

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2008**

	2008	2,007
	\$	\$
CURRENT ASSETS		
Westpac Fund Operating 226300	3,554	-
Westpac Fund Investment Account 226319	4,904	-
Westpac Foundation Operating 226538	4,588	-
Westpac Foundation Thrift Shop 226546	3,462	-
Westpac Foundation Investment 226554	43,754	-
Westpac Foundation Operating Account 209826	-	3,083
Westpac Foundation Maxi Direct 209834	-	19,369
Westpac Foundation Thrift 220945	-	5,187
Global Development Group Current Account	1,465	-
Cash Float	50	50
	61,777	27,689
FIXED ASSETS		
Signage Thrift Shop	550	550
	62,327	28,239
Less LIABILITIES	0	0
NET ASSETS	62,327	28,239

Represented by:

TRUST CAPITAL		
Settlements	1,010	1,000
Current Income	27,239	14,215
Retained Income	34,078	13,024
TOTAL CAPITAL	62,327	28,239

To be read in conjunction with the Notes to the Accounts

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2008**

NOTES TO THE ACCOUNTS

1. Consolidated Accounts

These consolidated accounts comprise the Hearts for Africa Foundation (ABN 53 929 177 and the Hearts for Africa Fund (ABN 32 500 596 962) that have common Trustees and common purposes (see note 2 below).

2. Income Tax

The Hearts for Africa Foundation is a registered charity CH1533 and has been notified that it has been endorsed for charity tax concessions and is exempt from income tax. Therefore no provision for income tax has been made in these accounts.

The Foundation has caused to be formed the Hearts for Africa Fund that is an Ancillary Fund that has been endorsed as a Deductible Gift Recipient effective from 1 July 2007. Therefore donations of \$2 or more to the Hearts for Africa Fund are tax deductible from 1 July 2007.

3. Expenses

Costs of formation, and most operating and fundraising expenses have been borne by supporters and are not shown in these accounts.

4. Distributions to Amani Development Organization ("Amani")

Distributions to Amani of \$71,834 (last year \$31,165) include \$23,974 (last year Nil) paid by the Hearts for Africa Fund to Global for forwarding to Amani for spending on approved development programs after deducting costs of \$1,339 (last year Nil).

5. Thrift Shop

In 2007 the Thrift Shop operated from 22 February 2007 to 30 June 2007.

6. Hearts for Africa Foundation

The Hearts for Africa Trust was settled on 30 September 2005 to raise funds for the relief of poverty in Africa by distributing its income to the Amani Development Organization. It changed its name to the Hearts for Africa Foundation on 30 June 2007.

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
CONSOLIDATED INCOME AND EXPENDITURE STATEMENT - GENERAL
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2,007
	\$	\$
INCOME		
Donations & Fundraising	63,124	30,379
Thrift Shop Net Income	42,790	15,019
Interest	2,628	662
Total Income	108,542	46,060
 Less EXPENSES		
Audit Fees	330	-
Bank Charges	491	265
Fundraising Expenses	-	415
Global Project Costs (Note 4)	1,339	
Post Office Box	70	-
Registrations for tax deductability	400	-
Total Payments	2,630	680
 NET PROFIT FOR THE YEAR	 105,912	 45,380
 Less DISTRIBUTIONS OF INCOME		
Amani Development Organization (Note 4)	71,834	31,165
 RETAINED INCOME 30 JUNE 2008	 34,078	 14,215

To be read in conjunction with the Notes to the Accounts

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
THRIFT SHOP
CONSOLIDATED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
INCOME		
Thrift Shop Sales	53,702	20,300
Fundraising Event - Education	583	90
Interest Received	25	-
	54,310	20,390
Less COST OF SALES		
Purchases	-	278
Labels & Sundry Shop Items	349	503
	349	781
Gross Income	53,961	19,609
Less EXPENDITURE		
Bank Charges	23	-
Electricity	382	119
Insurance	1,177	964
Office Supplies	163	52
Rent	9,238	3,230
Staff Expenses	166	7
Sundry Expenses	22	218
	11,171	4,590
NET INCOME FOR THE YEAR (Note 5)	42,790	15,019

To be read in conjunction with the Notes to the Accounts

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
CONSOLIDATED FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

STATEMENTS BY TRUSTEES

In our opinion, the financial statements and notes set out on pages 1 to 4 are drawn up so as to give a true and fair view of the financial position of the Hearts for Africa Foundation and the Hearts for Africa Fund as at 30 June 2008 and the results of its combined operations for the year ended on that date.

Signed in Brisbane on 22 August 2008

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**IAN DONALDSON AM FCA
TRUSTEE**

A handwritten signature in black ink, appearing to read 'Alison Jackson', written in a cursive style.

**ALISON JACKSON
TRUSTEE**

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
CONSOLIDATED FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

INDEPENDENT AUDIT REPORT

To the Members of The Hearts for Africa Foundation and the Hearts for Africa Fund.

I have audited the financial report of the combined Hearts for Africa Foundation and the Hearts for Africa Fund ("the Foundation") for the year ended 30 June 2008 as set out on pages 1-4. The Foundation is responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Foundation.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting so as to present a view which is consistent with my understanding of the Foundation's financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

Fundraising revenue is a significant source of revenue for the Foundation. The Foundation has determined that it is impracticable to establish control over the collection of fundraising revenue including Thrift Shop revenue prior to entry in the financial records. Accordingly, as the evidence available to me regarding revenue from this source was limited, my audit procedures with respect to fundraising revenue has been restricted to the amounts recorded in the financial records. Therefore I am unable to express an opinion whether the fundraising revenue that the Foundation obtained is complete.

**THE HEARTS FOR AFRICA FOUNDATION & HEARTS FOR AFRICA FUND
CONSOLIDATED FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

Qualified Audit Opinion

In my opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation of my audit procedures referred to in the qualification paragraph not existed, the financial report (read in conjunction with the notes) presents fairly, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements, the financial position of the combined Hearts for Africa Foundation and the Hearts for Africa Fund at 30 June 2008 and the results of its operations for the year ended on that date.

Signed at Brisbane, 22 August 2008

A handwritten signature in black ink, appearing to read 'RW Ewing', is written over a light grey rectangular background.

**ROBIN W EWING
CHARTERED ACCOUNTANT**