

# Financial Literacy Australia Limited

(a company limited by guarantee)

ACN 158 813 891

## Financial Report Six months to 31 December 2013

# Contents

Financial Literacy Australia Limited

	<b>PAGE</b>
Corporate information	2
Directors' report	3
Auditor's Independence Declaration	9
Financial report	
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in funds	12
Statement of cash flows	13
Notes to the financial statements	14
Directors' declaration	21
Independent audit report to the members	22

# Corporate Information

Financial Literacy Australia Limited

---

**Board Members**

Robert Brown	
Paul Clitheroe	Chairman
Hamish Douglass	
Craig Dunn	
Linda Elkins	
Fiona Guthrie	
Elaine Henry	
Anthony Mackay	
Ian Silk	
Michael Smith	
Robert Thomas	

---

**Company Secretary**

Robert Brown

---

**Registered Office and  
Principal Place of Business**

18-20 Victoria Street  
Erskineville, NSW 2043

---

**Auditors**

Ernst & Young  
Level 33, Ernst & Young Centre  
World Square, 680 George Street  
Sydney NSW 2000

---

# Directors' Report

## Financial Literacy Australia Limited

The directors present this financial report of the company from 1 July 2013 to 31 December 2013.

### Board Members

The names of the directors in office during the period until the date of this report are:

	Date Appointed	Date of cessation	Board	
			A	B
Robert Brown	5 June 2012	continuing	2	2
Paul Clitheroe	5 June 2012	continuing	2	2
Hamish Douglass	5 June 2012	continuing	2	2
Craig Dunn	5 June 2012	continuing	2	2
Linda Elkins	5 June 2012	continuing	2	2
Fiona Guthrie	5 June 2012	continuing	2	2
Elaine Henry	5 June 2012	continuing	1	2
Anthony Mackay	5 June 2012	continuing	0	2
Ian Silk	5 June 2012	continuing	1	2
Michael Smith	5 June 2012	continuing	2	2
Robert Thomas	5 June 2012	continuing	2	2

A Number of meetings attended

B Number of meetings held during the time the member held office during the year

### Company secretary

Robert Brown has been the Company Secretary since 5 June 2012.

Details of directors' qualifications, experience and special responsibilities can be found on pages 5 to 7 of this report.

### Principal activities

The company's principal activities during the period were to:

- Develop and deliver MoneySmart Week 2013 and plan and organize towards MoneySmart Week 2014) including:
  - National PR campaign.
  - MoneySmart Week Awards program and event
  - Breakfast seminar about research into women's financial decision-making behavior
  - Women and money shopping-centre event.
  - Supporter events held across Australia during the Week.
- Fundraise, through sponsorship.
- Maintain and update the website providing information on MoneySmart Week and tools to help people with their financial situation.

# Directors' Report

## Financial Literacy Australia Limited

### Principal activities continued

- Develop a presence in social media including Facebook, Twitter, Pinterest, WordPress and LinkedIn with tools and links to the interactive online tool, the Money Health Check.
- Develop and deliver video and audio material to share with broadcasters and supporters online and on-air.
- Develop and deliver printed material to MoneySmart Week supporters about the Money Health Check, budgeting and where to go for financial help and/or information, as well as promotional material to publicise MoneySmart Week.

### Short and Long Term Objectives and Strategy

The company's short and long-term objectives are to:

- Encourage Australians to take action on their finances.
- Increase awareness among Australians about the information and tools available to help them make sound money decisions; and
- Raise awareness of the importance of financial literacy;

The company's strategy for achieving these objectives include:

- Developing and publicising material to engage and motivate Australians to take action on their money situation.
- Publicising stories that demonstrate the benefits of taking control of your finances or developing money skills.
- Fostering partnerships across government, business, education and community sectors to promote financial literacy initiatives.
- Publicly recognise and promote good practice in the design and delivery of financial literacy programs.

### Performance Measures

- Number of sponsors and funds raised
- People visiting the MoneySmart Week website
- People doing the Money Health Check
- Number of MoneySmart Week partner events
- People attending MoneySmart Week events

### Directors' qualifications, experience and special responsibilities

Name	Qualifications and Experience	Special responsibilities
<b>Paul Clitheroe AM</b>	<p><i>Qualification:</i> Bachelor of Arts</p> <p><i>Experience:</i> Paul is executive director of Ipac securities, an experienced media commentator and Chairman and Chief Commentator of Money magazine. He is also Chair of the Australian Government's Financial Literacy Board.</p>	Chairman

# Directors' Report

Financial Literacy Australia Limited

## Directors' qualifications, experience and special responsibilities continued

Name	Qualifications and Experience	Special responsibilities
<b>Robert Brown AM</b>	<p><i>Qualification:</i> Bachelor of Economics and Fellow of the Institute of Chartered Accountants</p> <p><i>Experience:</i> Robert is Independent Chairman of the Australian Defence Force (ADF) Financial Services Consumer Council and a Royal Australian Air Force specialist reservist, with over 30 years' experience in the accounting profession. He is also a member of the Australian Government's Financial Literacy Board.</p>	Company Secretary
<b>Hamish Douglass</b>	<p><i>Qualifications:</i> Bachelor of Commerce</p> <p><i>Experience:</i> Hamish Douglass is the Co-Founder, Managing Director and Chief Executive Officer of Magellan Financial Group Limited (MFG). He is a member of the Australian Government Takeovers Panel and a member of the Australian Government's Financial Literacy Board</p>	
<b>Craig Dunn</b>	<p><i>Qualifications:</i> Bachelor of Commerce</p> <p><i>Experience:</i> Craig Dunn is CEO of AMP with more than 14 years experience in the financial services sector. He is a former member of the Consumer and Financial Literacy Taskforce and is also a member of the Australian Government's Financial Literacy Board.</p>	
<b>Linda Elkins</b>	<p><i>Qualifications:</i> Bachelor of Applied Science and a Certificate of Superannuation Management</p> <p><i>Experience:</i> Linda is Executive General Manager for Colonial First State having previously worked as Managing Director of Superannuation at Russell Investments. She is a member of the Australian Government Financial Literacy Board and the Macquarie University Business and Economics Faculty Advisory Board.</p>	

# Directors' Report

Financial Literacy Australia Limited

**Directors' qualifications, experience and special responsibilities** continued

Name	Qualifications and Experience	Special responsibilities
<p><b>Fiona Guthrie</b></p>	<p><i>Qualifications:</i> Bachelor of Arts (Psychology) and an MBA (Finance)</p> <p><i>Experience:</i> Fiona Guthrie is the Executive Director of Financial Counselling Australia, the peak body for financial counsellors in Australia. Fiona is a member of the Australian Competition and Consumer Commission Consumer Consultative Committee; the Queensland Consumers' Association; and the Australian Government's Financial Literacy Board.</p>	
<p><b>Elaine Henry OAM</b></p>	<p><i>Qualifications:</i> Honorary Doctorate of Letters UNSW, Bachelor of Science with first class honours.</p> <p><i>Experience:</i> Elaine Henry has been a leader in the non-profit sector for the past 25 years; formerly as the Executive Director of the Cancer Council (NSW) and until the end of 2010 as Chief Executive of The Smith Family. Elaine was a member of the Consumer and Financial Literacy Taskforce, the Financial Literacy Foundation and is now a member of the Australian Government's Financial Literacy Board.</p>	
<p><b>Anthony Mackay</b></p>	<p><i>Qualifications:</i> Tony has a Bachelor of Economics and a Bachelor of Education and an MA in the Economics of Education.</p> <p><i>Experience:</i> Tony Mackay is Executive Director of the Melbourne-based Centre for Strategic Education, Australia. Tony is Chairman of the Board of Directors of the Innovation Unit Ltd. England; an OECD Senior Consultant for the Schooling For Tomorrow Project, Improving School Leadership Project, and a member of the Australian Government's Financial Literacy Board.</p>	

# Directors' Report

Financial Literacy Australia Limited

**Directors' qualifications, experience and special responsibilities** continued

Name	Qualifications and Experience	Special responsibilities
<b>Ian Silk</b>	<p><i>Qualifications:</i> Bachelor of Economics, a Diploma of Financial Services, and a Postgraduate Diploma in Labor Relations Law.</p> <p><i>Experience:</i> Ian Silk is the Chief Executive of AustralianSuper; Australia's largest superannuation fund. He is a member of the Financial Services Advisory Council to the Treasurer, a member of the ASIC External Advisory Board, and member of the Australian Financial Literacy Advisory Board. He is a Director of the Australian Council of Superannuation Investors, and Industry Super Australia.</p>	
<b>Michael Smith OBE</b>	<p><i>Qualifications:</i> Bachelor of Economic Sciences</p> <p><i>Experience:</i> Michael Smith is Chief Executive Officer of Australia and New Zealand Banking Group Limited (ANZ). He is Chairman of the Australian Bankers' Association and a Member of both the Business Council of Australia and the Asia Business Council. Mr Smith is a Director of the Institute of International Finance; a Member of the Board of the International Monetary Conference; and a Member of the Financial Literacy Advisory Board.</p>	
<b>Robert Thomas</b>	<p><i>Qualifications:</i> Bachelor of Law and Commerce and Fellow of the Australian Institute of Company Directors</p> <p><i>Experience:</i> Robert is a director of the Bank of China (Australia). He is also is also a member of the Law Society of New South Wales and a member of the Board of Financial Literacy Australia.</p>	



# Directors' Report

Financial Literacy Australia Limited

## **Change of financial year end**

During the year the members approved the change of the Company's financial year from a June year end to a December year end.

This was considered appropriate because of the timing of the Money Smart Week event each year. Accordingly, this financial report is prepared for the 6 months to 31 December 2013.

## **Members' guarantees**

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2013 the collective liability was \$110.

## **Auditor's independence declaration**

The auditor's independence declaration for the year ended 31 December 2013 has been received and can be found on page 9 of the financial report.

Signed in accordance with a resolution of the directors.

**PAUL CLITHEROE**  
Chair

Sydney  
Date / /



Building a better  
working world

Ernst & Young  
680 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Auditor's Independence Declaration to the Directors of Financial Literacy Australia Limited

In relation to our audit of the financial report of Financial Literacy Australia Limited for the financial period ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Darren Handley-Greaves  
Partner  
28 June 2014

# Statement of Comprehensive Income

for the period 1 July 2013 to 31 December 2013  
Financial Literacy Australia Limited

	Note	Period to Dec 2013 \$	Year to Jun 2013 \$
<b>Revenue</b>	3	473,339	243,922
<b>Expenses</b>			
Administration expenses		(221,736)	(220,647)
Employee benefits expense	4	(89,177)	(83,721)
Event expenses		(21,162)	(5,049)
		-----	-----
<b>Net surplus/(deficit) for the period</b>		141,264	(65,495)
		=====	=====
Other comprehensive income		-	-
		-----	-----
<b>Total comprehensive income attributable to the members of the company</b>		141,264	(65,495)
		=====	=====

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

# Statement of Financial Position

for the 6 months ended 31 December 2013  
Financial Literacy Australia Limited

	Note	Dec 2013 \$	Jun 2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	75,770	207,175
Trade and other receivables	6	6,126	110,000
Other current assets	7	-	610
		-----	-----
Total current assets		81,896	317,785
		-----	-----
<b>Non-current assets</b>			
Plant and equipment	8	1,299	-
		-----	-----
Total non-current assets		1,299	-
		-----	-----
<b>TOTAL ASSETS</b>		<b>83,195</b>	<b>317,785</b>
		=====	=====
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	7,426	53,280
Income in advance	10	-	330,000
		-----	-----
Total current liabilities		7,426	383,280
		-----	-----
<b>TOTAL LIABILITIES</b>		<b>7,426</b>	<b>383,280</b>
		=====	=====
<b>NET ASSETS/(LIABILITIES)</b>		<b>75,769</b>	<b>(65,495)</b>
		=====	=====
<b>FUNDS</b>			
Unrestricted funds		75,769	(65,495)
		-----	-----
<b>TOTAL FUNDS</b>		<b>75,769</b>	<b>(65,495)</b>
		=====	=====

The above statement of financial position should be read in conjunction with the accompanying notes.

# Statement of Changes in Funds

for the 6 months ended 31 December 2013  
Financial Literacy Australia Limited

	UNRESTRICTED FUNDS 2013 \$
<b>Balance at 1 July 2012</b>	-
Net deficit for the year	(65,495)
Other comprehensive income for the year	-
<b>Balance at 30 June 2013</b>	(65,495)
Net surplus for the 6 months to 31 December 2013	141,264
Other comprehensive income for the period	-
<b>Balance at 31 December 2013</b>	75,769

The above statement of changes in funds should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

for the period 1 July 2013 to 31 December 2013

Financial Literacy Australia Limited

	Note	Period to Dec 2013 \$	Year to Jun 2013 \$
<b>Cash flows from operating activities</b>			
<i>Receipts</i>			
Receipts from sponsorships		145,000	463,922
Miscellaneous Revenue		244	-
<i>Payments</i>			
Payments to suppliers and employees		(275,261)	(256,747)
<b>Net cash flows from operating activities</b>		<b>(130,017)</b>	<b>207,175</b>
<b>Cash Flows from investing activities</b>			
Purchase of property plant and equipment		(1,388)	-
<b>Net cash flows used in investing activities</b>		<b>(1,388)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(131,405)</b>	<b>207,175</b>
Cash and cash equivalents at the beginning of the period		207,175	-
<b>Cash and cash equivalents at the end of the period</b>	5	<b>75,770</b>	<b>207,175</b>

The above statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

for the 6 months ended 31 December 2013  
Financial Literacy Australia Limited

NOTE	CONTENTS	PAGE
1	Corporate information	15
2	Summary of significant accounting policies	15
3	Revenue	18
4	Employee benefits expenses	18
	<i>Current assets</i>	
5	Cash and cash equivalents	18
6	Trade and other receivable	19
7	Other current assets	19
	<i>Non-current assets</i>	
8	Plant and equipment	19
	<i>Current liabilities</i>	
9	Trade and other payables	20
10	Income in advance	20
11	Related parties and related party transactions	20

# Notes to the Financial Statements

for the 6 months ended 31 December 2013

Financial Literacy Australia Limited

## 1 Corporate information

The financial statements of the not for profit company for the period ended 31 December 2013 were authorised for issue in accordance with a resolution of the directors.

## 2 Summary of significant accounting policies

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group interpretations.

#### **Historical cost convention**

The financial statements have been prepared on the basis of historical cost except for equipment that is recorded at cost less depreciation.

#### **Currency**

The financial statements are presented in Australian dollars, which is the company's functional currency.

### (b) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### (c) Revenue recognition

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Amounts disclosed are net of goods and services tax (GST). Revenue is recognised for business activities as follows:



# Notes to the Financial Statements

for the 6 months ended 31 December 2013

Financial Literacy Australia Limited

## 2 Summary of significant accounting policies continued

### (c) Revenue recognition continued

#### Revenue from In-kind donations

In-kind donations are included at the fair value to the company where this can be quantified by a 3<sup>rd</sup> party bearing the cost.

#### Revenue from sponsorships

Revenue from sponsorships is recognised in the period to which the sponsorships relate.

#### Investment income

Investment income comprises interest. Interest income is recognised as it accrues, using the effective interest rate method.

### (d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

### (e) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less allowance for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off. An allowance for doubtful receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is recognised in the income statement.

### (f) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The notional amount of the payables is deemed to reflect fair value.

# Notes to the Financial Statements

for the 6 months ended 31 December 2013

Financial Literacy Australia Limited

## 2 Summary of significant accounting policies continued

### (g) Taxation

#### **Income tax**

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office.

#### **Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST is not recoverable from the ATO, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Trade receivables and trade payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the ATO is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the ATO is classified as operating cash flows.

### (h) **Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business. The company's continued existence is ultimately dependent upon the success of future productions, sponsorships and donations.

If the company is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and in amounts different from those stated in the financial report.

### (i) **Income in advance**

The Liability for income in advance is the unutilised amounts of sponsorships received on the condition that specified services are delivered or conditions are fulfilled. The services are usually fulfilled within 12 months of receipt of the sponsorships. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will be satisfied more than 12 months after the reporting date, the liability is presented as non-current.

# Notes to the Financial Statements

for the 6 months ended 31 December 2013  
Financial Literacy Australia Limited

	Period to Dec 2013 \$	Period to Jun 2013 \$
<b>3 Revenue</b>		
<b>Revenue from operating activities</b>		
Sponsorships	365,000	62,250
<b>Other income</b>		
In kind donations	108,214	181,672
Miscellaneous Income	125	-
	-----	-----
<b>Total revenue and other income</b>	<b>473,339</b>	<b>243,922</b>
	=====	=====
<b>4 Employee benefits expense</b>		
Wages and salaries	18,461	-
Defined superannuation benefits plan contributions	1,708	-
Contractor fees	69,008	83,721
	-----	-----
<b>Total employee benefits expense</b>	<b>89,177</b>	<b>83,721</b>
	=====	=====
<b>5 Cash and cash equivalents</b>		
Cash at bank and on hand	75,770	207,175
	=====	=====
<b>(a) Reconciliation to cash at the end of the year</b>		
The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:		
Balance per statement of cash flows	75,770	207,175
	=====	=====

# Notes to the Financial Statements

for the 6 months ended 31 December 2013  
Financial Literacy Australia Limited

	Dec 2013 \$	Jun 2013 \$
<b>6 Trade and other receivables</b>		
<b>Current</b>		
Trade Debtors	-	110,000
Net GST receivable	6,126	-
	-----	-----
Total trade and other receivables	6,126	110,000
	=====	=====
<b>7 Other current assets</b>		
<b>Current</b>		
Prepayments	-	610
	=====	=====
<b>8 Plant and Equipment</b>		
<b>Plant and equipment</b>		
Computer equipment - at cost	1,388	-
Less: Accumulated depreciation	(89)	-
	-----	-----
Total trade and other receivables	1,299	-
	=====	=====

## Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial period:

	Computer Equipment \$
Balance at the beginning of the year	-
Additions at cost	1,388
Depreciation expense	(89)
	-----
Carrying amount at the end of the year	1,299
	=====

# Notes to the Financial Statements

for the 6 months ended 31 December 2013  
Financial Literacy Australia Limited

	Dec 2013 \$	Jun 2013 \$
<b>9 Trade and other payables</b>		
Net GST payable	-	22,582
Payroll liabilities	7,426	-
Accrued charges	-	30,698
	-----	-----
Total trade and other payables	7,426	53,280
	=====	=====

## 10 Income in advance

Sponsorships	-	290,000
Awards sponsorships	-	40,000
	-----	-----
	-	330,000
	=====	=====

## 11 Related parties and related party transactions

### (a) Director's Compensation

The director's act in an honorary capacity and receive no compensation for their services.

### (b) Transactions with Director – Related Entities

There were no related party transactions.

### (c) Key Management Personnel Compensation

	Dec 2013 \$	Jun 2013 \$
Key management personnel compensation	86,448	83,721
	=====	=====


# Directors' Declaration

The directors of the company declare that:

- (a) The attached financial statements and notes thereto comply with Australian Accounting Standards – Reduced Disclosure Requirements.
- (b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company.
- (c) The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* and the *Corporations Regulations 2001*.
- (d) There are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the directors



**PAUL CUTHBERT**  
Chair

Sydney

Dated 29 / 6 / 14



Building a better  
working world

Ernst & Young  
680 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Independent auditor's report to the members of Financial Literacy Australia Limited

### Report on the financial report

We have audited the accompanying financial report of Financial Literacy Australia Limited, which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the 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 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 and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that 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 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 controls relevant to the entity'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 entity's internal controls. 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. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.



Building a better  
working world

## Opinion

In our opinion the financial report of Financial Literacy Australia Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the financial position of Financial Literacy Australia Limited as at 31 December 2013 and of its performance for the period ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Ernst & Young

Darren Handley -Greaves  
Partner  
Sydney  
28 June 2014