

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

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SKYLINE EDUCATION FOUNDATION AUSTRALIA
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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2008.

The names of the directors in office at anytime during or since the end of the year are:

Dr Peter J Hollingworth (appointed 30 July 2007)
Beverley Brock (appointed 20 November 2007)
Sarah K Davies (appointed 19 February 2008)
Samuel A Butcher (appointed 26 February 2008)
Katrina E Reynen (appointed 3 June 2008)
Frances Feenstra (retired 4 March 2008)
Kim Maybery (retired 11 July 2007)
Andrea Blake (retired 17 October 2007)
Brian Keane (retired 31 October 2007)
Tony Scott (retired 23 July 2008)

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

The net profit of the company for the financial year after providing for income tax amounted to \$42,011.

A review of the operations of the company during the financial year and the results of those operations are as follows:

During the year the company was successful in increasing donations to fund the Student program coordination costs. In total 35 students were able to be helped by the company.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were:

To provide academically talented and socially and financially disadvantaged young Australians with educational opportunities and programmes for their personal development and to assist in meeting the costs associated with the education of selected students.

No significant change in the nature of these activities occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the State.

No dividends were paid during the year and no recommendation is made as to dividends.

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

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DIRECTORS' REPORT

No indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. Insurance premiums of \$3,720.70 were paid during the year, including for liability insurance in favour of officers of the company.

No person has applied for leave of court to bring proceedings on behalf of the company or 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.

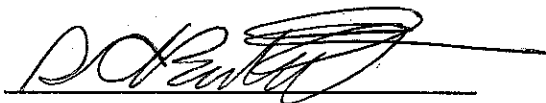
The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is attached to this financial report.

Signed in accordance with a resolution of the board of directors:

Director



18 December
November, 2008

**SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724**

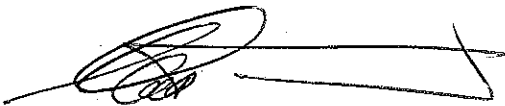
**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001**

TO THE DIRECTORS OF

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 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.

”



**PARTNER: A.O.K. TURNER
EDMONDSON TURNER & CO
BRIGHTON. VIC. 3186**

18 December
November, 2008

SKYLINE EDUCATION FOUNDATION AUSTRALIA
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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Revenue		156,892	203,846
Finance costs		(2,949)	(693)
Other expenses		<u>(111,932)</u>	<u>(104,704)</u>
Profit before income tax expense		42,011	98,449
Income tax expense		<u>-</u>	<u>-</u>
Profit attributable to member of the company		<u><u>42,011</u></u>	<u><u>98,449</u></u>

The accompanying notes form part of these financial statements.

SKYLINE EDUCATION FOUNDATION AUSTRALIA
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BALANCE SHEET
AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	144,406	107,526
Trade and other receivables	3	2,547	7,778
TOTAL CURRENT ASSETS		<u>146,953</u>	<u>115,304</u>
TOTAL ASSETS		<u>146,953</u>	<u>115,304</u>
CURRENT LIABILITIES			
Trade and other payables	4	6,493	16,855
TOTAL CURRENT LIABILITIES		<u>6,493</u>	<u>16,855</u>
TOTAL LIABILITIES		<u>6,493</u>	<u>16,855</u>
NET ASSETS		<u>140,460</u>	<u>98,449</u>
EQUITY			
Retained profits		140,460	98,449
TOTAL EQUITY		<u>140,460</u>	<u>98,449</u>

The accompanying notes form part of these financial statements.

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2008

Profit attributable to equity
shareholders
Balance at 30 June 2007

Profit attributable to equity
shareholders
Balance at 30 June 2008

Retained Earnings \$	Total \$
98,449	98,449
98,449	98,449
42,011	42,011
140,460	140,460

The accompanying notes form part of these financial statements.

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Donations Received		152,290	117,520
Fundraising Income		-	84,672
Interest Received		5,602	654
Payments to Suppliers		<u>(121,012)</u>	<u>(95,320)</u>
Net cash provided by operating activities	6	<u>36,880</u>	<u>107,526</u>
Net increase in cash held		36,880	107,526
Cash at beginning of financial year		<u>107,526</u>	<u>-</u>
Cash at end of financial year	6	<u><u>144,406</u></u>	<u><u>107,526</u></u>

The accompanying notes form part of these financial statements.

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared to satisfy the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

Skyline Education Foundation Australia is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The report has been prepared in accordance with the requirements of the Corporations Act 2001 and the following applicable Australian Accounting Standards and Australian Accounting Interpretations:

AASB 101: Presentation of Financial Statements

AASB 107: Cash Flow Statements

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 110: Events After the Balance Sheet Date

AASB 1031: Materiality

No other Australian Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conventions

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

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

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(b) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. In 2008 revenue represents donations received and interest income. In 2007 revenue included income from fundraising in addition to donations and interest income.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(d) Income Tax

The Foundation has been granted access to charity tax concessions and has income tax exemption from 15 August 2006 under Subdivision 50 - B of the Income Tax Assessment Act 1997.

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
2. CASH AND CASH EQUIVALENTS			
Cash at bank		<u>144,406</u>	<u>107,526</u>
3. TRADE AND OTHER RECEIVABLES			
CURRENT			
Debtors		-	1,000
Good and services tax		<u>2,547</u>	<u>6,778</u>
		<u>2,547</u>	<u>7,778</u>
4. TRADE AND OTHER PAYABLES			
CURRENT			
Creditors		<u>6,493</u>	<u>16,855</u>
5. MEMBERS' GUARANTEE			
<p>The company is limited by guarantee. If the company is wound up the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 30 June 2008 the number of members was 5 (2007: 2).</p>			
6. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
<p>Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:</p>			
Cash at Bank		<u>144,406</u>	<u>107,526</u>
		<u>144,406</u>	<u>107,526</u>

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax			
Profit from ordinary activities after income tax		42,011	98,449
Changes in Assets & Liabilities:			
(Increase)Decrease in Debtors		1,000	(1,000)
Increase(Decrease) in Creditors		(6,131)	10,077
Net cash provided by operating activities		36,880	107,526

SKYLINE EDUCATION FOUNDATION AUSTRALIA
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DIRECTORS' DECLARATION

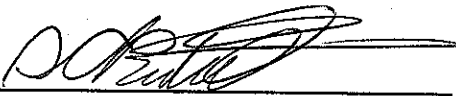
The directors declare that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 5 to 12 are in accordance with the Corporations Act 2001:
 - (a) comply with accounting standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date with the accounting policies described in Note 1 to the financial statements;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



18 December
November, 2008

SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Skyline Education Foundation Australia which comprises the balance sheet as at 30 June 2008 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 director's declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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.

Our 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 or 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 directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. 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 requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of on 18th December 2008, would be in the same terms if provided to the directors as at the date of this auditor's report.

**SKYLINE EDUCATION FOUNDATION AUSTRALIA
ABN 40 120 737 724**

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF**

Qualification

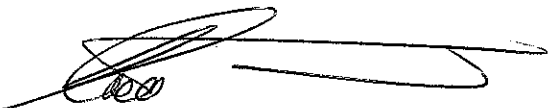
We have not performed an audit of the income statement and statement of cashflows for the period ended 30 June 2007, neither have we performed an audit of the balance sheet as at 30 June 2007.

Qualified Auditor's Opinion

In our opinion, because of the existence of the limitation on the scope of our work as described in the qualification paragraph, and the effect of such adjustments, if any, as might have been determined to be necessary had the limitation in scope not existed, we are unable and do not express an opinion as to whether the comparatives for 2007 are presented fairly in accordance with applicable accounting standards and other mandatory professional reporting requirements.

In our opinion, the financial report of Skyline Education Foundation Australia 2008 is in accordance with the Corporations Act 2001 including:

- a. giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.



**PARTNER: A.O.K. TURNER
EDMONDSON TURNER & CO
BRIGHTON. VIC. 3186**

As Presented
November, 2008