



PayPal Giving Fund

Australia



Annual Report and Financial Statements

For the year ended 31 Dec 2021

***PayPal* Giving Fund**

ABN 65 106 950 945



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A letter from the Chair and Executive Director

Dear Supporter,

PayPal Giving Fund Australia has continued its mission to inspire a new wave of philanthropy in 2021 by helping to make giving a part of everyday life and striving to create new sources of funding for charitable organisations in Australia.

We believe this mission is needed now more than ever, as the pandemic has continued to disrupt the operations of charitable organisations around the world, severely impacting their ability to raise funds and, in many cases, deliver their critical services. Our efforts to facilitate the collective generosity of Australians has helped offset the impact of COVID-19 so that Australian charities could continue supporting the individuals and communities relying on them when they have needed it most.

In 2021, we helped raise more than \$34 million during the year, thanks to more than 1.2 million individual donors, and granted funds to 5,135 Australian charities. Much of our growth can be attributed to the amazing efforts of our partners, including leading businesses such as PayPal, Facebook, GoFundMe and Humble Bundle, whose customers support incredible causes with PayPal Giving Fund.

We are excited by the tremendous opportunities ahead to drive our mission for the benefit of the charitable sector in Australia.

Thank you for your continued support which is greatly appreciated.

Regards,



David Sexton
Chair of the Board



Erica McLernon
Executive Director

Our Vision and Mission

PayPal Giving Fund's vision is to inspire a new wave of philanthropy, harnessing the power of technology to make giving a part of everyday life. We pursue this vision by developing innovative programs that introduce charitable giving to new audiences in relevant and engaging ways, benefiting the charity sector.

Through our partnerships, we make it easy for donors to support charities they care about on the websites and apps they use every day. In doing so, we enable charities to forge relationships with new supporters, and to benefit from new sources of funds to apply in the pursuit of their missions. In all that we do, we strive to innovate to provide more opportunities to give, engage more donors, and raise more funds. We provide donation and donor reports, issue tax receipts, distribute grants, and handle registration requirements all without charging charities for our services.





The Australian
Literacy & Numeracy
Foundation

We are incredibly grateful to have the support of PayPal Giving Fund's programs. The programs have not only resulted in donations vital to the sustainability and growth of our work, but also in invaluable awareness.

With the funds raised through these programs, we have been able to reach more children and families than ever before with our life-changing literacy and language programs. We thank the PayPal Giving Fund team, and each and every donor, for helping us create a more inclusive Australia, unlocking authentic potential through the power of literacy and learning.

**Kim Kelly, The Australian Literacy and Numeracy Foundation Limited,
Co-Founder and Executive Director.**



Reference and administrative details of PayPal Giving Fund, its Directors and advisers

Directors	<p>David Sexton Elaine Herlihy Elizabeth Lord</p>	<p>Katherine Raskob Eric Lassen Simon Banks</p>
Company Secretary	Elizabeth Briggs	
Staff	<p>Erica McLernon, Executive Director Nuru Kiyemba, Chief Financial Officer Joshua Tripp, Chief Operating Officer Michelle Werner, Global Marketing Manager</p>	
Registered Office	<p>Level 24, 1 York Street Sydney, NSW 2000</p>	
Contact Details	<p>P: 02 8223 9500 E: care@paypalgivingfund.com.au W: www.paypalgivingfund.org</p>	
Auditor	<p>BDO Audit Pty Ltd Level 11, 1 Margaret Street Sydney NSW 2000</p>	
Solicitors	<p>Corrs Chambers Westgarth Level 17, 8 Chifley 8-12 Chifley Square Sydney NSW 2000</p>	

Directors' Report

The directors present their report, together with the financial report of PayPal Giving Fund for the year ended 31 December 2021.

PURPOSE AND OBJECTIVES

The purpose of PayPal Giving Fund is to grant funds to eligible entities in accordance with the Public Ancillary Fund guidelines.

We continue to focus on the following three priorities, reviewed at a strategy day attended by management and the board, and refined at the subsequent board meeting:

1. Increasing the total funds raised each year to benefit charities across our partnerships and programs.
2. Increasing the number and variety of charities that benefit from our programs through a more inclusive platform that generates more value for charities.
3. Managing our growth by building capacity and operational excellence, so we can operate our programs effectively at greater scale.

Our principal activity to achieve our objectives is the development of partnerships with PayPal Inc and its subsidiaries, and with other leading internet businesses such as Humble Bundle, GoFundMe and Facebook. The partnerships enable eligible charities to benefit from the unrestricted funds we raise through innovative customer giving programs. Performance is measured through the amount of funds raised, volume of eligible charities benefitting and operational performance.



Our Programs

We aim to make charitable giving a part of everyday life, introducing opportunities for new audiences to give in relevant, simple and engaging ways. Our partnerships with leading internet businesses enable their customers to do good by supporting charities as part of their daily lives online.



About our partners



PayPal makes it easy for donors to find and support their favourite charities. Giving opportunities embedded in the PayPal web and mobile app customer experience are enhanced by seasonal campaigns and promotions that inspire people to give more - and give more often. PayPal customers can also create customised fundraisers within the PayPal app and share with other potential donors.



GoFundMe is a social fundraising platform that lets people raise funds to benefit their favourite charities through donations made to PayPal Giving Fund. Through the site, users can create their own unique fundraising campaigns to support a charity of their choosing and share their campaigns through social media to drive donations.



Facebook enables its users to create charity fundraisers and share them with friends and family. Thanks to our partnership, Facebook users can now support any of the charities in PayPal Giving Fund's directory. As with our other programs, donations are made to PayPal Giving Fund, and we then grant the funds to charity in our monthly pay-outs, subject to our policies.



Humble Bundle is a leading retailer of digital games and eBooks that offers its customers the opportunity to support the charities in our network with every purchase they make. Through an innovative "pay what you want" pricing model, customers can not only choose what they want to pay, but also designate a portion of the sale to be donated by Humble Bundle to PayPal Giving Fund to benefit the charity of their choice.

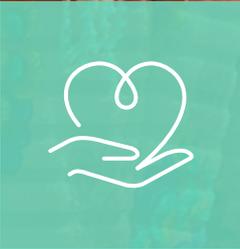


Deed helps companies harness the passion of their employees and customers to take a stand, sharing values, and making a lasting impact in their community.



PayPal Giving Fund is an important fundraising resource that helps Australia for UNHCR to engage new supporters. I am very grateful to PayPal Giving Fund for its support, which has helped to provide life-saving assistance to thousands of people in Afghanistan who have been forced to flee their homes.

Trudi Mitchell, Deputy National Director Australia for UNHCR



Credit: / ©Australia for UNHCR



Our Key Achievements in 2021



OUR KEY ACHIEVEMENTS IN 2021

Highlights

**\$34M AUD
FUNDS RAISED**

in 2021 through our partner programs

1.2M DONORS

gave to PayPal Giving Fund

**5,135 CHARITIES
GRANTED FUNDS**



OUR KEY ACHIEVEMENTS IN 2021

Growing our partnerships

Our partnership programs raised \$34M AUD as a result of more than 1.2M generous donors in Australia and around the world supporting Australian charities.

In March 2021 during the peak of the flood crisis, PayPal and PayPal Giving Fund launched an Australian Flood Relief and Recovery Campaign, enabling Australian PayPal customers to quickly and easily donate \$152,000 to support responding charities including Australian Red Cross, Lifeline and GIVIT, as well as Foodbank Australia. It was touching to note how many Australians remain committed to give when and where they can, with a recent PayPal survey finding that just under four in ten (37%) respondents give often despite the pressures of the pandemic, and a majority of these give to charities that help in times of need (70%).¹

Working with PayPal, we offered their customers a new way to create customised fundraisers for themselves, their communities and for charities. Funds raised to benefit charities are donated directly to PayPal Giving Fund, then granted to the intended charity. This new capability helps charities enrolled with PayPal Giving Fund to benefit from the collective generosity of millions of PayPal customers by providing an accessible, easy and secure way to connect and work together.

Total Funds Raised

\$34M AUD

OUR KEY ACHIEVEMENTS IN 2021

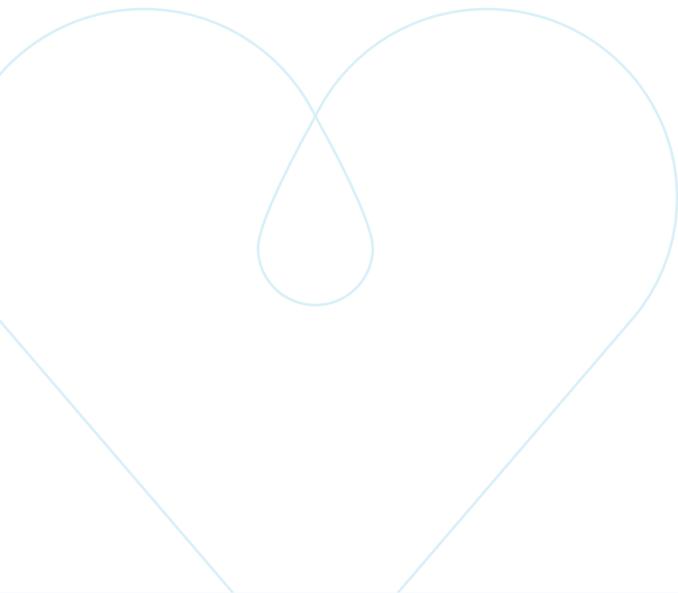
Supporting charities

We granted funds to 5,135 charities in 2021.

This means approximately 1 in 4 eligible Australian charities were supported through PayPal Giving Fund. We also worked to provide more information to charities about fundraising campaigns and provided fundraising toolkits, giving charities greater insights into our programs.

Granted funds to

5,135
charities



OUR KEY ACHIEVEMENTS IN 2021

Leveraging operational support

At PayPal Giving Fund, we are proud that, as in previous years, we've been able to continue our work without deducting any fees for ourselves from the donations we receive.

Thanks to the support of PayPal and our other partners, our operational expenses continue to be fully covered. In addition, PayPal Giving Fund receives considerable in-kind support from PayPal, including product and engineering development and support, customer service resources, legal advice, and use of PayPal's office space and equipment in addition to payment processing on some of our donations. The value of these in-kind services to support our program in Australia totaled \$1M AUD in 2021.



100% of donations received by PayPal Giving Fund are granted to charity

Board and Governance



Structure and Governance

PayPal Giving Fund Australia Company Limited is trustee of PayPal Giving Fund (ABN 65 106 950 945) which is a public ancillary fund registered as a charity under the Australian Charities and Not-for Profits Commission. The sole member of PayPal Giving Fund Australia Company Limited is the PayPal Charitable Giving Fund (“PPGF US”), a United States 501(c) (3) non-profit organisation. PayPal Giving Fund is governed by its trust deed and constitution.

BOARD OF DIRECTORS

The Board of Directors are responsible for the overall governance of PayPal Giving Fund. While there is no cap on the total number of Directors, the minimum number of Directors is three, and with six members currently serving. The majority of those directors are ‘responsible persons’ as required by the Public Ancillary Fund Guidelines. All Directors were duly appointed by PPGF US, having been proposed by the Board. The names of the Directors who served during the year are set out from page 19 of this annual report and accounts. The Board convene regularly for formal meetings, during which they oversee current business and review the charity’s strategy as well as the operational and financial performance against annual plans and budgets. Additional meetings are scheduled on an ad hoc basis where required. On appointment, Directors receive an induction pack containing a detailed background on PayPal Giving Fund and its work, and meet with the Board Chair and Executive Director, helping them make informed decisions from the outset. Directors are encouraged to undertake ongoing professional development to support the overall effectiveness of the board.

BOARD AND GOVERNANCE

RISK MANAGEMENT, INTERNAL CONTROLS AND DELEGATED AUTHORITY

The Board maintain a formal risk management process to monitor and assess business risks and implement risk management strategies. This involves identifying the types of risks that PayPal Giving Fund faces, prioritising these in terms of potential impact and likelihood of occurrence, and deciding how to mitigate the risks.

The Board delegates the exercise of certain powers in connection with the management and administration of PayPal Giving Fund as set out below. This is controlled by the requirement for regular reporting back to the Board, so that all decisions made under delegated authority are ratified by the Board. Performance is monitored and appropriate management information is prepared and reviewed regularly by the Board.

Systems of internal controls are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- A regularly updated strategic plan and annual budget approved by the Board;
- Regular consideration by the Board of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- Delegation of day-to-day management authority and duties, with controls on expenditure decisions by the Executive Director, the Chief Financial Officer and individual Directors;
- Monitoring of PayPal Giving Fund's day-to-day financial transactions by the Executive Director, CFO and accounting team at PPGF US;
- Clear expenses policies with Board Directors. Approval required for any significant expenditure; and
- Identification and management of major risks through a risk register, reviewed at most board meetings.

BOARD AND GOVERNANCE

CODE OF CONDUCT AND CONFLICTS OF INTEREST

The Board and staff are made aware of PayPal Giving Fund's code of conduct and conflicts of interest policy during their induction to the organisation and are provided with a copy of these documents at that time. Any potential conflicts with the Board are disclosed, considered and handled in accordance with the Conflicts of Interest policy. The organisation maintains a register of interests with updates being made when new or changed interests are declared.

DIRECTORS

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

Information on directors

Name:	David Sexton Independent Director, Chair
Date of Appointment:	Aug 2019 - current
Qualifications:	B.Bus
Experience and Expertise:	David has over 25 years of executive leadership and governance experience across various industry sectors and is committed to the success of charitable and for-purpose organisations. He is the former CEO of Variety – the Children's Charity NSW/ACT and currently CEO of WeFlex. He joined the Board of PayPal Giving Fund Australia in August 2019 and was elected Chair in February 2020.

BOARD AND GOVERNANCE

DIRECTORS

Information on directors cont.

Name:	Elaine Herlihy Independent Director
Date of Appointment:	Board Director, Jun 2018 - current Company Secretary July 2019 – Oct 2021
Qualifications:	Bachelor of Commerce, University College Dublin Higher Diploma in Marketing Practice, University College Dublin
Experience and Expertise:	<p>Elaine Herlihy is Chief Marketing and Product Officer at global money transfer firm, OFX, where she leads global marketing, product and data analytics.</p> <p>Before joining OFX, Elaine was Marketing Director at PayPal Australia, where she was responsible for driving customer growth and engagement across both the consumer and merchant portfolios and building the PayPal brand in Australia. Under Elaine's leadership, PayPal was named 'Most Trusted Brand' in Australia by research company Ipsos.</p> <p>Previously, Elaine spent eight years at Westpac Group leading brand and marketing functions across both Westpac and BT Financial Group's Superannuation business. Prior to that, she spent ten years at Reuters in London, in a variety of marketing and communications roles.</p>
Name:	Elizabeth Lord Non-Executive Director
Date of Appointment:	Jan 2020 - current
Qualifications:	BA (Hons), Graduate of the Australian Institute of Company Directors, Chief Marketing Officer for PayPal Australia
Experience and Expertise:	Elizabeth has over 20 years of experience in Marketing Leadership roles and has served the last 10 years in local and overseas roles within PayPal. Since her return to Australia in 2019, she has undertaken Board responsibilities alongside her full time commercial roles, having held 2 positions as a Board Advisor to a Medical Tech Business and latterly the PayPal Giving Fund.

BOARD AND GOVERNANCE

DIRECTORS

Information on directors cont.

Name:	Katherine Raskob Independent Director
Date of Appointment:	Oct 2020 – current
Qualifications:	BA, Master of International Management, GAICD
Experience and Expertise:	<p>Katherine Raskob is the Chief Executive Officer of Fundraising Institute Australia (FIA), the national peak body for professional fundraising. FIA's mission is to advance professional, ethical and best practice fundraising in Australia through a self-regulatory Code, advocacy for the sector, professional development, education and training, and knowledge and resource sharing for fundraisers.</p> <p>She has 20 years' experience in senior management and marketing and communications roles in government, non-profit and for profit organisations in Australia and the United States including at the Association for Data-driven Marketing and Advertising (ADMA) and the Special Broadcasting Service (SBS). A keen volunteer, Katherine has served as a board director for several organisations over the past 10 years. In addition to her role as director for PayPal Giving Fund (Australia), she currently sits on the board of Girl Guides Australia, the national guiding organisation empowering girls and young women to grow into confident community members. She grew up in Minnesota, USA, where she completed her undergraduate degree and a Master's in International Business Management. Katherine is also a member and graduate of the Australian Institute of Company Directors.</p>

Name:	Eric Lassen Non-Executive Director
Date of Appointment:	Apr 2021 – current
Qualifications:	<p>Legal Admissions</p> <ul style="list-style-type: none">• State Bar of California (1999)• Qualified to practice in Victoria, Australia (2014) <p>Stanford University Law School — Palo Alto, California 1995-1998 Stanford University — Palo Alto, California 1988-1992 Bachelor of Arts with Honors</p>
Experience and Expertise:	<p>Eric is the CEO of PayPal Australia, with experience serving as a board director for non-profits since 2007. Before joining PayPal, Eric held the position of Senior Vice President and Deputy General Counsel at Live Nation Entertainment, leading a diverse range of global initiatives for this Fortune 500 company. Eric studied at Stanford Law School and is qualified to practice law in California, USA and Victoria, Australia. Throughout his career, he has been involved in a wide range of charitable endeavors, including supporting youth in the arts and families of children and young adults living with disabilities. In his leadership role with PayPal Giving Fund, Eric draws on his varied senior executive experience to help strengthen the impact of giving in Australia.</p>

BOARD AND GOVERNANCE

DIRECTORS

Information on directors cont.

Name:	Simon Banks Non-Executive Director
Date of Appointment:	Nov 2021 – current
Qualifications:	Graduate, Australian Institute of Company Directors (GAICD) Bachelor of Economics (Finance and Accounting), Macquarie University Master of Business (Marketing), UTS
Experience and Expertise:	A strong and experienced people leader and Executive Director in the Australian financial services industry, with a deep focus on disruptive technologies, payments, mobile commerce and cloud technologies. Career experience spans establishing startup disruptors (eg Hyperwallet) through to established corporates including PayPal and Salesforce.com. Additionally, an experienced investor and advisor to small tech disruptors including CurrencyVue (acquired by Ant Financial), and Australian tech startups such as Laava ID and Slyp.
Name:	Paul Ryan Non-Executive Director
Date of Appointment:	Oct, 2020 – Apr 2021
Qualifications:	MSc. Strategic Management – University College Dublin (2023) B.A. Business and Economics – Trinity College Dublin (1993) Post-Grad Diploma in Organisational Leadership - Oxford University (2019) Post-Grad Diploma in Applied European Law – Law Society of Ireland (2006) Post-Grad Diploma in Legal Studies – Technical University Dublin (1995)
Experience and Expertise:	Paul Ryan is the Head of Global AML Policy & Program Management, and the Interim designated Money Laundering Reporting Officer for PayPal Private Ltd (“3PL”), which operates as PayPal’s global hub for provision of payment services for countries in Asia Pacific, Europe, Middle East, and Africa. In this role, he partners with cross-functional teams to ensure adherence to regional and global AML/CTF requirements. Paul joined PayPal in May 2010 and is currently based in Dublin, Ireland. He has held the positions of Head of Global Financial Crimes Compliance Investigations, Head of Global Compliance Operational Excellence, Chief Compliance Officer for the EMEA region, and CEO of PayPal Australia. Paul has over 25 years’ experience in financial services, investigations and regulatory compliance, and has worked for private sector organisations in Australia and Europe. Prior to joining PayPal, he held senior compliance roles with PNC Bank, JP Morgan, HSBC, and Daiwa Securities.

BOARD AND GOVERNANCE

COMPANY SECRETARIES

Name:	Elizabeth Briggs Company Secretary
Date of Appointment:	Oct 2021 – current
Experience and Expertise:	Elizabeth Briggs was appointed Company Secretary of PayPal Giving Fund in October 2021. Elizabeth is also the Director of Legal and Company Secretary for PayPal Australia and commenced in this role in July 2019. Elizabeth has over 15 years' experience working in banking and financial services in Australia and across APAC and prior to joining PayPal acted as General Counsel for an ASX listed diversified financial services company. Elizabeth is a member of the Law Society of NSW, a mentor of junior lawyers and supporter and contributor to a number of not for profit organisations.
Name:	Alicia Kinsey Company Secretary
Date of Appointment:	Aug 2019 - Oct 2021
Experience and Expertise:	Alicia held the role of Company Secretary from August 2019 to October 2021. Alicia also provides legal guidance and support for PayPal Giving and Social Innovation, has served as the Corporate Secretary for PayPal Giving Fund United States since October 2018, and will be appointed as the Corporate Secretary for PayPal Giving Fund Canada in March 2022. Alicia has over 14 years' experience working in banking and financial services.

BOARD AND GOVERNANCE

MEETINGS OF DIRECTORS

The number of meetings of the Board of Directors ('the Board') during the year ended 31 December 2021, and the number of meetings attended by each director were:

	FULL BOARD ATTENDED	HELD
David Sexton	4	5
Elaine Herlihy	5	5
Elizabeth Lord	5	5
Katherine Raskob	5	5
Eric Lassen	4	4
Simon Banks	1	1
Paul Ryan	1	1

Held: represents the number of meetings held during the time the director held office.

BOARD AND GOVERNANCE

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration for the year ended 31 December 2021 has been received and listed on page 45 of this annual report.

REMUNERATION REPORT

No remuneration or benefits were paid or attributed to any board director or non-executive director during the period of this report.

Signed in accordance with a resolution of the Board of Directors:

On behalf of the directors



David Sexton

Chair of PayPal Giving Fund

8th April 2022

BOARD AND GOVERNANCE

PayPal Giving Fund Australia Board of Directors



David Sexton

Chair, Independent Board Director
Aug 2019 - current
CEO, WeFlex



Elaine Herlihy

Independent Board Director
Jun 2018 - current
Company Secretary
July 2019 – Oct 2021
Chief Marketing & Product Officer, OFX



Elizabeth Lord

Non-executive Board Director
Jan 2020 - current
Chief Marketing Officer,
PayPal Australia



Katherine Raskob

Independent Board Director
Oct 2020 – current
Chief Executive Officer,
Fundraising Institute Australia



Eric Lassen

Non-executive Board Director
Apr 2021 - current
Chief Executive Officer,
PayPal Australia



Simon Banks

Non-executive Board Director
Nov 2021 – current
Director of Enterprise Sales,
PayPal Australia



Paul Ryan

Non-executive Board Director
Oct 2020 – Apr 2021
Global Head of AML Policy and
Programs, PayPal

BOARD AND GOVERNANCE

Company Secretaries



Elizabeth Briggs

Company Secretary
Oct 2021 – current
Director of Legal,
PayPal Australia



Alicia Kinsey

Company Secretary
Aug 2019 - Oct 2021
Product Counsel Legal,
PayPal

Officers & Staff



Erica McLernon

Executive Director



Joshua Tripp

Chief Operating Officer



Nuru Kiyemba

Chief Financial Officer



Michelle Werner

Operations Manager

Financial Statements



FINANCIAL STATEMENTS

Statement of Profit or Loss and other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Donations	2	34,175,840	137,137,728
Other income	2	742,682	581,008
In-kind contributions	2	1,037,999	3,395,861
		35,956,521	141,114,597
Grants to charities		34,034,926	136,772,085
Transaction costs		164,280	395,193
Employee benefits expense	4a	339,957	242,981
Administration expenses		84,652	4,100
Consultancy fees		31,849	22,920
Professional fees	4b	111,958	160,426
In-kind expenses	4c	1,037,999	3,395,861
		35,805,621	140,993,566
Current period surplus before income tax		150,900	121,031
Income tax expense	1c	-	-
Net current period surplus		150,900	121,031
Other comprehensive income		-	-
Total comprehensive income for the year		150,900	121,031

The above statement of Profit or Loss and Comprehensive Income should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

Statement of Financial Position

AS AT 31 DECEMBER 2021

	Note	2021	2020
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		2,041,573	2,327,445
Receivable and other receivables		46,735	4,986
Prepayments		9,306	-
Total current assets		2,097,614	2,332,431
Total assets		2,097,614	2,332,431
Liabilities			
Current liabilities			
Grants payable	3	1,635,829	2,044,448
Other payables	5	115,348	92,446
Total current liabilities		1,751,177	2,136,894
Total liabilities		1,751,177	2,136,894
Net assets		346,437	195,537
Equity			
Retained surplus		346,437	195,537
Total equity		346,437	195,537

The above statement of Financial Position should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2021

	RETAINED SURPLUS	TOTAL
	\$	\$
Balance at 1 January 2020	74,506	74,506
Comprehensive income		
Surplus for the period	121,031	121,031
Other comprehensive income for the period	-	-
Total comprehensive income	121,031	121,031
Balance at 31 December 2020	195,537	195,537
Balance at 1 January 2021	195,537	195,537
Comprehensive income		
Surplus for the period	150,900	150,900
Other comprehensive income for the period	-	-
Total comprehensive income	150,900	150,900
Balance at 31 December 2021	346,437	346,437

The above statement of Changes in Equity should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	\$	\$
Cash flows from operating activities		
Donations received	34,142,495	137,160,513
Donations distributed to charities	(34,443,545)	(137,898,382)
Operational grant funding and other income received	742,682	631,008
Payments to consultants and service providers	(727,504)	(826,383)
Net cash used from operating activities	(285,872)	(933,244)
Cash flows from investing activities		
Net cash used in investing activities	-	-
Cash flows from financing activities		
Net cash used in financing activities	-	-
Net decrease in cash held	(285,872)	(933,244)
Cash on hand at beginning of the financial period	2,327,445	3,260,689
Cash on hand at end of the financial period	2,041,573	2,327,445

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

Notes to the Financial Statements

31 DECEMBER 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The Fund is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 8 April 2022 by the Trustee.

Notes to the Financial Statements

31 DECEMBER 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

Accounting Policies are included in the relevant notes or below.

a. Cash and cash equivalents

Cash on hand includes cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of three months or less.

PayPal Giving Fund Australia does not accrue interest on donations received and held in a bank account.

b. 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 Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

c. Income Tax

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

d. Economic Dependence

PayPal Giving Fund Australia is dependent on the PayPal Giving Charitable Fund (PPGF US) for the majority of its income used to operate the business. At the date of this report, the Board of Directors has no reason to believe the PPGF US will not continue to support the PayPal Giving Fund Australia.

e. New or amended Accounting Standards and Interpretations adopted

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

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

Notes to the Financial Statements

31 DECEMBER 2021

	NOTE	2021	2020
		\$	\$
NOTE 2: DONATIONS FROM REVENUE AND OTHER INCOME			
Donations-other income	3	33,925,840	136,637,728
Donations-revenue from contracts with customers		250,000	500,000
		<u>34,175,840</u>	<u>137,137,728</u>
Other income			
Operational support grants – related parties	6a	742,682	525,032
Miscellaneous income		-	55,976
		<u>742,682</u>	<u>581,008</u>
In-kind contributions – related parties	6b	1,037,999	3,395,861
Total donations from revenue and other income		35,956,521	141,114,597

There was a significant decrease in donations from \$137.1m for 31 December 2020 to \$34.2m for 31 December 2021. In 2020 significant donations were received to support charities raising funds for Australians affected by the bushfires. The current year donations reflect growth from 31 December 2019, when donations were \$22.6m.

Revenue and other income

The Fund recognises revenue when AASB 15 is appropriate and other income when AASB 1058 is appropriate. Where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 as revenue from customers with contracts. Revenue is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Fund expects to be entitled in a contract with parties.

AASB 1058 applies when there is no contract, or the contract is not sufficiently specific and the consideration received is significantly less than the fair value of the asset (ie cash) principally to enable the entity to further its objectives and the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

Notes to the Financial Statements

31 DECEMBER 2021

NOTE 2: DONATIONS FROM REVENUE AND OTHER INCOME CONTINUED

Donations-other income

Represents cash received in the year which will ultimately be granted to charities, and has been accounted for as per AASB 1058.

Other income

The Fund receives part of its income from in-kind contributions. Amounts donated can be recognised as income only when the Fund gains control, economic benefits are probable, and the amounts can be measured reliably.

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

	NOTE	2021	2020
NOTE 3: GRANTS PAYABLE			
Opening financial liability		2,044,448	3,170,745
Donations received	2	33,925,840	136,637,728
Grants to charities		(34,193,545)	(137,398,382)
Fees and charges		(140,914)	(365,643)
Closing financial liability		1,635,829	2,044,448

Grants Payable

Grants payable represents the liability outstanding at year end for donations received by PayPal Giving Fund that have been allocated to eligible charities not-yet paid out.

The balance is recognised as a current liability with the amounts typically paid within 90 days of recognition of the liability.

Notes to the Financial Statements

31 DECEMBER 2021

	NOTE	2021	2020
		\$	\$
NOTE 4: EXPENSES			
a	Superannuation	29,292	18,944
b	Professional fees		
	Audit fees	20,000	19,000
	Legal fees	91,546	141,085
	Other professional fees	412	341
		111,958	160,426
c	In-kind expenses		
	<i>PayPal Giving Fund US</i>		
	Administration support	133,788	383,284
	IT consulting and systems implementation	105,831	212,711
	<i>PayPal Australia</i>		
	Legal expense	21,750	-
	Customer service	56,979	75,055
	Rent	-	31,726
	Transaction fees	719,651	2,693,085
		1,037,999	3,395,861
	6c		

Notes to the Financial Statements

31 DECEMBER 2021

	NOTE	2021	2020
		\$	\$
NOTE 5: OTHER PAYABLES			
Accruals and other payables		115,348	92,446

Other Payables

Other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Fund during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability

	NOTE	2021	2020
NOTE 6: RELATED PARTIES			
a Operational support grant income			
- PayPal Giving Fund US	2	742,682	525,032
b In-kind contribution income			
- PayPal Giving Fund US		239,618	595,995
- PayPal Australia		798,381	2,799,866
	2	1,037,999	3,395,861
c In-kind expenditure			
- PayPal Giving Fund US	6b	239,618	595,995
- PayPal Australia	6b	798,381	2,799,866
		1,037,999	3,395,861
d Donations			
- PayPal Giving Fund US	2	250,000	500,000

In-kind services value has been set by the relevant service provider based on cost incurred.

At year end, there were no outstanding loans, trade receivables and trade payables.

Notes to the Financial Statements

31 DECEMBER 2021

NOTE 7: KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Fund is set out below:

Aggregate compensation

212,683

218,939

NOTE 8: COMMITMENTS

The Fund had no capital or leasing commitments at the reporting date.

NOTE 9: CONTINGENT LIABILITIES

As at the reporting date, the Fund had no significant contingent liabilities not otherwise provided for in the financial report.

NOTE 10: FUNDRAISING INCOME AND EXPENSES

Aggregate income from fundraising appeals is disclosed in the statement of profit or loss and other comprehensive income as donations. All costs of fundraising are paid through in-kind donations and other grants. The total gross proceeds from fundraising appeals is applied towards the purpose for which the funds were raised.

NOTE 11: EVENTS AFTER THE REPORTING PERIOD

There are no matters or circumstances that have arisen since the end of the financial year that have 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.

PayPal Giving Fund Australia

ABN 65 106 950 945

TRUSTEE'S DECLARATION

The directors of PayPal Giving Fund Australia Company Ltd (trustee of PayPal Giving Fund Australia) declare that in the directors' opinion:

1. The financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements applicable to the Fund; and
 - b. give a true and fair view of the financial position of the Fund as at 31 December 2021 and of its performance for the period ended on that date.
2. There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



David Sexton

Chair, PayPal Giving Fund Australia Company Ltd

8 April 2022

PayPal Giving Fund Australia

ABN 65 106 950 945

TRUSTEE'S DECLARATION IN RESPECT OF FUNDRAISING APPEALS UNDER THE *CHARITABLE FUNDRAISING ACT 1991*

The directors of PayPal Giving Fund Australia Company Ltd (trustee of PayPal Giving Fund Australia) declare that in the directors' opinion:

- a) The Statement of profit or loss and other comprehensive Income gives a true and fair view of the state of all income and expenditure of PayPal Giving Fund Australia with respect to fundraising appeals;
- b) The Statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals;
- c) The provisions of the *Charitable Fundraising Act 1991* and the regulations under that Act and the conditions attached to the authority have been complied with; and
- d) The internal controls exercised by PayPal Giving Fund Australia are appropriate and effective in accounting for all income received and applied by PayPal Giving Fund Australia and its controlled entities from any of its fundraising appeals.

On behalf of PayPal Giving Fund Australia



David Sexton

Chair, PayPal Giving Fund Australia Company Ltd

8 April 2022

DECLARATION OF INDEPENDENCE BY LEAH RUSSELL TO THE TRUSTEE OF PAYPAL GIVING FUND AUSTRALIA

As lead auditor of PayPal Giving Fund Australia for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of PayPal Giving Fund Australia and the entities it controlled during the period.



Leah Russell
Director

BDO Audit Pty Ltd

Sydney

8 April 2022

INDEPENDENT AUDITOR'S REPORT

To the Trustees of PayPal Giving Fund Australia

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of PayPal Giving Fund Australia (the registered entity), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of PayPal Giving Fund Australia, is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, Fundraising Act 1998 (Victoria) and the Charitable Fundraising Act 1991, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

In addition, and with reference to the Fundraising Act 1998 (Victoria):

- a) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- b) the accounting and associated records have been properly kept during the year in accordance with the Fundraising Act 1998 (Victoria) and Charitable Fundraising Act 1991 and the Regulations;
- c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Fundraising Act 1998 (Victoria) and Charitable Fundraising Act 1991 and the Regulations; and
- d) at the date of this report, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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



Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act and the Charitable Fundraising Act 1991, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

Leah Russell

Director

Sydney, 8 April 2022

INDEPENDENT REPORT BY APPROVED AUDITOR TO THE TRUSTEES

To the Trustee of PayPal Giving Fund Australia

COMPLIANCE ENGAGEMENT

Opinion

We have undertaken a reasonable assurance engagement on PayPal Giving Fund Australia (the Fund)'s compliance with the requirements of the *Public Ancillary Fund Guidelines 2011* (the Guidelines) for the financial year ending 31 December 2021.

In our opinion, PayPal Giving Fund Australia has complied, in all material respects, with the requirements of the *Public Ancillary Fund Guidelines 2011* for the financial year ending 31 December 2020.

Basis for opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* issued by the Auditing and Assurance Standards Board.

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

Trustee's responsibilities

The Trustee of PayPal Giving Fund Australia (the Trustee) is responsible for compliance with the Guidelines and for such internal controls as the directors of the Trustee determine are necessary for compliance with the Guidelines. The responsibilities of the Trustee include requirements under the Guidelines for establishing and maintaining public ancillary funds as deductible gift recipients for the financial period 31 December 2021.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Assurance practitioner's responsibilities

Our responsibility is to express an opinion on the Fund's compliance, in all material respects, with the Guidelines for the financial year ending 31 December 2021.

ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether the Fund has complied, in all material respects, with the requirements of the Guidelines for the financial year ending 31 December 2021.

An assurance engagement to report on the Fund's compliance with the Guidelines involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements of the Guidelines. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the requirements of the Guidelines.



Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error, or non-compliance with compliance requirements may occur and not be detected.

A reasonable assurance engagement for the financial year ending 31 December 2021 does not provide assurance on whether compliance with the Guidelines will continue in the future.

Restricted use

This report has been prepared for use by the Trustee of the Fund for the purpose of fulfilling the requirements of the *Public Ancillary Fund Guidelines 2011*. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Trustee, or for any purpose other than that for which it was prepared.

BDO Audit Pty Ltd

A handwritten signature in black ink that reads 'Leah Russell'.

Leah Russell

Director

Sydney, 8 April 2022

Registered Company Auditor Number: 299077

The incredible support and generosity of the PayPal Giving Fund programs and donors mean that we can provide 24-hour crisis support via phone, text and webchat as well as suicide prevention services in the community, right across the country, every day of the year. Thank you for once again stepping up and making a real difference to the lives of Australians.

Colin Seery, CEO Lifeline Australia



PayPal Giving Fund

¹ The PayPal Cause Marketing Research was conducted by Logica Research with n=4,306, including 1,126 in Australia. The research consisted of a 10 minute online survey of those who had made a monetary donation using PayPal aged 18+. The research was in field from 23 March, 2021 to 2 April, 2021.