u>
Additions	74,749
Depreciation expense	(7,773)
Balance at 30 September 2014	<u>102,408</u>

12 Trade and other payables

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Trade creditors	6,480	3,186
Payroll accruals	32,180	22,287
GST payable	7,835	113
Other current liabilities	24,723	2,108
Total trade and other payables	<u>71,218</u>	<u>27,694</u>

13 Employee benefits

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Provision for annual leave	6,056	1,187
Total short-term provisions	<u>6,056</u>	<u>1,187</u>

	Total \$
Reconciliation	
Opening balance at 1 December 2012	5,203
Provisions used during the year	(4,016)
<u>Opening balance at 30 September 2013</u>	<u>1,187</u>
Additional provision raised during the period	4,870
<u>Balance at 30 September 2014</u>	<u>6,056</u>

Defined contribution plans

The Company has paid or has payable, contributions of \$31,924 to defined contributions plans on behalf of employees for the period ended September 2014 (the period 10 months to 30 September 2013: \$18,186).

14 Cash flow information

	Year ending 30 September 2014 \$	10 Months to 30 September 2013 \$
(a) Reconciliation of cash flow from operating activities with (deficit) / surplus after income tax:		
Operating (deficit) / surplus after income tax	270,432	29,497
Non-cash flows		
- Donations fixed assets		(6,420)
- Depreciation	7,771	3,780
Changes in assets and liabilities		
- (Increase)/decrease in receivables	(72,619)	(3,702)
- (Increase) in inventories	(3,219)	(5,497)
- Increase in payables	11,702	11,090
- (Decrease)/increase in employee benefits	36,691	(4,016)
Cash flow from operating activities	<u>250,758</u>	<u>24,732</u>

15 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.

16 Capital commitments

	Year ending 30 September 2014	10 Months to 30 September 2013 \$
Less than 12 months	47,870	17,666
More than 12 months less than 5 years	176,329	-
Greater than 5 years	-	-
Total	<u>224,199</u>	<u>17,666</u>

17 Contingent assets and contingent liabilities

Security deposit guarantee

The company guaranteed the amount of \$25,802 on 17 March 2014 in relation to the leased property. There are no other contingent assets or liabilities at balance date.

18 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.

19 Company Details

The registered office of the Company is:

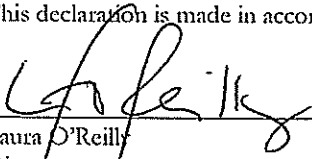
Building B, 5 Skyline Place
Frenchs Forest NSW, 2086

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 September 2014 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 17 day of December 2014



Grant Thornton

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Sydney NSW 2000

Correspondence to:
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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 September 2014, 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 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 and have determined that the accounting policies used and described in Note 3 to the financial report, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and the needs of the members. The Directors' responsibility also includes such internal control as the Director's 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

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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:

- a the financial report of Fighting Chance Australia 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 30 September 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 3; and
- b complying with Australian Accounting Standards to the extent described in Note 3 and complying with and the Corporations Regulations 2001

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GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P J Woodley
Partner - Audit & Assurance

Sydney, 17 December 2014