



United Way Australia

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

CONTENTS

Directors' Report of United Way Australia - the Trustee of the United Way Australia Fund	3-7
Auditor's Independence Declaration	8
Declaration by Chief Executive Officer of United Way Australia - the Trustee of United Way Australia Fund in respect of Fundraising Appeals	9
Directors' of United Way Australia Declaration in relation to the United Way Australia Fund	10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Notes to the Financial Statements	15-20
Independent Audit Report	21-22
Disclaimer on Additional Financial Information	23
Supplementary Information Relating to the Financial Statements	24-26

United Way Australia registered office and principal place of business is:
United Way Australia
Level 3
118 Mount Street
North Sydney, NSW 2060

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

DIRECTORS' REPORT OF UNITED WAY AUSTRALIA THE TRUSTEE OF UNITED WAY AUSTRALIA FUND

Your Directors submit their report for the year ending 31st December 2010

United Way Australia's long term objective is to make Australia a place where all individuals and families achieve their human potential by mobilizing the caring power of communities to advance the common good. Its principal function in pursuit of this objective is to act as the Trustee of the United Way Australia Fund (formerly the United Way Sydney Donations Fund) a trust that has been granted Deductible Gift Recipient status under the Income Tax Assessment Act 1997 and which seeks to drive positive change in the lives of people living in disadvantaged urban communities across Australia, focussing primarily on areas of need associated with education, income stability, health and housing.

Strategy

United Way Australia seeks to galvanize and connect all sectors of society—individuals, businesses, non-profit organizations and governments—to create long-term social change. It seeks to fund such work through a range of workplace giving programs it operates in conjunction with its various corporate partners and monies raised from individual donors. It also operates a broad based volunteering program called Corporate Connect through which it connects volunteers sourced from its corporate partners' workforce with charitable organizations that are actively supported by United Way Australia. In all of these activities United Way's strategy is largely focused on four areas of need that have been objectively determined that can be broadly categorized as education, income stability, health and homelessness.

Results

The company's sole function throughout the year was to act as the trustee of the United Way Australia Trust. The gross revenue from operations of the Fund reduced to \$3,813,283 in 2010 (2009 gross revenue: \$4,512,864). In addition to financial contribution from its donors United Way Australia expanded its Corporate Connect Program during the year delivering 9,756 volunteers hours (2009: 8,367 hours) through the efforts of 1,735 volunteers (2009: 1,563 volunteers) on 118 projects (2009: 105 projects) in the community.

Change of name

During the year the company changed its name to United Way Australia (formerly United Way Sydney) as it moved to take the role of leader of the United Way movement in Australia. Consistent with this new role membership of the company was changed with a representative of each of the independent United Ways across Australia being admitted as members and the board being restructured to incorporate directors nominated by the new membership. This change occurred in July 2010 at which time the number of members of the company were reduced to 15 each having a liability of \$50 to contribute to the company in the event of a winding up. In this new mode of operation the company continued to act as the trustee of the United Way Australia Fund trust (formerly the United Way Sydney Donations Fund) but also commenced to undertake various support function to other United Ways across Australia for which those bodies paid, on a cost recovery basis.

Names, qualifications and experience of

Directors that held office throughout the year:

Philip Hoser, MA (Cantab), Barrister (England), joined the United Way Sydney Board in July 2008. Philip is a partner in Jones Day, an international law firm.

Heather Leembruggen, BA (Hons), has over 40 years experience in local and global management in the advertising and marketing communications industry; she co-founded Advertising Partners Australia and is Managing Director/owner of Communications Plus. She serves as a World Board Vice President & Director of the International Advertising Association, and was World Treasurer. She is Chair of IAA Australia Chapter. She has served United Way in local and global appointments: United Way Sydney Director since 1990, United Way Australia President /Chair (2006-2009) and Director, United Way Melbourne Director, Chair of UWS Allocations Committee (1996-2009), Communications/Marketing (since 1990), UW Global Standards Committee (2005-06), UW Worldwide Transition Board 2007-2009. She is a founding member of Chief Executive Women, and is a Fellow of AICD. She received the Australian Centenary Medal for "business leadership" in 2003.

Brian Long FCA is Chairman of United Way Australia. He is a member of the Board of Directors of Commonwealth Bank Of Australia . He is also the Chairman of the Board of Directors of Network Ten Holdings Limited . He is the Chairman of the Audit Committee and a member of the Council of each of the National Library of Australia and the University Of NSW . Previously he had been a partner of the accounting firm Ernst & Young for almost 30 years and had been the Presiding Partner of the Ernst & Young Global Advisory Council and Presiding Partner of the Ernst & Young Oceania Area Advisory Council.

New Directors appointed 14th July 2010:

Rob Bransby is currently the Managing Director of HBF Health Ltd. Prior to working at HBF, Rob enjoyed a successful career in banking, holding various senior positions during twenty-five years at the National Australia Bank. He is active in community service in Western Australia. Until recently he was the Chairman of United Way Western Australia and continues to be a Director of the organisation as well as a Director of United Way Australia.

Denise Brotherton BEc. CPA MTax is a Partner with Ernst & Young, specialising in business tax advisory services including services to the not for profit sector. Denise has worked with Ernst & Young for 17 years. She is currently a board member of the EY Foundation. Denise has worked with United Way in Australia for almost 3 years including as a Director and Chair of the former United Way Melbourne board.

Geoffrey S Green OAM RFD ED is a retired Financial Adviser, formerly Managing Director of Sedgwick Noble Lowndes Financial Planning Pty Ltd. He has a history spanning over 40 years of voluntary service in community organisations, including 16 years on the board of The Lord Mayor's Charitable Fund, including three years as Chairman. He is a Life Governor of Jewish Care Victoria Inc. and served for many years on the Board of the Jewish Community Council of Victoria, including a term as Chairman. He has been engaged with United Way Australia for over 10 years and also served as Chairman for 3 years.

Anne-Marie Maley B Com, MBA Marketing, has a background in accounting and has worked with a variety of organisations including The Age newspaper, the School of Mines & Industries and the Ballarat Chamber of Commerce. She joined the City of Ballarat in 2003 and served as a Councillor on the Shire of Ballarat from 1991 -1993, is a past President of the Art Gallery of Ballarat Board of Management and worked in Corporate Planning for two years before moving into the role of Financial & Treasury Accountant, where she is responsible for Investments and Financial Reporting.

Sarah Toohey (resigned 17th March 2011) is a Partner at Gadens Lawyers, Brisbane. She has practised in the areas of corporate and commercial law for over 15 years, with particular expertise in GST, stamp duties and structuring for property transactions. She currently heads up the Aboriginal Business Group within the Property and Commercial Services Group in the Brisbane office. Sarah assisted in the establishment of United Way Queensland and served on the board of that company for nearly 3 years.

Geoffrey Vogt has extensive experience in the financial services and insurance industries. He is currently CEO of the Industry Leaders Fund Inc, which identifies and invests in the development and realisation of the potential of future industry leaders in South Australia. He is a Director of a financial institution, a statutory authority, and two not for profit organisations. He is also a Lieutenant Colonel in the Australian Army Reserve. For nearly 12 years until July 2008, Geoffrey was Chief Executive Officer of the Motor Accident Commission in South Australia, a Statutory Authority which has responsibility for the monopoly compulsory third party insurance scheme in the state and has had experience as a Ministerial Advisor.

Lorraine Wilson is a Director of Wyuna Farms, a diversified agricultural business principally producing chicken meat and citrus fruit, and a NSW Farmers Association Executive Councillor, on the Conservation and Resource Management Committee of NSWFA, Director of United Way Central Coast and ABN 59 008 631 310 (formerly United Way Australia Limited). She has been involved in her community for over 45 years, holding executive positions on P & Cs, Country Fair and for 12 years produced on a voluntary basis a community newsletter which is published privately now. For the past 35 years she has been an active member of Girl Guides Association NSW and ACT, holding Youth and Adult Leadership roles on several levels. She has also carried out State Public Relations Adviser and NSW Board Member positions in the past.

Directors in office at start of year that resigned effective 14th July 2010 each of whom have continued to play a role supporting United Way Australia as members of the Sydney Regional Council:

Tom Brigstocke joined the United Way Sydney Board in November 2002. He has specialised in branding and communications for over 25 years in the UK, Europe and Australia and is now Managing Director of Principals Pty Ltd, Australia's leading independent brand strategy and identity company. He is Chairman of Friend Group Pty Ltd which specialises in direct marketing services and has spent 3 years on the board of Brumby's Bakeries Holdings Ltd. Tom now serves on the Sydney Regional Council.

David Field, FAICD, joined the United Way Sydney Board in July 2008. David currently holds senior positions with several organisations including Resident Director GE of SeaCo Australia Pty Ltd, Director of Australia Day Council of NSW, Director of the Merchant Navy War Memorial Fund Ltd, Trustee of The Sydney Bethel Union, Director of the Royal Exchange of Sydney and Group Chairman within the CEO Circle. He is Managing Director of Field & Associates Pty Limited specialising in Consulting Services. He previously held the following appointments - Chairman with Norton White Lawyers (2007-2009), Chairman with Sydney Ports Corporation (1998-2006), Managing Director and CEO of Blue Star Line (Aust) Pty Ltd and Chairman of Blue Star Line Asia Pty Limited.

Kieran McKenna, MBA, MAICD, MRMA, joined the United Way Sydney Board in April 1997. Kieran has over 22 years experience in business and risk management. He is currently General Manager, Business Risk for the Retail Bank of Commonwealth Bank of Australia. He is also an Adjunct Lecturer in Risk Management at Edith Cowan University (WA) and was a member of the Federal Government's Risk & Insurance Advisory Board (ComCover) from 2002-2007.

Ramsay Moodie, FCA, FCIS, joined the United Way Sydney Board in September 1993. He is the Secretary of United Way Australia. Formerly a Senior Executive of Fuji Xerox Australia Pty Ltd, Ramsay has over 30 years experience in senior management positions both in Australia and overseas.

David Williams, OAM, joined the United Way Sydney Board in July 2002. David is Chairman of Wexco Group Ltd, having worked in the worldwide logistics, freight forwarding, international trade consulting and customs brokerage business, at both industry and government regulatory levels. He is a past member of Prime Minister and Cabinet Hazardous Materials Security Industry and held previous senior roles including Director of the Australian Logistics Council (ALC), Chairman of the ALC Regulation Steering Trust and a fellow of the Australian Institute of Company Directors.

During the year the directors met on 7 occasions. The following table summarises the details of each directors at meetings having regard to the term of their appointment as a director.

Name	Meetings held while Board Member	Number Attended
Mr Robert Bransby	4	3
Mr Tom Brigstocke (Resigned 14/7/2010)	3	3
Ms Denise Brotherton	4	3
Mr David Field (Resigned 14/7/2010)	3	1
Mr Geoffrey S Green OAM	4	3
Mr Phillip Hoser	7	5
Ms Heather Leembruggen	7	6
Mr Brian Long	7	6
Mr Kieran McKenna (Resigned 14/7/2010)	3	0
Ms Anne-Marie Maley	4	2
Mr Ramsay Moodie (Resigned 14/7/2010)	3	1
Ms Sarah Toohey	4	1
Mr Geoff Vogt	4	4
Mr David Williams OAM (Resigned 14/7/2010)	3	3
Ms Lorraine Wilson	4	2

Dividends

No dividends have been paid, declared or proposed by the company during the financial period. The company's

Review of Operations

During the financial period there has been no significant change in the results of the company or the Trust other than as disclosed in the financial statements and set out in this report.

Significant Changes in State of Affairs

No significant change has occurred in the state of affairs of the company or the United Way Australia Fund during the financial period.

Significant Events after Balance Sheet Date

In the opinion of the directors, since the end of the financial period to the date of this report no matter or circumstance has arisen that has significantly affected or may significantly affect the operations of the United Way Australia Fund or the company, the results of those operations or the state of affairs of the company or United Way Australia Fund in future financial years other than the receipt on behalf of the United Way Australia Fund of a sum of \$187,774 being the proceeds on winding up of ABN 59 008 631 310 Limited (formerly United Way Australia Limited). These funds will be recorded as revenue received by the United Way Australia Fund in 2011 for general use in the pursuit of its goals.

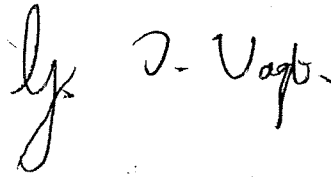
Remuneration of Directors

No Director of the Company has received or become entitled to receive any benefit because of a contract that the Director or a firm of which the Director is a member or an entity in which the Director has a substantial financial interest has made (during this or any other financial year) with the Company or the Trust other than as disclosed in the accounts.

For and on behalf of the board

Handwritten signature of Brian Long in black ink.

Brian Long
Chairman

Handwritten signature of Geoff Vogt in black ink.

Geoff Vogt
Director

Sydney, 2 May 2011

FOSTER RAFFAN
100 Pitt Street
Sydney NSW 2000
Australia
Tel: +61 (0)2 9250 9000
Fax: +61 (0)2 9250 9001
www.foster-raffan.com.au

FOSTER RAFFAN
100 Pitt Street
Sydney NSW 2000
Australia
Tel: +61 (0)2 9250 9000
Fax: +61 (0)2 9250 9001
www.foster-raffan.com.au

AUDITOR'S INDEPENDENCE DECLARATION

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2010 there have been no contraventions of any applicable code of professional conduct in relation to the audit of the United Way Australia Fund.

Foster Raffan



George Raffan
Partner

North Sydney
2 May 2011

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

**Declaration by Chief Executive Officer of United Way Australia
the trustee of United Way Australia Fund
in respect of Fundraising Appeals**

I, Doug Taylor, Chief Executive Officer of United Way Australia, the trustee of United Way Australia Fund declare, in my opinion:

- (a) the financial statements give a true and fair view of all income and expenditure of United Way Australia Fund with respect to fundraising appeal activities for the financial year ended 31 December 2010;
- (b) the balance sheet gives a true and fair view of the state of affairs of the fund as at 31 December 2010;
- (c) the provisions of the Charitable Fundraising Act 1991, the regulations under that Act and the conditions attached to the authority have been complied with during the period from 1 January 2010 to 31 December 2010;
- (d) the internal controls exercised by United Way Australia Fund are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Douglas Taylor
Chief Executive Officer

Sydney, 2 May 2011

UNITED WAY AUSTRALIA FUND

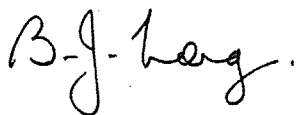
ABN 28 320 878 324

**DIRECTORS' OF UNITED WAY AUSTRALIA DECLARATION
IN RELATION TO THE UNITED WAY AUSTRALIA FUND**

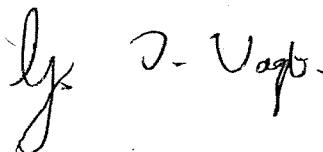
The Directors of the trustee of the United Way Australia Fund Trust declare that:

- (a) the financial statements and notes, set out on pages 10 to 20
 - (i) comply with Accounting Standards in Australia; and
 - (ii) give a true and fair view of the financial position of the Trust as at 31 December 2010 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date;
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due;
- (c) the provisions of the Charitable Fundraising Act 1991, the regulations under that Act and the conditions attached to the authority have been complied with during the period 1 January 2010 to 31 December 2010;
- (d) the financial statements have been properly drawn up and associated records have been properly kept, during the year ended 31 December 2010 in accordance with the Charitable Fundraising Act 1991 and the regulations;
- (e) money received as a result of fund-raising appeals conducted during the year ended 31 December 2010 has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and the regulations; and
- (f) the internal controls are appropriate and effective in accounting for all income received and applied from any fund-raising appeals.

**This declaration is made in accordance with a resolution of the Board of Directors
of the trustee United Way Australia.**



Brian Long
Chairman



Geoff Vogt
Director

Sydney, 2 May 2011

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 \$	2009 \$
DONATIONS FUND			
Revenue			
Donations revenue	2	2,528,024	3,361,013
Previous year donations revenue	8b	35,296	-
Less:			
Revenue received on behalf of other United Way entities in Australia	10b	<u>(1,266,785)</u>	<u>(1,823,595)</u>
		1,296,535	1,537,418
Expenses			
Donations distributed to beneficiaries		(1,231,618)	(1,551,398)
Excess/(Shortfall) of revenue over expenses from Donations Fund		<u>64,917</u>	<u>(13,980)</u>
ADMINISTRATION FUND			
Revenue			
Programme revenue and project income	2	1,249,963	1,151,851
Less:			
Programme revenue and project income allocated to others United Way entities in Australia	10b	<u>(305,689)</u>	<u>(361,593)</u>
		944,274	790,258
Non monetary donations	3	125,613	121,920
Housie contribution		10,698	34,276
Business Partnership income		44,473	108,100
Interest income		<u>63,548</u>	<u>44,587</u>
Total Revenue		<u>1,188,605</u>	<u>1,099,141</u>
Expenses			
Programme		394,274	351,967
Volunteering projects to Sydney community		353,635	235,781
Housie expenses		6,559	16,072
Business Partnership expenses		27,710	79,000
Administration expenses	3	<u>410,527</u>	<u>444,927</u>
Total Expenses		<u>1,192,705</u>	<u>1,127,747</u>
Excess/(Shortfall) of revenue over expenses from Administration Fund		<u>(4,099)</u>	<u>(28,606)</u>
Total Excess/(Shortfall) of revenue over expenses from continuing operations before income tax expense		60,818	(42,586)
Income tax (expense)/ benefit		-	-
Total comprehensive profit/(loss)		<u>60,818</u>	<u>(42,586)</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2010

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	12b	1,322,649	1,335,873
Fixed term bank deposit		224,957	216,305
Receivables	5	<u>250,764</u>	<u>132,473</u>
TOTAL CURRENT ASSETS		<u>1,798,370</u>	<u>1,684,651</u>
NON-CURRENT ASSETS			
Plant and equipment	6	<u>7,298</u>	<u>3,691</u>
TOTAL NON-CURRENT ASSETS		<u>7,298</u>	<u>3,691</u>
TOTAL ASSETS		<u>1,805,668</u>	<u>1,688,342</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables and accrued expenses	7	69,991	119,120
Related parties	10a	373,302	259,968
Deferred revenue	8	<u>473,874</u>	<u>481,572</u>
TOTAL CURRENT LIABILITIES		<u>917,167</u>	<u>860,660</u>
TOTAL LIABILITIES		<u>917,167</u>	<u>860,660</u>
NET ASSETS		<u>888,501</u>	<u>827,682</u>
EQUITY			
Donations Fund			
- for designated purposes	11	242,726	125,856
- for general purposes		331,109	383,061
Administration Fund		<u>314,666</u>	<u>318,765</u>
TOTAL EQUITY		<u>888,501</u>	<u>827,682</u>

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010

	Donations Fund	Donations Fund	Administration Fund	Total
	General Purpose	Designated Purpose (note 11)		
	\$	\$	\$	\$
Balance at 1 January 2009	180,431	342,466	347,371	870,268
Net Movement	202,630	(216,610)	(28,606)	(42,586)
Balance at 31 December 2009	<u>383,061</u>	<u>125,856</u>	<u>318,765</u>	<u>827,682</u>
Net Movement	(51,952)	116,869	(4,099)	60,818
Balance at 31 December 2010	<u><u>331,109</u></u>	<u><u>242,726</u></u>	<u><u>314,666</u></u>	<u><u>888,501</u></u>

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from revenue		3,710,998	4,857,640
Housie & related activities		10,168	34,276
Business Partnership Income		44,473	108,100
Interest received		63,548	44,587
Payments to suppliers & employees		(1,142,999)	(977,459)
Revenue distributed to United Way entities in Australia	10b	(608,364)	(763,762)
Donation distributed to United Way entities' beneficiaries	10b	(850,777)	(1,242,038)
Donation distributed to Sydney beneficiaries		<u>(1,231,618)</u>	<u>(1,551,398)</u>
Net cash provided by operating activities		<u>(4,571)</u>	<u>509,946</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase fixed term bank deposit		<u>(8,652)</u>	<u>(7,428)</u>
Net cash used in investing activities		<u>(8,652)</u>	<u>(7,428)</u>
Net increase in cash held		(13,224)	502,518
Cash at beginning of financial year		<u>1,335,873</u>	<u>833,355</u>
Cash at end of financial year	12b	<u><u>1,322,649</u></u>	<u><u>1,335,873</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, and other authoritative pronouncements of the Accounting Standards Board.

The financial report covers the United Way Australia Fund formerly named the United Way Sydney Donations Fund, a trust granted Deductible Gift Recipient status under the Income Tax Assessment

The trustee of the United Way Australia Fund is United Way Australia, an unlisted public company limited by guarantee, incorporated and domiciled in Australia.

During the year the company changed its name to United Way Australia (formerly United Way Sydney) as it moved to take the role of leader of the United Way movement in Australia. Consistent with this new role membership of the company was changed with a representative of each of the independent United Ways across Australia being admitted as members and the board being restructured to incorporate directors nominated by the new membership. In this new mode of operation the company continued to act as the trustee of the United Way Australia Fund trust (formerly the United Way Sydney Donations Fund) but also commenced to undertake various support function to the other independent United Ways across Australia for which those bodies paid, on a cost recovery basis.

The following is a summary of the material accounting policies adopted by the Trust in the preparation of the Trust's financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The financial report has been prepared on the basis of historical cost. Non-current assets are not stated at values in excess of their recoverable amounts.

(a) Revenue Recognition

Revenue from monetary donations is recognised when the money is received.

Program Revenue and Projects Income are recognised when the services are provided. Revenue received in advance of the provision of services is recognised as deferred revenue.

(b) Non Monetary Donations

The Trust receives various forms of in-kind support from organisations for professional services such as legal advice, consulting, audit and services such as printing, function rooms and catering. Services provided to the Trust are recognised upon receipt at their fair value where this can be reliably measured.

The value of volunteers' time donated to the Trust or to beneficiary charities through the auspices of United Way Australia Fund has not been brought to account.

(c) Expense Recognition - Donations

Donations are recognised as expenses when paid.

(d) Income Tax

The Trust is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(e) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at nominal value. For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks but excludes cash on deposit on a term longer than 3 months.

(f) Receivables

Receivables relate to programme revenue and project income which has been billed and is payable in accord with a current contract.

(g) Plant and equipment

Plant and equipment is initially recorded at cost. Donated assets are attributed a cost based on an estimated market value.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts

Depreciation

Plant and equipment is depreciated on the diminishing value basis over their useful lives to the company. The rates used range between 16% and 40% per annum on the straight line basis.

(h) Payables

Liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods or services received, whether or not billed to the company.

(i) Employee entitlements

Liabilities for wages, salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Long service leave

No provision has been made as no employee had served with the trustee company for more than five years.

(j) **Goods and Services tax (GST)**

Revenue (where applicable), expenses and assets are recognised net of GST, except where GST incurred is not recoverable from, or payable to, the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item of the expenses. Revenue from monetary and non monetary donations is GST-free. Receivables and payables in the balance sheet are shown inclusive of GST where applicable.

	2010	2009
	\$	\$
2. Donations Revenue		
Donations Fund		
- Workplace Giving donation	877,062	1,289,813
- Matching donation	589,477	703,227
- Corporate donation	851,848	1,312,009
- Other fundraising	209,637	55,964
- Previous year donations revenue	35,296	-
	<u>2,563,320</u>	<u>3,361,013</u>
Administration Fund		
Programme revenue and project income	1,249,963	1,151,851
	<u>3,813,283</u>	<u>4,512,864</u>

	2010	2009
	\$	\$
3. Administration Expenses		
Audit fee*	24,000	24,000
Agency expenses	-	-
Depreciation	968	1,230
Information management*	23,972	18,145
Office accommodation*	83,276	79,872
Printing, postage & stationery*	12,445	12,303
Promotional expenses	960	1,720
Salaries and employee benefits	226,990	257,391
Other administration expenses	37,916	50,266
	<u>410,527</u>	<u>444,927</u>

* These expenses include goods and services of \$125,613 (2009 : \$121,920) donated in-kind, the benefits of which have been included as non monetary donations.

	2010	2009
	\$	\$
4. Key Management Personnel Compensation		
Salaries and benefits	133,000	128,000
	<u>133,000</u>	<u>128,000</u>

	2010	2009
	\$	\$
5. Receivables		
Trade receivables	228,706	121,242
Others	22,058	11,231
	<u>250,764</u>	<u>132,473</u>

	2010 \$	2009 \$
6. Plant and Equipment		
At cost	42,673	38,098
Accumulated depreciation	<u>(35,375)</u>	<u>(34,407)</u>
	<u>7,298</u>	<u>3,691</u>
Reconciliation		
Carrying amount at beginning	3,691	4,921
Additions	4,575	-
Depreciation expense	<u>(968)</u>	<u>(1,230)</u>
	<u>7,298</u>	<u>3,691</u>

	2010 \$	2009 \$
7. Payables and Accrued Expenses		
Accruals	11,116	34,061
FBT liability	3,592	1,800
PAYG withholding tax	26,660	7,156
Superannuation payable	1,938	-
Provision for annual leave	20,700	24,569
Other current liabilities	<u>5,985</u>	<u>51,534</u>
	<u>69,991</u>	<u>119,120</u>

8. Deferred Revenue

- (a) The Company has received program revenue and project income of \$473,874 (2009: \$481,572) which has not been brought to account as income as it relates to activities committed to occur in the following year and in respect of which expenses are yet to be incurred.
- (b) During the year it was noted that an amount of \$35,296 received as donations in 2009 had been incorrectly classified as deferred income last year. Having regard to the fact that these donations have been paid absolutely subject only to a condition of their further disbursement on a specific project, this sum has been brought to income in the current year and recorded as a balance on the donations fund subject to a designated purpose.

9. Subsequent Events

There have been no significant events that have occurred subsequent to 31 December 2010 other than the receipt of the sum of \$187,774 being the proceeds on winding up of ABN 59 008 631 310 Limited (formerly United Way Australia). These fund will be recorded as revenue received by the United Way Australia Fund in 2011 for general use in the pursuit of its goals.

10. Related Party Disclosure

	2010	2009
	\$	\$
(a) Payable to other United Way entities in Australia	<u>373,302</u>	<u>259,968</u>
	<u>373,302</u>	<u>259,968</u>
(b) United Way Australia Donations Fund transaction on behalf of United Way entities in Australia which have their own Deductible Gift Recipient Status.		

	2010	2009
	\$	\$
Balance 1 January	259,968	80,580
Revenue received on behalf of other United Way entities in Australia	1,266,785	1,823,595
Programme revenue and project income allocated to other United Way entities in Australia	305,689	361,593
Distributed to other United Way entities in Australia	(608,364)	(763,762)
Distributed to other United Way entities' beneficiaries	<u>(850,777)</u>	<u>(1,242,038)</u>
Balance 31 December	<u>373,302</u>	<u>259,968</u>

- (c) During the year some of the directors or their director related entities have made donations to the United Way Australia Donations Fund. No directors received any remuneration for their services.

11. Donations Fund for Designated Purposes

Donations received under Workplace Giving programs for distribution to specific charities are treated as being for designated purposes. Accumulated funds for designated purposes represent those donations that have not been distributed to the designated charities as at the year end.

12. Cash Flow Information

	2010	2009
	\$	\$
(a) Reconciliation of cash flow from operations		
(Shortfall)/Excess of revenue over expenses	60,818	(42,586)
Non-cash flows:		
Depreciation	968	1,230
Provision for annual leave	(3,869)	11,724
Changes in Assets & Liabilities:		
(Increase)/ Decrease in receivables	(118,290)	(21,198)
(Increase)/ Decrease in assets	(4,575)	-
Increase in payables and accruals	68,074	204,905
Increase/ (Decrease) in deferred revenue	(7,698)	355,871
Cash flows from operations	<u>(4,571)</u>	<u>509,946</u>

12. Cash Flow Information (continued)

(b) Reconciliation of cash and cash equivalents

Cash on hand	500	500
Cash at bank	<u>1,322,149</u>	<u>1,335,373</u>
	<u>1,322,649</u>	<u>1,335,873</u>

13. Financial Risk Management

The company's financial assets and liabilities comprise cash, trade receivables and payables.

The cash equivalent is interest bearing with floating interest rates of 0.35% to 5.25% (2009: 0.35% to 3.8%). In addition there is a term deposit of \$224,957 with a fixed interest rate of 6% (2009: 4%) on which maturity is less than 1 year.

The Company's activities may expose it to a variety of financial risks: market risk (including interest rate risk), credit rate risk and liquidity risk.

a) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The company has no significant exposure to interest rate risk as cash is the only financial asset or liability with interest rate exposure.

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the balance date is the carrying value of cash, cash equivalents and receivables as disclosed in the financial statements. These are considered to have low credit risk. There are no material amounts that are past due or impaired.

c) Liquidity risk

The company manages liquidity risk by maintaining sufficient cash at bank and bank facilities to meet its liabilities. Management monitors these cash requirements. Trade payables as disclosed in note 7 are typically settled within 30 days.

Partners:
Graeme J McLean
George D D Raffan
G Douglas Wood
Vivian H Tang

Associates:
Louise J Cottee
Christine M Watson

ABN 20 203 719 909
PO Box 629
North Sydney NSW 2059
Australia
Level 6, 8 West St
North Sydney NSW 2060
Tel: (02) 9956 7500
Fax: (02) 9956 7355
email@fosterraffan.com.au
www.fosterraffan.com.au

UNITED WAY AUSTRALIA FUND INDEPENDENT AUDIT REPORT

Report on the Financial Report

We have audited the accompanying financial report of United Way Australia Fund on pages 10 to 20, which comprises the Statement of Financial Position as at 31 December 2010, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, notes to the financial statement and the Directors' Declaration relating to this financial report made by the directors of the trustee of the United Way Australia Fund.

The Responsibility of Trustee for the Financial Report

The trustee of United Way Australia Fund is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). The trustee's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. 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 judgement, including the assessment of the risk 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 entity's preparation and fair presentation of the financial report 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustee of United Way Australia Fund, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared to satisfy the requirements of the trust deed. 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 trustee, 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.

UNITED WAY AUSTRALIA FUND INDEPENDENT AUDIT REPORT

Independence

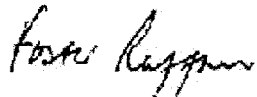
In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Basis for Qualified Auditor's Opinion

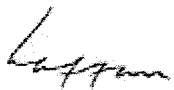
As is common by many charitable organisations, it is not always practicable for the trustee to establish accounting control over donations until they are recorded in the accounting records. Accordingly it is not possible for our examination to include procedures which would identify donations that have not been recorded.

Qualified Auditor's Opinion

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary if we had been able to identify donations that were not recorded in the accounting records, the financial report presents a true and fair view of the financial position of United Way Australia Fund as at 31 December 2010 and of its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).



Foster Raffan



George Raffan
Partner

North Sydney
2 May 2011

United Way Australia Fund
100 Pitt Street
Sydney NSW 2000
Australia
Tel: (61) 2 9250 1000
Fax: (61) 2 9250 1001
www.foster-raffan.com.au

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional financial information, being the Donations Distributed to Beneficiaries for the year ended 31 December 2010, has been compiled by the trustee of United Way Australia Fund and is included on page 24 to 26 of the financial report.

No audit or review has been performed by us on this additional information and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than United Way Australia Fund may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.



Foster Raffan



George Raffan
Partner

North Sydney
2 May 2011



UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

	2010	2009
	\$	\$
Donations Distributed to Beneficiaries		
ACT Asthma Association	-	6,346
ACT Down Syndrome Association Inc	1,380	-
Adventist Development Relief Agency	1,150	-
AEIOU Foundation	11,805	-
Alzheimer's Australia NSW	936	-
Amnesty International Australia	3,118	2,165
Anglicare	950	-
Animals Asia Foundation	610	-
APHEDA Overseas Project Fund	2,300	3,700
Assistance Dogs Australia Limited	6,898	82,256
Asthma Foundation of NSW	-	10,000
Aunties & Uncles Co-operative Family Project Ltd	-	2,961
Australia for UNHCR	2,376	-
Australian Baptist World Aid Inc-Overseas Aid Fund	6,656	6,383
Australian Cancer Research Foundation	710	3,370
Australian Red Cross	17,267	173,574
Autism Spectrum Australia (ASPECT)	13,492	11,970
Beacon Foundation	95,000	2,000
Berry Street Victoria - Berry Street Incorporated	240	30
Beyondblue Limited	5,151	7,630
Bilgola Surf Life Saving Club	7,762	10,555
Boys' Town Engadine NSW	-	10,000
Bridges	15,000	10,000
Burdekin Association	4,000	-
Bush Heritage Australia	3,320	2,700
Camp Quality ACT	8,548	-
Can Assist - Bathurst	5,322	-
Can Assist - Griffith	2,701	-
Can Assist NSW	36,740	51,462
Can Assist Souther Highland Branch	3,950	-
Cancer Council Australia The	3,596	18,514
Cancer Council NSW	21,982	12,018
CanTeen - Hunter and Northen NSW	6,373	-
CanTeen - Sydney and Central	14,039	-
CanTeen Australia	4,542	48,194
CARE Australia	1,380	2,500
Carers Association of the ACT Inc	1,562	2,590
Caritas Australia	2,411	2,515
Centipede at Glebe School Childcare Centre Inc.	15,000	50,840
Central Coast Kids In Need	6,956	2,202
Child Abuse Prevention Service (Sydney) Inc.	15,000	10,000
Childcare Kitgum Development Fund	7,700	8,750
Christian City Church Ministry Training College	799	18,560
Compassion Australia	11,122	12,645
Conservation Volunteers Australia	1,300	2,500
Country Hope	4,268	6,112
Delta Society Australia Limited	1,410	2,810
Eagle Raps	10,525	3,451
Early Education (Early Ed) Inc	-	10,000
Eden Monaro Cancer Support Group	5,243	11,692
Epilepsy Association - Epilepsy Action	-	10,200
Exodus Foundation, The	40,344	25,669
Family Drug Support	-	17,639
Forsight Foundation for the Deaf/Blind	1,000	63,989
Fred Hollows Foundation Inc	2,345	3,200
Fusion Australia	-	4,700
Garvan Institute of Medical Research	-	7,200
George Gregan Foundation	1,508	2,260
Global Development Group	4,600	5,000
Good Beginnings Australia Limited	105,150	7,350
GROW	7,180	14,153
carried over balance	<u>554,714</u>	<u>784,355</u>

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

	2010 \$	2009 \$
Donations Distributed to Beneficiaries		
carried forward balance	554,714	784,355
Hamlin Fistula Welfare and Research	2,043	2,120
Hartley Lifecare	12,903	11,025
Heartkids NSW Inc	4,103	2,363
Hillsong Foundation, The	3,400	5,000
HOME	4,620	5,975
HOPESTREET Urban Compassion	2,500	6,593
Inala	7,484	9,475
Infants' Home Family Centre	-	27,628
Inspire Foundation	48,450	-
Joseph Varga School The	15,000	14,667
Juvenile Diabetes Research Foundation	4,927	5,980
Kidsafe Hunter	23,039	23,881
Kidsxpress	40,909	22,941
Learning Links	42,399	28,123
Leukaemia Foundation	2,876	-
Life Line Macarthur	10,006	13,086
Manly Drug Education Counselling	9,000	-
Mater Dei Ltd	-	10,000
Meals on Wheels	4,485	7,840
Medecins Sans Frontieres Australia	11,390	15,325
Mercy Foundation	2,000	-
Mission Australia	3,818	-
Moore Theological College	-	1,600
Motor Neurone Disease Assn of NSW Inc	1,180	14,353
Movember	50	2,730
Multiple Sclerosis Society NSW&VIC	1,120	2,830
Muslim Aid Australia Inc - Overseas Aid Fund	-	50
National Breast Cancer Foundation	1,628	3,331
National Heart Foundation of Australia	2,442	-
NCAHS-Coffs Harbour Health Campus	5,507	-
Nordoff-Robbins Music Therapy Australia Limited	10,010	11,117
Opportunity International Australia Limited	1,250	890
Orana Early Childhood Intervention and Education	3,148	7,814
Orygen Youth Health Research Centre	4,200	-
Oxfam Australia	9,847	17,986
OZ Harvest Limited	4,125	2,140
Pathways - Early Childhood Intervention Inc.	11,000	14,823
Pecky's Disability Services	-	11,456
Penrith Community Kitchen	-	5,000
PLAN International Australia - Overseas Aid Acc	1,978	1,486
People and Parks Foundation, The	1,782	3,299
Phoenix House	-	4,447
Police and Community Youth Clubs NSW	-	4,196
Rainbow Club of Australia Ltd	-	10,000
Redkite	2,550	2,650
Riding for the Disabled Association (NSW)	-	10,000
Riverlink Interchange Inc	-	10,000
Royal Alexandra Hospital for Children	12,524	16,048
Royal Flying Doctor Service	-	2,120
RSPCA Australia	9,942	10,910
Salvation Army	-	124,062
Salvation Army Australia Eastern Territory, The	12,499	-
Samaritans Foundation Diocese of Newcastle	4,677	-
Shepherd Centre	-	10,000
Shoalhaven Women's Resource Group	2,077	2,899
Smith Family, The	3,116	6,548
South Sydney Youth Services	62,000	-
Spastic Centre The	1,132	2,250
St George Children with Disabilities	7,662	9,871
St Vincent De Paul	4,000	4,060
Starlight Children's Foundation	11,406	8,422
Stepping Out Housing Program Inc.	15,000	10,000
carried over balance	1,017,919	1,345,765

UNITED WAY AUSTRALIA FUND

ABN 28 320 878 324

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

	2010 \$	2009 \$
Donations Distributed to Beneficiaries		
carried forward balance	1,017,919	1,345,765
Stretch A Family	15,000	-
Sunrise Foundation	-	5,000
Sydney Children's Hospital Foundation Limited	1,228	1,500
Sydney Dogs&Cats Home	2,300	2,500
Taldumande Youth Services	-	9,639
Tear Australia Inc	526	811
Technical Aid to the Disabled	-	17,846
Ted Noffs Foundation Inc, The	100	10,000
Tour de Cure	13,211	4,000
UNICEF Australia United Nations Children's Fund	7,367	9,855
Warrane College UNSW	266	4,005
WaterAid Australia Overseas Aid Fund	4,924	4,950
Wentworth Community Housing	5,000	-
Wesley Mission	4,535	5,415
Westhaven Association	3,148	-
Wilderness Society Inc The	1,375	787
WIRES	-	198
World Society for the Protection of Animals	5,976	6,365
World Vision of Australia	28,620	33,108
WWF Australia	3,959	3,431
Wyong Youth Centre	1,628	3,033
Youth Off The Streets	17,214	9,236
YWCA - NSW	33,280	4,000
Various payment below \$2000 to 98 charities (2009: 85 charities)	64,042	69,954
Total	1,231,618	1,551,398