

## World Literacy Foundation Inc (ABN 33 940 354 008)

### Independent Audit Report to the Members of World Literacy Foundation Inc.

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We have audited the accompanying special purpose financial report, of World Literacy Foundation Inc. (the Foundation), which comprise the balance sheet as of June 2022, the income statement for the year then ended. The extent to which Accounting Standards have or have not been adopted in the preparation of the special purpose financial report is set out in Note1.

#### *The Responsibility of the Committee*

The committee of the association is solely responsible for the information contained in the special purpose financial report and have determined that the significance accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial report were prepared.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the special purpose financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Reform Act 2012 (Victoria). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 requirement of Australian professional ethical pronouncements.

## World Literacy Foundation Inc (ABN 33 940 354 008)

### Independent Audit Report to the Members of World Literacy Foundation Inc.

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#### *Auditor's Opinion*

In our opinion:

The Financial Report of World Literacy Foundation Inc. is in accordance with the Associations Incorporation Reform Act 2012 (Victoria), including:

1. Giving a true and fair view of the financial position of World Literacy Foundation Inc. as of 30 June 2022 and of its performance for the year ended on that date; and
2. Complying with Australian Accounting Standards, and the Associations Incorporation Reform Act 2012 (Victoria).

Louis Villanueva:

*Louis Villanueva*

Accountant

Professional member registration 210666

29<sup>th</sup> September 2022

*Louis Villanueva*

Louis Villanueva / Registered Tax Agent / Public Accountant

Professional member registration 210666

Institute of Public Accountants

TAN 25208715

0412 068 427/accounting@thevillagroup.com.au

VILLA & CO - The Villa Group Pty Ltd

Office: St Kilda Rd Towers, Suite 717 / 1 Queens Rd Melbourne 3004

Postal address: PO Box 1061, Mountain Gate, Vic 3156

**World Literacy Foundation Inc.**  
**Statement of Financial Performance**  
**For the year ended 30 June 2022**

	2022	2021
	\$	\$
<b>Revenue</b>		
Donation Receipts	462,010.74	408,057.89
Other Income	-	-
<b>Total revenue</b>	<b>462,010.74</b>	<b>408,057.89</b>
<b>Expenditure</b>		
Accounting Fees	5,936.35	10,030.00
Bank charges	685.98	1,089.91
Website Development	2,795.93	2,364.73
Research/evaluation	27,834.06	19,360.00
Administration & Marketing	32,062.90	34,974.70
Direct Project Costs	271,765.12	205,232.96
Project Development costs	37,747.56	17,600.00
Fundraising Costs	9,606.90	-
Salary on costs	15,000.00	14,425.00
	-	-
Wages/Salaries	53,240.00	40,723.96
<b>Total expenses</b>	<b>456,674.80</b>	<b>345,801.26</b>
<b>Surplus (Deficit) from Ordinary Activities</b>	<b>5,335.94</b>	<b>62,256.63</b>

**World Literacy Foundation Inc.**  
**Statement of Financial Position**  
**Detailed Balance Sheet as at 30 June 2022**

	2022 \$	2021 \$
<b>Equity</b>		
Retained Surplus	139,514.60	110,648.66
<b>Total Equity</b>	<u>139,514.60</u>	<u>110,648.66</u>
<b>Represented by:</b>		
<b>Current Assets</b>		
<b>Cash Assets</b>		
Cash at Bank - Current Account	129,520.09	131,246.41
	<u>129,520.09</u>	<u>131,246.41</u>
<b>Other Debtors</b>		
GST - Input Control	9,994.51	2,932.25
	<u>9,994.51</u>	<u>2,932.25</u>
WLF Loaned to AK	-	-
<b>Total Current Assets</b>	<u>139,514.60</u>	<u>134,178.66</u>
<b>Non-Current Assets</b>		
<b>Fixed Assets</b>		
Equipment- at cost	-	-
Equipment Accum Dep'n	-	-
	-	-
Motor Vehicles-at cost	-	-
Motor Vehicles Accum Dep'n	-	-
	-	-
<b>Total Fixed Assets</b>	<u>-</u>	<u>-</u>
<b>Total Non-Current Assets</b>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<u>139,514.60</u>	<u>134,178.66</u>

These financial statements must be read in conjunction with the attached Accountant's  
 Compilation Report and Notes which form part of these financial statements

**World Literacy Foundation Inc.**  
**Statement of Financial Position**  
**Detailed Balance Sheet as at 30 June 2022**

	<b>2022</b>	<b>2021</b>
	\$	\$
<b>Current Liabilities</b>		
	-	-
	-	-
<b>Total current liabilities</b>	<u>-</u>	<u>-</u>
<b>Non-Current Liabilities</b>		
	-	-
<b>Total Non - Current Liabilities</b>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>
 <b>Net Assets</b>	 <b>139,514.60</b>	 <b>134,178.66</b>
 <b>Retained Earnings</b>		
Balance at 1 July 2021	134,178.66	71,922.03
Surplus Attributable to Members	5,335.94	62,256.63
<b>Balance at 30 June 2022</b>	<u><b>139,514.60</b></u>	<u><b>134,178.66</b></u>
	-	-

*Louis Villanueva*

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**These financial statements must be read in conjunction with the attached Accountant's  
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**WORLD LITERACY FOUNDATION INC.**  
**Statement of Cash flow for the year ended 30 June 2022**  
**(Direct Method)**

<b>Cash flows from operating activities</b>	<b>2022</b>	<b>2021</b>
Cash receipts in the course of operations	462,010.74	408,057.89
Cash payments to suppliers & employees	- 456,674.80	- 345,801.26
Cash generated from operations	<u>5,335.94</u>	<u>62,256.63</u>
Other receivables		-
GST Paid	- 7,062.26	- 677.46
Interest received	-	-
<b>Net cash from operating activities</b>	<b>- 1,726.32</b>	<b>61,579.17</b>
 <b>Cash flows from investing activities</b>		
Purchase of property, plant & Equipment (Note 1)	-	-
<b>Net cash from investing activities</b>	<b>-</b>	<b>-</b>
 <b>Cash flows from financing activities</b>		
Borrowing acquired	-	-
Borrowing acquired - Loans from Other Foundation	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
 <b>Net increase in cash and cash equivalents</b>	 <b>- 1,726.32</b>	 <b>61,579.17</b>
<b>Cash and cash equivalents at the beginning of period (Note 2)</b>	<b>131,246.41</b>	<b>69,667.24</b>
<b>Cash and cash equivalents at the end of period (Note 2)</b>	<b>129,520.09</b>	<b>131,246.41</b>

**Notes to the Cash Flow Statement (Direct Method)**

1. Property, Plant and Equipment

2. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 12 months or less. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
Cash on hand - Business Accounts	129,520.09	131,246.41	69,667.24	69,667.24
Cash on hand - Saving accounts	-	-	-	-
Cash and cash equivalents as previously reported	<u>129,520.09</u>	<u>131,246.41</u>	<u>69,667.24</u>	<u>69,667.24</u>

**WORLD LITERACY FOUNDATION INC.**

**Reconciliation on Net Cash provided by Operating Activities to Increase or Decrease**

	<b>2022</b>	<b>2021</b>
Revenue	5,335.94	62,256.63
Adjustment for:		
Depreciation	-	-
	<u>5,335.94</u>	<u>62,256.63</u>
Decrease in Withholding Tax paid	-	-
Decrease in GST Payable	-	-
Increase in other receivables	-	-
Increase Superannuation payable	-	-
Increase in GST Paid	- 7,062.26	- 677.46

# WORLD LITERACY FOUNDATION INC.

## Statement of changes in Equity for the year ended 30 June 2022

	<b>Retained Profits</b>	<b>Total Equity</b>
<b>Balance at 01 July 2019</b>	<b>110,648.66</b>	<b>110,648.66</b>
Increase ( Decrease ) in Net Assets	- 33,726.63	- 33,726.63
Increase ( Decrease ) in Net Liabilities	- 5,000.00	- 5,000.00
Other comprehensive Increase for the period	-	-
Total comprehensive surplus attributed to members	71,922.03	71,922.03
Transactions with members in their capacity as members		
<b>Balance at 30 of June 2020</b>	<b>71,922.03</b>	<b>71,922.03</b>
	<b>Retained Profits</b>	<b>Total Equity</b>
<b>Balance at 01 July 2020</b>	<b>71,922.03</b>	<b>71,922.03</b>
Increase ( Decrease ) in Net Assets	62,256.63	62,256.63
Increase ( Decrease ) in Net Liabilities	-	-
Other comprehensive Increase for the period	-	-
Total comprehensive surplus attributed to members	134,178.66	134,178.66
Transactions with members in their capacity as members		
<b>Balance at 30 of June 2021</b>	<b>134,178.66</b>	<b>134,178.66</b>
	<b>Retained Profits</b>	<b>Total Equity</b>
<b>Balance at 01 July 2021</b>	<b>134,178.66</b>	<b>134,178.66</b>
Increase ( Decrease ) in Net Assets	5,335.94	5,335.94
Increase ( Decrease ) in Net Liabilities	-	-
Other comprehensive Increase for the period	-	-
Total comprehensive surplus attributed to members	139,514.60	139,514.60
Transactions with members in their capacity as members		
<b>Balance at 30 of June 2022</b>	<b>139,514.60</b>	<b>139,514.60</b>

*Louis Villanueva*

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WORLD LITERACY FOUNDATION INC.

# **World Literacy Foundation Inc.**

**MEMBERS' REPORT AND ACCOUNTS  
FOR THE PERIOD ENDED 30 June 2022**

**Association Registration No: A0055790R**

**ABN: 33 940 354 008**



WORLD LITERACY FOUNDATION INC.

**Statements give true and fair view of financial performance and position of the association  
For the year ended 30 June 2022**

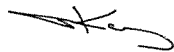
The committee has determined that the association is not reporting entity and that this special purpose financial report should be prepared in accordance with the Australian Accounting Standards.

The committee of the Association declare that:

1. The Financial Statements present fairly the association's financial position as of 30 June 2022 and its performance for the year ended on that date in accordance with Australian Accounting Standards;
2. In the committee's opinion there are reasonable grounds to believe that World Literacy Foundation Incorporated will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with resolution of the committee and is signed for and on behalf of the Committee by:

Member 1



Andrew Kay CEO/Secretary)

Member 2:



Darryn Keneally Chairman

Date: 29<sup>th</sup> September 2022

## **MEMBERS' RESPONSIBILITIES**

The committee of management is solely responsible for the information contained in the special purpose financial statements and has determined that the basis of accounting adopted is appropriated to meet the needs of the committee of management for the purpose of complying with the association's constitution.

## **COMMITTEE MEMBERS**

The committee members as at the date of this report are:

Chairman – Darryn Keneally

Secretary – Andrew Kay

Treasurer – Angelica Correa

Ordinary Member- Tony Cree

Ordinary Member- Julia Paterson

## **PRINCIPAL ACTIVITIES:**

The World Literacy Foundation in Australia is working in partnership with 45 groups and 3920 internationally across 25 countries with one common goal: to eradicate illiteracy in our lifetime.

In Australia, one in four children struggle with basic reading skills. Our local programs focus on bridging the literacy gap for Indigenous Australians and children from low-income, migrant and marginalised communities. We provide free children's books and tutoring support to 10,000 children with limited reading skills

We plan to see every Australian child reach their full potential through the power of learning and literacy.

By doing so, we aim to reduce poverty, improve health, increase employment and educational prospects, and see lives changed forever.

Signed in accordance with a resolution of the Members of the Committee on:

29<sup>th</sup> September 2022



Andrew Kay



Darryn Keneally