

Financial Statements of
FEED OUR FUTURE
June 30, 2013

FEED OUR FUTURE

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Independent Auditors' Report to the Members

We have audited the accompanying financial statements of the Feed Our Future ("the Company"), which comprise the statement of financial position as at June 30, 2013, and the statements of operations, changes in fund balance and cash flows for the period from May 7, 2012 (date of incorporation) to June 30, 2013, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(continued)



Independent Auditors' Report to the Members (continued)

Basis for Qualified Opinion

The system of internal controls of the Company, in common with many other organisations of similar size and purpose, is dependent upon the close involvement of the Company's management. The Company derives a portion of its income from sources which cannot be fully controlled until they are entered into the accounting records and are therefore not susceptible to independent audit verification. Accordingly, it was not practicable to extend our auditing procedures of such income beyond the amounts recorded.

Qualified Opinion

In our opinion, except for the effects of such adjustments, if any, as we might have determined to be necessary had we been able to verify the completeness of income referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2013, and its financial performance and its cash flows for the period from May 7, 2012 (date of incorporation) to June 30, 2013, in accordance with International Financial Reporting Standards.

KPMG

February 26, 2014

FEED OUR FUTURE

Statement of Financial Position

June 30, 2013

(stated in Cayman Islands dollars)

	Note	2013
Assets		
Cash		172,643
Accounts receivable		49,332
Total assets	CI\$	221,975
Liabilities		
Accounts payable		23,263
Funds		
Unrestricted funds		195,702
Restricted funds	4	3,010
Total Liabilities and Fund balance	CI\$	221,975

See accompanying notes to financial statements.

Approved on behalf of the Board on February 26, 2014

STACEY VANDEVELDE

_____ Director

FRANK BALDERAMOS

_____ Director

FEED OUR FUTURE

Statement of Operations

For the period May 7, 2012 (date of incorporation) to June 30, 2013
(stated in Cayman Islands dollars)

	Note	2013
Income		
Donation from Feed our Future Ltd.		135,262
Event income	3	123,627
Donations		113,218
Donations to cover operating expenses		727
		<u>372,834</u>
Expenditure		
Awards – school lunches		(137,315)
Event expenses	3	(32,136)
Awards – community after school program		(3,600)
Operating expenses		(1,071)
		<u>(174,122)</u>
Increase in fund balance during the period	CI\$	<u>198,712</u>

See accompanying notes to financial statements.

FEED OUR FUTURE

Statement of Changes in Fund Balance

For the period May 7, 2012 (date of incorporation) to June 30, 2013
(stated in Cayman Islands dollars)

	Unrestricted funds	Restricted funds (Note 4)	Total
Increase in fund balance during the period	198,712	0	198,712
Net transfer to restricted funds	(3,010)	3,010	0
Balance at June 30, 2013	CI\$ 195,702	3,010	198,712

See accompanying notes to financial statements.

FEED OUR FUTURE

Statement of Cash Flows

For the period May 7, 2012 (date of incorporation) to June 30, 2013
(stated in Cayman Islands dollars)

	Note	2013
Cash provided by/(applied in):		
Operating activities		
Increase in fund balance during the period		198,712
Add/(Deduct) net changes in non-cash operating balances:		
Increase in accounts payable		23,263
Increase in accounts receivable		(49,332)
		<u>172,643</u>
Increase in cash and cash equivalents during period		<u>172,643</u>
Cash and cash equivalents at beginning of period		0
Cash and cash equivalents at end of period	CI\$	<u>172,643</u>

See accompanying notes to financial statements.

FEED OUR FUTURE

Notes to Financial Statements

June 30, 2013

(stated in Cayman Islands dollars)

1. Background information

Feed Our Future (the “Company”) was incorporated under the Companies Law of the Cayman Islands on May 7, 2012 as a Section 80 not for profit entity. The Company is a non-profit organisation whose primary mission is to solve childhood hunger and to support intellectual nourishment in the Cayman Islands through the funding of nutritionally balanced low cost or free school meals to children in need within public and private schools thereby serving a dual purpose of enriching the learning potential and health of the child and reducing the burden on the community that supports them.

The Company has no share capital and is limited by the guarantee of its members, who undertake to contribute such amount as may be required, not exceeding CI\$1, to the assets of the Company in the event of it being wound up during the time of membership, or within one year after ceasing to be a member, for payment of the debts and liabilities of the Company.

At June 30, 2013, the Company had no employees. The registered office of the Company is located at PO Box 1131, 133x Salt Creek, West Bay, Grand Cayman KY1-1108, Cayman Islands.

On September 12, 2012, the Company received all of the net assets of Feed Our Future Ltd., a company which had been formed for the same purpose. Feed Our Future Ltd. was subsequently dissolved.

2. Significant accounting policies

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). The significant accounting policies and their effect on the financial statements are as follows:

(a) Reporting periods

The financial statements are prepared for the period from May 7, 2012 (date of incorporation) to June 30, 2013.

(b) Basis of measurement

The measurement and presentation currency of the financial statements is the Cayman Islands dollar.

(c) Management estimates and assumptions

The preparation of the financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of income and expenses during the period. Actual results could differ from these estimates.

FEED OUR FUTURE

Notes to Financial Statements (continued)

June 30, 2013

(stated in Cayman Islands dollars)

2. Significant accounting policies (continued)

(d) Foreign exchange

Transactions involving currencies other than Cayman Islands dollars are translated at the exchange rates ruling at the time of those transactions. Assets and liabilities included in these financial statements are translated at the rates of exchange prevailing on the statement of financial position date. Gains and losses on exchange are taken to the statement of operations.

The United States dollar is fixed relative to the Cayman Islands dollar at an exchange rate of US\$1.00 = CI\$0.82.

(e) Interest income

Interest income and expense is recognised in the statement of operations as it accrues. Interest income comprises the interest earned on the cash and cash equivalents.

(f) Donated services

A number of unpaid volunteers make significant contributions of their time and resources to manage the Company's activities. The value of these contributions is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

(g) Fees and donations

General income and donations are recorded in the period in which they are received. Income and donations related to specific events are recorded in the period in which the event was held.

FEED OUR FUTURE

Notes to Financial Statements (continued)

June 30, 2013

(stated in Cayman Islands dollars)

3. Event income and expenses

Event income

	2013
Child month donations	42,196
Flowers sea swim donations	40,195
Ticket sales – Pig roast	21,917
Gala ticket sales – Flowers sea swim	19,094
Other	225
	<hr/>
	CI\$ 123,627

Event expenses

	2013
Gala expenses – Flowers sea swim	(15,897)
Pig roast expenses	(7,868)
Child month expenses	(8,371)
	<hr/>
	CI\$ (32,136)

4. Restricted funds

On October 17, 2012, the foundation deposited a donation of CI\$2,600 with the restriction that it is to be used to fund school meals for 2 additional students at a specified school. CI\$1,652 has been distributed to the school during the period ended June 30, 2013 leaving a residual balance of CI\$948 remaining at June 30, 2013.

On November 1, 2012, an amount of CI\$9,000 was deposited with restrictions that it be used to provide meals at specific schools. CI\$6,938 was utilised during the period ended June 30, 2013 leaving a residual balance of CI\$2,062 remaining at June 30, 2013.

On April 18, 2013 an amount of CI\$12,300 was deposited with the restriction that it may not be used in the payment of administration expenses. In management's view this condition has been met and all amounts have been distributed to schools. There is no outstanding balance at June 30, 2013.

FEED OUR FUTURE

Notes to Financial Statements (continued)

June 30, 2013

(stated in Cayman Islands dollars)

5. Related party transactions

Related parties consist of Board members who contribute to the Company through the direct payment of expenses that would otherwise be incurred by the Company. Where a Board member makes such a contribution, both the donation income and offsetting expense are recorded in the financial statements.

6. Subsequent events

In preparing these consolidated financial statements, management has evaluated and disclosed all material subsequent events up to February 26, 2014, being the date that the financial statements were available to be issued.