

Life Changing Experiences Foundation Limited
ABN 13 106 098 926

Annual Report - 30 June 2012

Life Changing Experiences Foundation Limited
Directors' Report
30 June 2012

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2012.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Jessica Brown	CEO
Catherine Joice	Appointed 26 th October 2011
Catherine McBride	Appointed 26 th October 2011
Kathryn Boyle	Appointed 26 th October 2011
Mychelle Vanderburg	Appointed 26 th October 2011
Catherine Rayner	Resigned 26 th October 2011
Tim Dodd	Resigned 25 th November 2011
Sophie Langshaw	Resigned 30 th November 2011

Dividends

There were no dividends paid or declared during the current or previous financial year.

Review of operations

The loss for the company after providing for income tax amounted to \$69,669 (30 June 2011: \$59,171).

Life Changing Experiences Foundation Limited (LCEF) continued to raise funds by way of corporate sponsorship, donations and fundraising events to support the SISTER2sister program run by LCEF to help at-risk teenage girls. In April 2012, 25 teenage girls started the 2012 program.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

LCEF will continue to focus on securing funding to support the programmes provided to help vulnerable teenage girls. Funding is also being sought to strengthen the financial viability of LCEF. Improved governance across all aspects of LCEF operations remains a priority.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Life Changing Experiences Foundation Limited
Directors' Report
30 June 2012

Proceedings on 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.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Jessica Brown
Director

Dated this day of 2012

Catherine McBride
Director

Dated this day of 2012

**Life Changing Experiences Foundation Limited
Auditor's Independence Declaration
Under Section 307C of the Corporations Act 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm Logicca Assurance Pty Limited

Name of Director _____
Peter Hersh

Address Level 6, 151 Macquarie Street
SYDNEY NSW 2000

Dated this day of 2012

Life Changing Experiences Foundation Limited
Financial Report
30 June 2012

Contents

	Page
Financial Report	
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	17
Independent Auditor's Report to the members of Life Changing Experiences Foundation Limited	18

General information

The financial report covers Life Changing Experiences Foundation Limited (LCEF) as an individual entity. The financial report is presented in Australian dollars, which is LCEF's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

LCEF is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office
C/- Logicca Pty Limited
GPO Box 5486
Sydney NSW 2001

Principal place of business
Level 1A
Suite 1A3
410 Elizabeth Street
Surry Hills NSW 2010

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors. The directors have the power to amend and reissue the financial report.

Life Changing Experiences Foundation Limited
Statement of Comprehensive Income
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Revenue	3	264,478	301,956
Expenses			
Accountancy expenses		(4,394)	(6,293)
Advertising expenses		(213)	(6,073)
Employee benefits expense		(73,358)	(75,868)
Depreciation and amortisation expense		(1,966)	(12,159)
Loss on disposal of assets		(420)	-
Other expenses		(253,096)	(260,000)
Finance costs		(700)	(734)
Loss before income tax expense		(69,669)	(59,171)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the members of the company	14	(69,669)	(59,171)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of the company		<u>(69,669)</u>	<u>(59,171)</u>

Life Changing Experiences Foundation Limited
Statement of Financial Position
As at 30 June 2012

	Note	2012 \$	2011 \$
Assets			
Current assets			
Cash and cash equivalents	4	132,488	198,657
Trade and other receivables	5	4,846	-
Inventories	6	18,617	16,796
Other	7	11,394	13,281
Total current assets		<u>167,345</u>	<u>228,734</u>
Non-current assets			
Property, plant and equipment	8	<u>7,889</u>	<u>7,898</u>
Total non-current assets		<u>7,889</u>	<u>7,898</u>
Total assets		<u>175,234</u>	<u>236,632</u>
Liabilities			
Current liabilities			
Trade and other payables	9	14,439	9,914
Borrowings	10	1,564	
Provisions	11	-	5,790
Other	12	2,065	1,095
Total current liabilities		<u>18,068</u>	<u>16,799</u>
Non-current liabilities			
Provisions	13	<u>7,002</u>	-
Total non-current liabilities		<u>7,002</u>	-
Total liabilities		<u>25,070</u>	<u>16,799</u>
Net assets		<u>150,164</u>	<u>219,833</u>
Equity			
Retained profits	14	<u>150,164</u>	<u>219,833</u>
Total equity		<u>150,164</u>	<u>219,833</u>

Life Changing Experiences Foundation Limited
Statement of Changes in Equity
For the year ended 30 June 2012

	Retained profits \$	Total equity \$
Balance at 1 July 2010	279,004	279,004
Other comprehensive income for the year, net of tax	-	-
Loss after income tax expense for the year	<u>(59,171)</u>	<u>(59,171)</u>
Balance at 30 June 2011	<u>219,833</u>	<u>219,833</u>
	Retained profits \$	Total equity \$
Balance at 1 July 2011	219,833	219,833
Other comprehensive income for the year, net of tax	-	-
Loss after income tax expense for the year	<u>(69,669)</u>	<u>(69,669)</u>
Balance at 30 June 2012	<u>150,164</u>	<u>150,164</u>

Life Changing Experiences Foundation Limited
Statement of Cash Flows
For the year ended 30 June 2012

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from customers		256,916	295,033
Payments to suppliers		<u>(327,723)</u>	<u>(361,098)</u>
		(70,807)	(66,065)
Interest received		7,295	6,922
Interest and other finance costs paid		<u>(700)</u>	<u>(734)</u>
Net cash used in operating activities		<u>(64,212)</u>	<u>(59,877)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	8	<u>(1,957)</u>	-
Net cash used in investing activities		<u>(1,957)</u>	-
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(66,169)	(59,877)
Cash and cash equivalents at the beginning of the financial year		<u>198,657</u>	<u>258,534</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>132,488</u></u>	<u><u>198,657</u></u>

Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Grant Income

Government grants are recognised when the company obtains control of or the right to receive the grant, and where applicable, there is reasonable assurance that the company will comply with the conditions attaching to the grant. A liability arises when a present obligation exists to repay a Government grant.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Inventories

Finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-7 years
Motor Vehicles	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Wages and salaries, and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated on a net basis of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2012. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 2010-5 Amendments to Australian Accounting Standards

The company has applied AASB 2010-5 amendments from 1 July 2011. The amendments made numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the International Accounting Standards Board.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Note 3. Revenue

	2012	2011
	\$	\$
<i>Sales revenue</i>		
State/federal government grants	-	3,520
Other grants	176,826	133,156
	<u>176,826</u>	<u>136,676</u>
<i>Other revenue</i>		
Interest	7,295	6,924
Fundraising Income	29,735	83,138
Other revenue	50,622	75,218
	<u>87,652</u>	<u>165,280</u>
Revenue	<u>264,478</u>	<u>301,956</u>

Note 4. Current assets - cash and cash equivalents

Cash at bank	<u>132,488</u>	<u>198,657</u>
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Note 5. Current assets – trade and other receivables

BAS receivable	<u>4,846</u>	<u>-</u>
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Note 6. Current assets - inventories

Finished goods - at cost	<u>18,617</u>	<u>16,796</u>
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Note 7. Current assets - other

Prepayments	11,394	11,448
Security deposits	-	1,833
	<u>11,394</u>	<u>13,281</u>

Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Note 8. Non-current assets - property, plant and equipment

	2012	2011
	\$	\$
Furniture and fixtures - at cost	20,198	18,241
Less: Accumulated depreciation	<u>(12,309)</u>	<u>(10,343)</u>
	<u>7,889</u>	<u>7,898</u>
Motor vehicles - at cost	34,491	34,491
Less: Accumulated depreciation	<u>(34,491)</u>	<u>(34,491)</u>
	<u>-</u>	<u>-</u>
	<u><u>7,889</u></u>	<u><u>7,898</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Office Equipment	Motor Vehicles	Total
	\$	\$	\$
Balance at 1 July 2010	9,861	10,187	20,048
Depreciation expense	<u>(1,963)</u>	<u>(10,187)</u>	<u>(12,150)</u>
Balance at 30 June 2011	7,898	-	7,898
Additions	2,900	-	2,900
Write off of assets	(943)	-	(943)
Depreciation expense	<u>(1,966)</u>	<u>-</u>	<u>(1,966)</u>
Balance at 30 June 2012	<u><u>7,889</u></u>	<u><u>-</u></u>	<u><u>7,889</u></u>

Note 9. Current liabilities - trade and other payables

Trade payables	-	2,092
Employee entitlements payable	1,938	9,673
GST and PAYGW Payable	<u>12,501</u>	<u>(1,851)</u>
	<u><u>14,439</u></u>	<u><u>9,914</u></u>

Note 10. Current liabilities - borrowings

ANZ Credit Card	<u><u>1,564</u></u>	<u><u>-</u></u>
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Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Note 11. Current liabilities - provisions

	2012 \$	2011 \$
Annual Leave	<u>-</u>	<u>5,790</u>

Note 12. Current liabilities - other

Accrued expenses	<u>2,065</u>	<u>1,095</u>
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Note 13. Non-current liabilities - provisions

Long service leave	<u>7,002</u>	<u>-</u>
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Note 14. Equity - retained profits

Retained profits at the beginning of the financial year	219,833	279,004
Loss after income tax expense for the year	<u>(69,669)</u>	<u>(59,171)</u>
Retained profits at the end of the financial year	<u>150,164</u>	<u>219,833</u>

Note 15. Equity - dividends

There were no dividends paid or declared during the current or previous financial year.

Note 16. Key management personnel disclosures

Directors

The following persons were directors of Life Changing Experiences Foundation Limited during the financial year:

Jessica Brown (CEO)
Catherine Joice
Catherine McBride
Kathryn Boyle
Mychelle Vanderburg
Catherine Rayner
Tim Dodd
Sophie Langshaw

Life Changing Experiences Foundation Limited
Notes to the Financial Statements
30 June 2012

Compensation

The aggregate compensation made to the company's CEO is set out below:

Short-term employee benefits	<u>111,790</u>	<u>68,877</u>
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No other directors received remuneration during the financial year.

Note 17. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 18. Events after the reporting period

No matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Life Changing Experiences Foundation Limited
Directors' Declaration**

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Jessica Brown
Director

Dated this day of 2012

Catherine McBride
Director

Dated this day of 2012

Life Changing Experiences Foundation Limited
Independent Auditor's Report

Report on the Financial Report

We have audited the accompanying financial report of Life Changing Experiences Foundation Limited which comprises the balance sheet as at 30 June 2012, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the company's constitution. This responsibility includes establishing and maintaining internal control 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. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statements", that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditors' 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 auditors' 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 auditors consider 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 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 Australian professional ethical pronouncements.

Life Changing Experiences Foundation Limited
Independent Auditor's Report

Auditors' Opinion

In our opinion:

- (a) the financial report of Life Changing Experiences Foundation Limited is in accordance with the company's constitution, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the company's constitution.
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Logicca Assurance Pty Limited
Chartered Accountants

Name of Director: _____
Peter Hersh

Address: Level 6, 151 Macquarie Street, SYDNEY NSW 2000

Dated this day of 2012