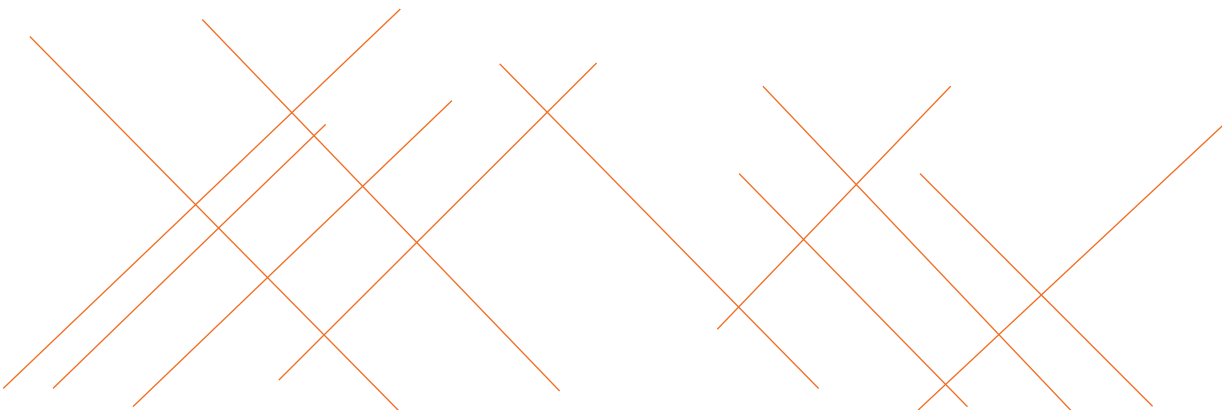




**PROSPER AUSTRALIA
ANNUAL REPORT
2015 - 2016**



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PRESIDENT'S MESSAGE:

Prosper's advocacy efforts have been around the two key themes of Value Capture and exchanging Stamp Duty for State Land Tax.

The past year has been tumultuous and exhilarating - much has happened to encourage us at our work. The profound distortions from taxing labour and capital while pretending land is special are obvious around us.



1.1 million taxpayers, swept by a speculative wave into a sea of debt through negative gearing, Young Australians excluded from home ownership unless they commit to life-long mortgages. Existing landholders gifted a free carry they neither need nor deserve.

Catherine Cashmore
President, Prosper Australia July 2016

Malcolm Turnbull became prime minister with new language around funding infrastructure – suddenly, cabinet ministers are talking Value Capture and acknowledging civic investment accrues to land values. Mr Turnbull raised then rejected almost every tax reform option available except payroll and land tax. Whether this is statesmanship or simply chaos remains to be seen.

Public economic debate has been very focussed on the benefits of taxing land and removing bad taxes. We are most heartened. We rebroadcast and amplified positive commentary wherever possible alongside our contribution.

The Victorian, South Australian and NSW ALP governments publicly considered exchanging Stamp Duty for State Land Tax. All retreated from the difficult reforms we desire. This is a consensus building process and not cause for disappointment or alarm. We expect these positive attempts to continue. Liaison with politicians, specialists and Treasury confirm the consistent advice to government from Treasury is to rebalance taxation onto land.

Prosper made a deliberate strategic decision to move to a more evidence-based stance. Opinion without supporting facts is merely that – opinion. We raise the bar on ourselves with this new ambition. Evidence requires diligent research and careful analysis, even to simply crunch ABS data.

Our annual Speculative Vacancies report revealed over 82,000 year-long vacancies in greater Melbourne. This unique economic insight is now well regarded and widely cited. We wish we could create a survey of all capitals on this basis, but data limitations (eg, single water meters serving entire apartment blocks in Sydney) defeat us.

ABOUT PROSPER AUSTRALIA:

Prosper Australia is a non-government think tank and tax reform lobby group that is inspired by economic efficiency and social justice. It advocates for the fair distribution of land and natural resource rents.

In researching land and taxation issues, we call upon a multi-disciplinary team of economists, econometricians, mathematicians, land valuers, tax lawyers, chartered accountants, urban planners and academics.

We reach out to business on lowering costs by ending deadweight losses from bad taxes; to progressives on urban amenity, infrastructure funding and resource conservation; and to all who work for a living and bear the cost of labour taxation.

OUR VISION:

- Abolish poverty
- Achieve full employment
- Reduce the cost of home ownership
- Create a sustainable future by the best use of land and natural resources
- Create a more educated, productive and engaged society

OUR HISTORY

Prosper Australia grew out of the Progressive Era ferment for social reform at the beginning of the twentieth century. Although there was landowner opposition to the idea of untaxing work and taxing land instead, this reform enjoyed widespread support. During the first twenty years or so of the last century our journal Progress reached a circulation of 20,000. Both the conservative and Labor Parties had Land Value Taxation in their policy platforms. We were part of a wider movement for a more equitable society and dynamic economy.

Today, the popularity of tax havens, Australia's never-ending land bubble, the compliance costs heaped on business and the steep taxes on labour mean our views are being considered with fresh eyes – because nothing else works.

“A basic principle of economics holds that it is highly efficient to tax rents because such taxes don't cause any distortions.

A tax on land rents doesn't make the land go away. Indeed, the great nineteenth-century progressive Henry George argued that government should rely solely on such a tax.

Today, of course, we realize that rents can take many forms - they can be collected not just on land, but on the value of natural resources like oil, gas, minerals, and coal.

There are other sources of rents, such as those derived from the exercise of monopoly power.

A stiff tax on all such rents would not only reduce inequality but also reduce incentives to engage in the kind of rent-seeking activities that distort our economy and our democracy.”

*-Joseph E. Stiglitz .
The Price of Inequality*

OUR VISION:
ABOLISH POVERTY
ACHIEVE FULL EMPLOYMENT
REDUCE THE COST OF HOME OWNERSHIP
BUILD A SUSTAINABLE FUTURE BY THE BEST USE OF LAND
CREATE A MORE EDUCATED, PRODUCTIVE & ENGAGED SOCIETY

OUR MISSION: TO REPLACE ALL EXISTING TAXES
WITH AN ANNUAL CHARGE ON GOVERNMENT GRANTED PRIVILEGES
AND NATURAL RESOURCES, INCLUDING LAND.

FEDERAL

- Reinststate a Federal Land Tax
- Introduce a Resource Super Profits Tax
- End wage taxation

STATE

- Abolish Stamp Duty
- End Payroll Tax
- Remove all exemptions from State Land Tax

LOCAL

- Use Site Value Rating exclusively
- End taxes on buildings
- Self-fund infrastructure

WE JOIN THE ECONOMIC, SOCIAL AND POLITICAL NARRATIVE TO ACHIEVE:

ECONOMIC LITERACY

Educate in economics and inspire citizens to demand reform.

ACADEMIC INFLUENCE

Change economics to recognise the essential role land plays

BUSINESS INFLUENCE

Raise economic efficiency and end tax waste

POLITICAL INFLUENCE

Challenge political leaders to advance the common good

COLLECTIVE INTELLIGENCE

Align with visionaries to power change

EARTH RIGHTS FOR HUMANITY

Reconcile people to the planet and honour connection to land.
"The profit of the Earth is for all"

WE WANT A TAX SYSTEM THAT IS ECONOMICALLY EFFICIENT AND SOCIALLY JUST

IN A PROSPEROUS STATE, ALL MAY ADVANCE

OUR WORK:

RESEARCH AND REPORTS

Speculative Vacancies: Now in its eighth year, Catherine Cashmore demonstrated that 82,000 properties in greater Melbourne are deliberately held vacant as they used little or no water for an entire 12 month period. This measure is now widely cited in economic debate and in the academic literature.

STAMP DUTY FOR STATE LAND TAX

The past six months has produced a number of reports by others from across the political spectrum recommending government exchange Stamp Duty for a State Land Tax (SLT). Federal Treasury modelling calculated the national benefit of the reform at \$24 billion annually. We have been active players in this debate, broadcasting the useful, correcting the mistaken and enlarging useful themes.

A delicious irony was seen in the Victorian budget. An absentee owner surcharge of 3 per cent on SD and 0.5 per cent on SLT introduced in the last budget, with “little impact on foreign demand for Victorian dwellings,” rose to a 7 per cent SD surcharge and 1.5 per cent SLT surcharge.

Victorian Treasurer Tim Pallas clearly understands the economic value and impact of land tax.

LAND VALUE CAPTURE

We made a submission to the Senate Select Committee on the Scrutiny of Budget Measures. A submission to the follow up Standing Committee on Infrastructure, Transport and Cities inquiry into the role of transport connectivity on stimulating development and economic activity.

Measuring land uplift associated with public spending, and Land Value Capture mechanisms will be a core theme of Prosper’s research in the coming year.

DEBATING PUBLIC POLICY

Prosper has been actively engaged in public policy debates at the highest level.

Philip Soos and David Collyer co-wrote a submission to the Senate Economics References Committee Inquiry into Affordable Housing and later testified to it that Australia does not have a housing shortage, citing as evidence stagnant rents and construction rates above household formation. The real villain is bad taxes with large deadweight costs and the absence of a land tax.

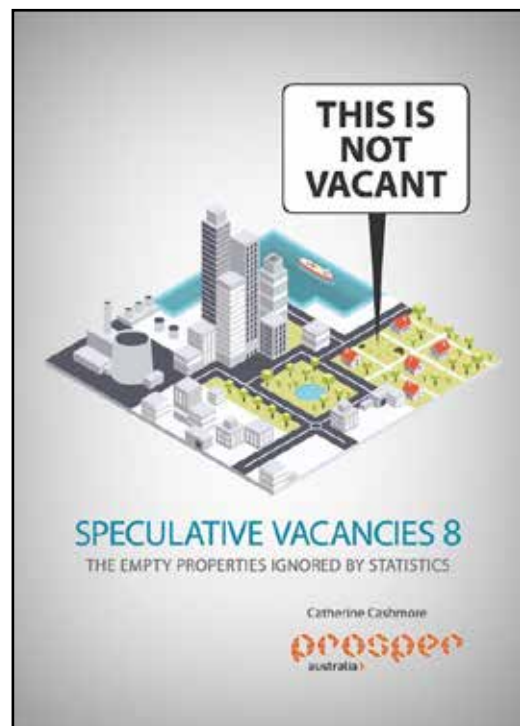
David Collyer wrote a submission to the House of Representatives Economics Committee Inquiry into Home Ownership and testified with Catherine Cashmore to the committee that two generations of Australians are excluded from home ownership unless they submit to diverting their lifetime earnings to mortgage repayments.

The causes of Australia’s misery were outlined in our introductory remarks.

- Restrictive planning that directs buyers to a handful of locations
- A massive infrastructure deficit that makes green-field land most unattractive,
- A staggering appetite for debt
- Very bad tax laws

The freshly-elected Andrews government in Victoria sought to minimise and dispel voter anger over fifteen years of six per cent council rate rises in a low inflation environment with their Fair Go Rates System. The submission to the Essential Services Commission by David Collyer reminds them that, as the basis for rates, Site Value trumps Capital Improved Value and Net Annual Value.

Considerable effort has also been directed to strengthening our network of allies and like-minded thinkers – those who see the need for reform that shifts tax off labour and capital, and onto land and government licences. These policy-makers, academics and civic leaders are very important in shaping Australia’s discourse about who and what we tax.



OUR MEMBERS AND SUPPORTERS:

ENGAGEMENT:

We receive support and encouragement for our work when people join Prosper as a member, subscribe to Progress, donate to PARI or engage with our online and social media campaigns.

Prosper deeply values every individual who chooses to align themselves with the vision of a better society. One honors labour and respects capital above mere land-holding.

Prosper currently has 149 financial members, with 18 new members joining this financial year. We believe the success and longevity of this organization depends not on the quantity of our members, but on the quality of the relationships we build. Generational change is a challenge to meet enthusiastically. In our new location, there's an opportunity to build a membership base within the University of Melbourne and RMIT University.

Historically Prosper membership renewals have fallen due on April 1st. We have installed new software to allow us to easily bill members for membership renewal twelve months after joining. We will now send renewal notices as they come due.

PARI received just over \$33,700 in donations during the financial year.

- One off donations to PARI average around \$100.
- We have one monthly recurring donor.
- PARI has two major donors who have generously gifted \$20,000 and \$5000 respectively.

Prosper received \$1,450 in donations last year. Mostly from long-term members with deep connections to the organisation. We like to know:

- What prompted the donation?
- How they heard of Prosper?
- What issues do they care about?

We are working towards increasing the reporting and transparency around donated funds.

PROSPER EVENTS

Clean Money in a Dirty System: Cameron Murray

Cameron Murray presented the findings of his PhD thesis at an event co-sponsored by Prosper and RMIT University. By the astute use of game theory and insightful data scraping, Cameron demonstrated that a coterie of Brisbane land developers had captured the majority of the land value uplift from state rezoning decisions by manipulating the political process.

'The Big Short': Movie night

40 people attended this event at Lido Cinemas in Hawthorn. A great "meet and greet" event for members and interested people. We hope to organise more events like this, that work to deepen relationships between members and Prosper.

How to Simplify Government: Phillip Anderson

Phillip Anderson challenged a gathering of 35, including a number of property developers, to rethink how our world could be, rather than just responding to existing incentives.

Land is the key to ending bad taxes:

Dr Terry Dwyer

Tax reform is hard, yet the benefits are great. Australia can no longer afford to delay structural reforms. The Panama papers controversy highlights the need for an immobile tax base and one that does not rely upon government intrusion into our private lives. Land holds the key to ending bad taxes, rebalancing the economy and reducing inequality.

LIBRARY & BOOKSHOP:

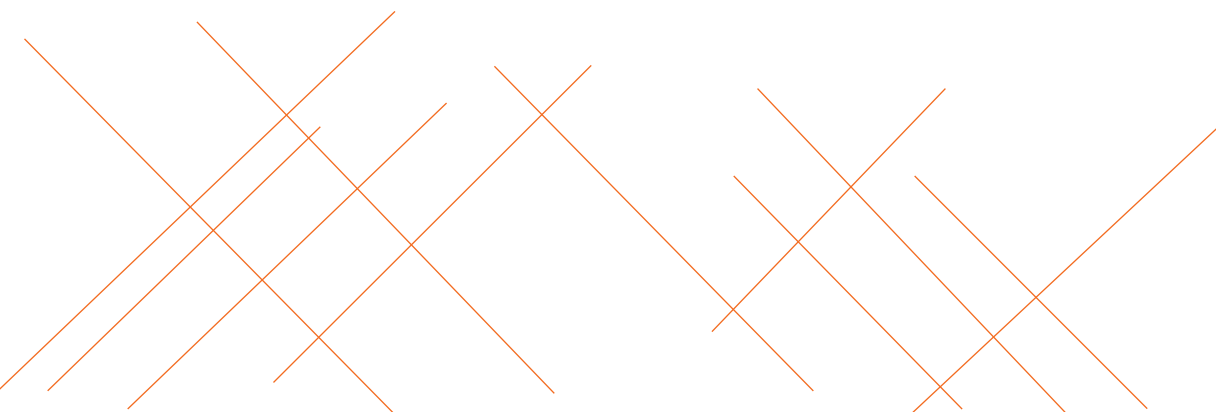
Prosper stocks and sells a range of titles related to political economy and philosophy, social and environmental justice. This year, most of our library has been in storage. We look forward to having our library and bookshop installed at our new premises. We welcome all members and friends to make use of our collection.

We received \$1177 in bookshop orders. Most sales are made via the website and events. Issues with tickets and books sold online have highlighted the need to upgrade the payment gateway on our website to reduce double handling.

“While feeling like I need to re-read what I’ve read, read more widely and generally ponder it all a lot more, it’s clear to me that the things that Prosper discusses in Progress and on its blog are important. The donation is just my little way of saying ‘keep talking about this guys!’”

“I felt compelled to make a donation after watching Real Estate for Ransom. I commend your organisation for the work done with the documentary since, rising housing costs is a pertinent issue for me as a first home buyer.”

“I have been reading your articles for a while now on the Internet. I find them thought provoking and I understand the need for funding to promote and/or ‘spread the word’ as to speak.”



OUR EXECUTIVE:

Prosper is governed by an Executive Committee of passionate members. The Executive Committee is responsible for shaping the strategic direction of the organisation, recruiting and managing staff, and ensuring that resources are used efficiently and effectively. The only requirement for service on the Executive Committee is two-years of continuous membership, although many of our execs have been dedicated to Prosper's reform agenda for decades.



CATHERINE CASHMORE (PRESIDENT):

"I am a Prosper Executive Committee member because I am angry about the way in which economy is structured to cripple those who work, save and innovate; but structured to reward rent-seeking. Prosper is a vehicle for real systemic change. I want to be a part of that."



ANNE SCHMID (SECRETARY):

"I am a Prosper Executive Committee member because a successful Prosper organisation is very important to me. Every day I see families struggling to make ends meet. I see good people in our community trying to make sense of the whole economic chaos. Is it because we are too greedy? Is it because we do not save enough? As a twenty-year-old, when I was trying to make sense of these questions, I was fortunate to have a Dad who said to me: "Well of course you are going to have these problems if you allow community created land values to be pocketed by a few wealthy landowners."



KARL WILLIAMS (TREASURER):

*"Why am I a Proz Oz executive? It's simple - everything else is a waste of time. Everywhere you look, the desperate need for our paradigm screams out at you the madness of needless involuntary unemployment, the colossal wastage of resources (human and environmental), a perverse tax system that intrudes into what should be our private lives while leaving our natural resources open to plunder and young people despairing of ever owning their own home. If I *tried* to resign and pursue a life of indulgent pleasure, I'm afraid I couldn't. You see, I've seen the cat."*



ANDY MOORE (VICE PRESIDENT):

"I am a Prosper Executive Committee Member (PAECM) because I appreciate the urgent need for tax reform in Australia. I studied the history of Australia's tax system at university and discovered our system has consistently degraded over time, rather than improving or becoming more efficient. When the implications of a bad tax system are apparent the effects are noticeable everywhere, entwined with all the issues our communities face. As a sustainability graduate I want to see our way of life improve and to me, there is no single more effective means of achieving this than utilising economic rents as the basis for Australia's tax system. It's the most holistic approach I've discovered that provides immediate social, cultural, environmental and economic improvements." I'm proud to work with Prosper Australia who are counted among the most respected global leaders in advocating for this reform."



BRYAN KAVANAGH:

"I am a Prosper Australia Executive Committee member because I wanted to work with the Prosper team to promote the only fiscal reform that can possibly bring about economic justice for all. Having worked in the Australian Taxation Office and the Commonwealth Bank of Australia and co-founded a private real estate valuation practice, I have witnessed first-hand land rents being privately capitalised into four nationally-damaging real estate bubbles in 1973, 1981, 1988/89, and the whole of the new century to date. The ideas of Henry George offer prosperity and freedom, and I'm proud to be a part of Prosper Australia's recent gains in explaining how the economy really works."



BOHDAN KUZYK:

"After the GFC, I was puzzled: why did this happen again? I thought we learned from the late 80's recession. I heard Michael Hudson with Phillip Adams on Late Night Live, the first explanation to actually make sense. He said the Georgist movement in Australia was still going strong. I immediately joined Prosper Australia. I love the Georgist philosophy - it is socially just and economically efficient. It is the most beautiful and elegant solution I have ever come across. I want everyone to prosper!"



**DAVID O'ROURKE
(VICE PRESIDENT)**



BRUCE EVERY

SECRETARY'S MESSAGE:

Towards the end of 2015 Prosper Australia moved from temporary premises in Richmond to our new permanent address here in North Melbourne. Prosper now sits in the major knowledge precinct anchored by Melbourne University and Royal Melbourne Hospital. We occupy the first floor and have refurbished the space to serve the multiple purposes that are so important to our agenda.

The building was purchased by the Henry George Foundation of Australia in 2013 to serve as our home. Prosper Australia now looks forward to a productive stable era - a settled Executive focussed on getting our message out and a competent and experienced team in Karl Fitzgerald, David Collyer and Emily Sims.

As it did in Hardware Lane, Henry George's portrait hangs in a prominent place. We have also recognised the historic importance of Dr Edgar Culley to the movement and placed his photo in a prominent position. We now have a productive working space which can become a modern meeting and lecture room at short notice. We now have room for our irreplaceable research library and archives and an area where these can be studied.

FUNDING

Prosper Australia receives the bulk of its funding from the Henry George Foundation of Australia. Last year money was tight and we were unable to command the budget that we had hoped. Further, the Henry George Club last year was not in a position to assist with running expenses last year. The Henry George Club has supported Prosper with accommodation since the Club was formed in the early 1920's. These two developments put our finances under intense pressure and we were forced to cut back staff hours for a short period. This year looks more positive: PARI is established and HGFA funding is back on track.

ADMINISTRATION

Late last year office administrator Jess Wright left to take up other opportunities. In Jess's short time with us she oversaw four moves, the most we have had since the early days in the nineteen twenties. Despite this, Jess was able to magnificently keep everything running smoothly. We now welcome Emily who has quickly found her feet and is always ready to extend a hand and contribute. Emily is representing us at a conference on the economics of the environment in Sydney later this year.

PROSPER AUSTRALIA RESEARCH INSTITUTE

Donations to PARI greatly assisted us in commissioning research papers. Karl Fitzgerald and David Collyer have gathered around them an ever increasing team able to effectively present compelling arguments in favour of land tax. They continue to meet and advise key policy drivers in the community.

We are laying the foundations to become a formidable think tank that makes a unique contribution and is respected by the leading outfits in this country.

Much of our planned activity revolves around targeted new research to inspire society at large with the possibilities and soundness of sourcing public revenue from land values. Dr Gavin Putland, who was our research officer for many years, continues to challenge accepted notions in formidable style. Gavin maintains a blog and still heads the Land Values Research Group.

PROGRESS MAGAZINE

Our aim is to consistently produce four editions of Progress magazine each year. Regrettably we produced only three magazines last year. Although we only produced three, the Executive believes that we offer a high quality Georgist magazine recognised for its excellence worldwide. We appreciate David Collyer's editorship and his undertaking this important role in our organisation, and we are working to ensure four issues reach our membership this year.

EXECUTIVE

Prosper has an eight-member Executive that is made up of president Catherine Cashmore, vice presidents David O'Rourke and Andy Moore, treasurer Karl Williams and secretary Anne Schmid with Bryan Kavanaugh, Bruce Every and Bohdan Kuzyk making up the rest of the Board. We have a fine record of meeting monthly and at other times as required. Our role is to set policy and support David Collyer and Karl Fitzgerald, keeping in mind the best use of our resources. We are pleased to report our staff have maintained the high standards of previous years and this report illustrates the directions to which we are moving.

PRESIDENT

Prosper Australia continues to be rewarded with high calibre presidents. Andy Moore stepped down due to work commitments and we elected Catherine Cashmore to take his place. Catherine was already becoming our most high profile Georgist with the publicity she received from her second Speculative Vacancies Report. We were very proud to see her on The Project and Four Corners as well as the personal write up in the AFR in February.

Catherine 's help to staff is appreciated by all. She is set to deliver the lecture at the 125th Henry George Commemorative Dinner later this year.

PROJECT DIRECTOR

We all wish Karl Fitzgerald and his family a wonderful well deserved long service leave. Twelve years ago Karl rang Prosper Australia and told us he was a new graduate and was very disillusioned with the current economic situation. He offered his services as a volunteer and then slowly we contracted him to do certain projects.

One of the early projects was celebrating 100 years of Progress magazine. The local traders agreed to allow us to take over Hardware Lane for a week of music, comedy and economic talks. Everyone admitted that this was a new fresh approach and Karl with his desire to engage younger people soon was on our permanent payroll. In those early years he also managed successful tours by prominent US Georgists, Alanna Hartzok and later, Dr Michael Hudson. As Project Director he played a key role in securing PARI's tax deductible status. Karl will continue with his weekly radio show while he is away.

FINALLY

A description of the activities of Prosper Australia for the last financial year have been presented in the reports of our staff. Catherine has presented our future plans and direction and Karl Williams an idea of what we will be able to afford in the coming year. As Secretary and on behalf of the Executive I wish to thank our hard working Team and acknowledge their cooperation and deep commitment.

We are hoping for some new faces on the Executive this year. It is always good to have fresh perspectives and more wise heads. I also thank the many members who have helped out in various ways over the year. We value your support and involvement.

We especially welcome all our new members and invite them to become involved and offer their insights into how best to educate people on the need for tax reform.



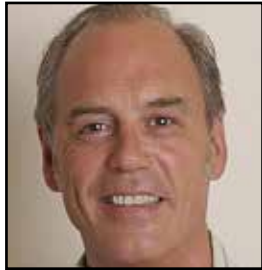
Anne Schmid
Secretary, Prosper Australia July 2016

OUR STAFF:



KARL FITZGERALD:

Karl Fitzgerald has been a driving force at Prosper Australia for twelve years. As Projects Director and Director of the Prosper Australia Research Institute, Karl initiates research and campaigns that highlight the opportunities for reform. Karl's weekly 3CR radio show, the Renegade Economist has been elucidating alternative economics for ten years. Karl holds a Bachelor of Economics from Monash.



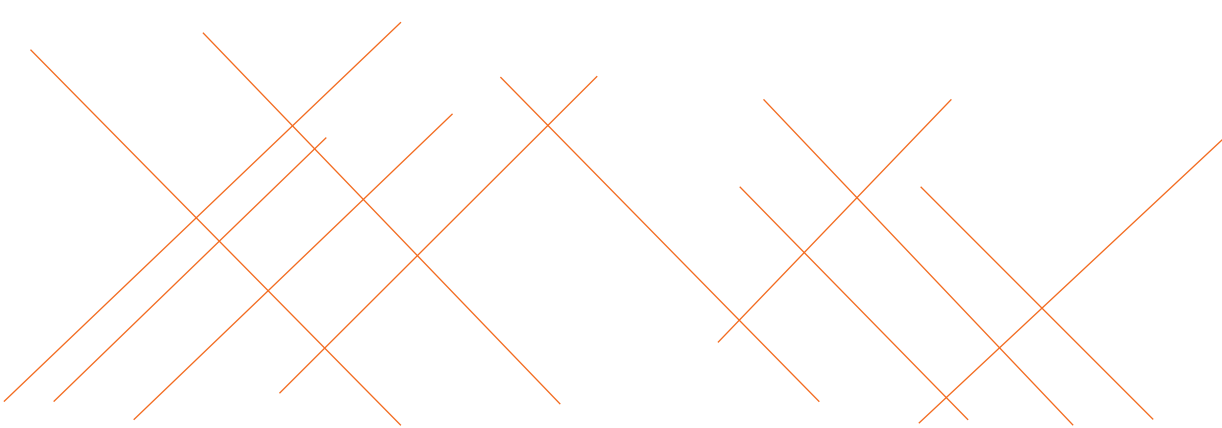
DAVID COLLYER:

David Collyer is Prosper's Policy Director. He practices political economy - the intersection of the politics of the possible with the economics of what we could be. He has worked at Prosper for nearly five years, adding a sorely-needed Georgist perspective to Australia's national political and economic debate. He edits Progress magazine and runs the Don't Buy Now! Facebook Page.



EMILY SIMS:

Emily Sims joined the Prosper team in the role of Office and Memberships Manager in November 2015. She holds a Bachelor of Arts (Political Science) from Monash, and is currently undertaking the Master's of Urban Planning at the University of Melbourne.



TREASURER'S MESSAGE:

In purely financial terms, this has been a challenging year (to put it euphemistically) for Prosper. Our loss of over \$37k is unprecedented and clearly unsustainable, and yet at the same time it was considered absolutely necessary in order to capitalize on the enormous opportunities created. Prosper has been punching well above its weight, and punching hard.

There are two main reasons for our deficit. Firstly, the previous year's historically low grants from the HGFA were again slashed, from \$179k to \$143k. Secondly, without the HG Club to provide a home, our occupancy expenses for our 7 months at the shared office environment at LSX in Richmond were over \$14k and then on top of that we incurred Harcourt relocation expenses of over \$9k. Overall, while last year's occupancy expenses were around \$7k, this year they were almost \$29k.

While these circumstances above were completely beyond the control of Prosper, they still required a budgetary response. Thus Prosper was able to minimize the losses and continue operating in a number of ways:

- The years of hard work by Karl Fitzgerald to attain Tax Dedeuctible Gift Recipient status for PARI (Prosper Aust. Research Institute) is now bearing fruit, attracting almost \$44k in donations in just over a year. Of course, this takes the financial burden of funding research off Prosper.
- Staff pay rates have been frozen since July 2014, and some staff hours were temporarily cut for a few months in the last year. Only now, in July, has Prosper been able to apply a CPI wage increase for our three staff who, as always, put in above and beyond the call of duty.
- General frugality has been the order of the day, although false economies can result if this is taken too far. Working conditions at LSX were very difficult and then our somewhat involuntary move to Harcourt result had us more or less camping for some time.

In terms of cash flow, the \$38k loss has been financed by running down our Serpells Bequest by another \$32k. Again, to resort to measures such as this is clearly not sustainable - but when the media are keen to hear our perspective and the phones are running hot, what else can we do?

I'm pleased to report that the HGFA has essentially agreed with Prosper that our substantial successes over the past year cannot be allowed to wither for lack of funds, and we have consequently had a \$50k grant increase from the HGFA.

Our budget does not show the anticipated ongoing high levels of activity from non-staff, such as executive members who are keen to lend a hand during these exciting times as well as some invaluable research assistance from talented young interns who get paid little or nothing at all.



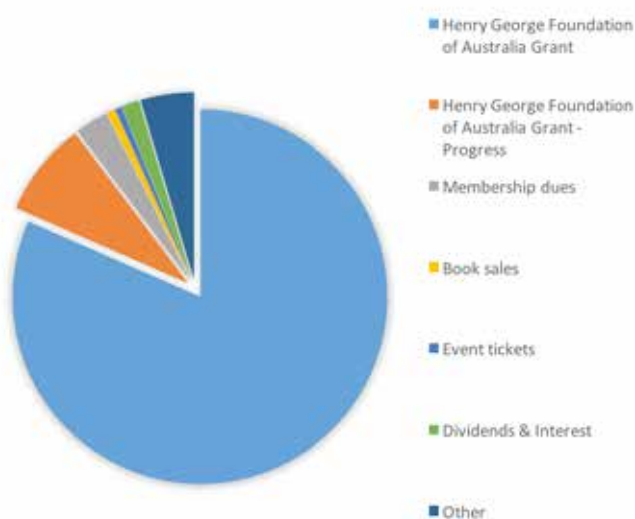
Karl Williams
Treasurer, Prosper Australia 2016

Prosper Australia

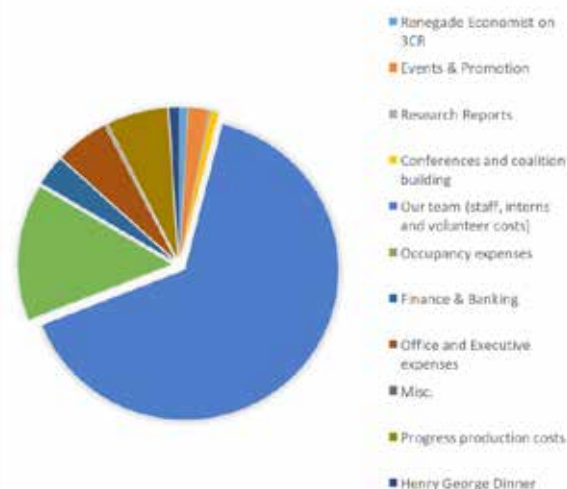
Financial Year 2015-2016

ANNUAL INCOME	
Henry George Foundation of Australia Grant	\$ 130,000.00
Henry George Foundation of Australia Grant - Progress	\$ 13,000.00
Membership dues	\$ 4,571.47
Book sales	\$ 1,138.38
Event tickets	\$ 902.45
Dividends & Interest	\$ 2,419.17
Other	\$ 7,317.03
Cost of Books Sold	-\$ 267.96
Total Income	\$ 159,616.46
ANNUAL EXPENSE	
Research and campaigns to drive social change	
Renegade Economist on 3CR	\$ 1,731.18
Events & Promotion	\$ 4,219.79
Research Reports	\$ 297.55
Conferences and coalition building	\$ 1,521.30
Administrative costs & Overheads	
Our team (staff, interns and volunteer costs)	\$ 128,346.28
Occupancy expenses	\$ 28,859.32
Finance & Banking	\$ 6,317.54
Office and Executive expenses	\$ 11,071.76
Misc.	\$ 251.29
Progress Magazine & Members events	
Progress production costs	\$ 12,642.34
Henry George Dinner	\$ 2,027.19
Total Expense	\$ 197,285.54
Net Profit/(Loss)	-\$ 37,669.08

ANNUAL INCOME



ANNUAL EXPENSES



PARI

Financial Year 2015-2016

ANNUAL INCOME	
Donations	33778.2
Memberships	100
Total Income	33878.2
ANNUAL EXPENSE	
Administration	
Commissions and wages	1690.74
Finance & Banking	622.61
Research Reports	
Speculative Vacancies	10500
GST Report	2500
Total Expense	15313.35

Prosper Australia Inc.

64 Harcourt Street
North Melbourne VIC 3051

Balance Sheet [Last Year Analysis]

March 2016

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	This Year	Last Year
ASSETS		
CURRENT ASSETS		
BANK - ANZ, Ben Bk & Paypal		
ANZ Cheque Account	\$23,263.18	\$19,016.58
Bendigo Main Cheque Acc	\$37,477.00	\$10,722.58
Bendigo Debit Card Acc	\$1,050.28	\$1,849.19
Paypal	-\$117.63	\$103.71
Petty Cash	\$360.45	\$595.65
Bendigo OXFAM account	\$4,042.51	\$217.24
Prepaid Cr Card K2 USA - TEMP	\$0.00	\$175.66
Total BANK - ANZ, Ben Bk & Paypal	\$66,075.79	\$32,680.61
COMMSEC (Serpell's Bequest)		
Bank - CommSec - Media Reserve	\$0.00	\$165.69
Total COMMSEC (Serpell's Bequest)	\$0.00	\$165.69
ACCRUED GIFTS RECEIVABLE		
HGFA Accrued Gift Rec-Prosper	\$0.00	\$40,000.02
HGFA Accrued Gift Rec-Progress	\$0.00	\$3,500.08
Total ACCRUED GIFTS RECEIVABLE	\$0.00	\$43,500.10
OTHER CURRENT ASSETS		
Trade Debtors	\$111.50	\$0.00
Debtor is HGFA (to reimburse)	\$4.50	\$209.57
Debtor - Henry Georg Club	\$80.00	\$0.00
Debtor - temp advance to K2	\$911.00	\$0.00
Sundry Debtor	\$188.59	\$30.00
Debtor is PARI (to reimburse)	\$500.00	\$0.00
Bookshop Stock	\$4,756.47	\$2,709.98
Library Stock	\$1,016.35	\$1,016.35
Total OTHER CURRENT ASSETS	\$7,568.41	\$3,965.90
Total CURRENT ASSETS	\$73,644.20	\$80,312.30
NON-CURRENT ASSETS		
FIIG SECURITIES - total		
FIIG Securities-SerpellBequest	\$53,801.00	\$79,384.80
FIIG Securities -Media Reserve	\$13,450.00	\$19,846.20
Total NON-CURRENT ASSETS	\$67,251.00	\$99,231.00
PLANT & EQUIPMENT		
Camera Equipment	\$6,146.07	\$6,146.07
Camera Equipment -accum.deprec	-\$5,531.46	-\$4,302.25
Chairs	\$1,585.00	\$0.00
Computer Monitors	\$325.45	\$325.45
Comp. Monitors accum. deprec.	-\$216.00	-\$108.00
Computers	\$7,380.73	\$3,218.00
Computers - accum. deprecn.	-\$4,418.00	-\$3,218.00
Signage	\$272.00	\$272.00
Signage - accum. deprec.	-\$182.00	-\$91.00
Henry George Portrait	\$300.00	\$300.00
Total PLANT & EQUIPMENT	\$5,661.79	\$2,542.27
Total ASSETS	\$146,556.99	\$182,085.57
LIABILITIES		
GST Payable to ATO		
GST Collected	\$676.62	\$253.95
GST paid	-\$459.75	-\$545.43
Total GST Payable to ATO	\$216.87	-\$291.48
Super Owing - Aust. Ethical	\$1,163.52	\$1,837.74
Super Owing - Aus Super	\$748.97	\$748.97
Super Owing - VicSuper	\$589.44	\$0.00
Sundry Creditors	\$27.58	\$5,060.00
PAYG Liabilities	\$4,762.43	\$4,128.23
HELP deductions payable	-\$0.40	\$570.60

Prosper Australia Inc.

Balance Sheet [Last Year Analysis]

March 2016

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	This Year	Last Year
Accrued Annual Leave	\$8,152.00	\$9,620.00
Accrued Long Service Leave	\$11,929.00	\$10,525.00
PARI		
Donations to be trf to PARI	\$360.00	\$0.00
Loan from HGFA	\$6,390.15	\$0.00
Total LIABILITIES	<u>\$34,339.56</u>	<u>\$32,199.06</u>
Net Assets	<u>\$112,217.43</u>	<u>\$149,886.51</u>
EQUITY		
Retained Earnings	\$149,886.51	\$142,145.11
Current Earnings	-\$37,669.08	\$7,741.40
Total EQUITY	<u>\$112,217.43</u>	<u>\$149,886.51</u>

Prosper Australia Inc.

64 Harcourt Street
North Melbourne VIC 3051

Profit & Loss [With Last Year]

April 2015 through March 2016

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	This Year	Last Year
INCOME		
HGFA GRANTS		
HGFA Monthly Accrd.Grant-Prop	\$130,000.00	\$165,000.00
HGFA Monthly Accr.Grant-Progrs	\$13,000.00	\$14,000.04
Total HGFA GRANTS	<u>\$143,000.00</u>	<u>\$179,000.04</u>
MEM'SHIP FEES, SUBS, DONATIONS		
Prosper Memberships	\$1,646.04	\$2,252.23
Progress Subscriptions	\$1,466.93	\$2,072.01
Donations	\$1,458.50	\$1,873.34
Total MEM'SHIP FEES, SUBS, DONATION	<u>\$4,571.47</u>	<u>\$6,197.58</u>
SALES		
Book & DVD Sales (bookshop)	\$1,128.38	\$1,053.77
LVRG - Book	\$10.00	\$0.00
Events Ticket sales	\$902.45	\$1,278.15
Total SALES	<u>\$2,040.83</u>	<u>\$2,331.92</u>
DIVIDENDS & INTEREST		
Bendigo Bank (Oxfam Interest)	\$28.09	\$123.29
ANZ Bank Interest	\$16.94	\$11.89
FIIG Sec.Interest	\$2,374.14	\$2,725.06
FIIG Market Appreciation	\$0.00	\$15,962.00
Total DIVIDENDS & INTEREST	<u>\$2,419.17</u>	<u>\$18,822.24</u>
OTHER INCOME		
Postage Recovered	\$74.50	\$61.91
Misc Income	\$160.71	\$32.30
HGFA reimbursement	\$6,481.82	\$0.00
Selling office furniture	\$600.00	\$1,235.00
Total OTHER INCOME	<u>\$7,317.03</u>	<u>\$1,329.21</u>
Total INCOME	<u>\$159,348.50</u>	<u>\$207,680.99</u>
Cost of Books/Videos Sold		
Purchases	-\$267.96	\$439.32
Total Cost of Books/Videos Sold	<u>-\$267.96</u>	<u>\$439.32</u>
Gross Profit	<u>\$159,616.46</u>	<u>\$207,241.67</u>
EXPENSES		
ADVERTISING/PROMOTIONAL		
3CR radio show	\$1,480.51	\$2,064.04
Radio Show Transcriptions	\$250.67	\$0.00
DC Expenses - Promotional	\$142.19	\$327.48
K2 Expenses - Promotional	\$121.64	\$267.38
General Promotional Events		
Sustainable Living Festival	\$1,557.73	\$400.00
Total General Promotional Events	<u>\$1,557.73</u>	<u>\$400.00</u>
'In-house' Events		
Event advertising	\$239.54	\$175.08
Event hospitality	\$120.39	\$159.43
Members Events	\$86.11	\$0.00
PARI Launch Event	\$789.80	\$0.00
Other event expenses	\$269.93	\$0.00
Marketing/Consulting (general)		
Communication	\$0.00	\$186.32
Total Marketing/Consulting (general)	<u>\$0.00</u>	<u>\$186.32</u>
Advertising & General Promotio		
Advertising - General	\$71.77	\$0.00
Posters, Cartoons, Promo desig	\$600.00	\$648.82
Website Design	\$0.00	\$1,545.49
Seminars & Conferences - Promo	\$0.00	\$402.24
Multi Media Promotion	\$80.66	\$0.00

Prosper Australia Inc.

Profit & Loss [With Last Year]

April 2015 through March 2016

28/04/20

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	This Year	Last Year
Postage IT	\$77.64	\$0.00
Campaigns - Ongoing		
Campaigns-General	\$62.39	\$257.28
Total ADVERTISING/PROMOTIONAL	\$5,950.97	\$6,433.56
Research and Reports		
Research - Spec. Vacancies	\$0.00	\$3,000.00
Speculative Vacancies Design	\$0.00	\$792.00
Speculative Vacancies - Promo	\$0.00	\$99.14
Other research/reports	\$297.55	\$4,025.79
Putland - statistical research	\$0.00	\$2,500.00
Total Research and Reports	\$297.55	\$10,416.93
OCCUPANCY EXPENSES		
LSX Memberships -Staff	\$13,697.89	\$0.00
LSX Memberships - Vistor	\$80.00	\$0.00
Board & Meet Room @ LSX	\$929.00	\$0.00
Landlines & Internet	\$1,383.96	\$1,494.82
Mobile phones	\$932.57	\$840.86
Website Hosting Fees	\$565.50	\$709.56
Electricity - Harcourt St.	\$75.77	\$2,163.50
Cleaning	\$425.00	\$1,625.00
Paper Recycling KS	\$7.73	\$42.46
Document & Library Storage	\$1,244.49	\$0.00
Moving Expenses		
General moving Costs	\$1,111.60	\$363.98
Supplies for new office	\$288.82	\$0.00
Handyman and fit out costs	\$8,116.99	\$0.00
Total OCCUPANCY EXPENSES	\$28,859.32	\$7,240.18
FINANCE & BANKING		
Bank Charges	\$418.81	\$672.51
Paypal Charges	\$60.91	\$22.59
Bank Interest Expense	\$0.00	\$17.62
Oxfam Account Donation	\$2.11	\$12.33
EventBrite Transaction Fees	\$86.11	\$224.52
Market devaln. of FIIG	\$5,749.60	\$0.00
Total FINANCE & BANKING	\$6,317.54	\$949.57
OFFICE EXPENSES		
Audit	\$0.00	\$1,950.00
Legal / DGR Costs	\$0.00	\$64.87
Postage	\$360.95	\$938.80
Bookshop postage/freight charg	\$159.08	\$0.00
Kitchen Consumables	\$392.86	\$559.33
General Stationery & Supplies	\$276.80	\$817.49
Civi & Website IT	\$1,057.64	\$546.68
Prosper Stationery	\$374.33	\$0.00
Subs to Other Organisations	\$131.86	\$279.62
Membership to PARI	\$100.00	\$0.00
Printing & Stationery		
In-house Printing	\$300.00	\$555.25
Other general Printing	\$292.37	\$0.00
Total Printing & Stationery	\$592.37	\$555.25
Office Equipment -expenses		
Furnishings - minor	\$39.95	\$41.63
Repairs & Maintenance	\$0.00	\$24.41
Comp. Repairs & Accessories	\$194.49	\$805.19
Computer Software & Programs	\$1,236.48	\$1,078.83
Camera Expenses	\$220.91	\$0.00
Depreciation - computers	\$1,200.00	\$0.00
Depreciation - Camera	\$1,229.21	\$1,229.21
Depreciation - signage	\$91.00	\$91.00
Bookshop Stock Write down	\$0.00	\$2,614.36
Depreciation - comp. monitors	\$108.00	\$108.00

Prosper Australia Inc.

Profit & Loss [With Last Year]

April 2015 through March 2016

28/04/20

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	This Year	Last Year
Total Office Equipment -expenses	\$4,320.04	\$5,992.63
Staff & Executive Expenses		
Executive Expenses	\$981.58	\$862.45
Newspapers	\$1,450.87	\$1,174.94
Car Parking	\$43.07	\$0.00
Hospitality expenses	\$830.31	\$160.25
Planning Weekend	\$0.00	\$3,091.54
Total Staff & Executive Expenses	\$3,305.83	\$5,289.18
Total OFFICE EXPENSES	<u>\$11,071.76</u>	<u>\$16,993.85</u>
TOTAL PROGRESS		
Progress - Gino		
Progress - Printing	\$8,345.55	\$8,530.45
Progress - stationery	\$790.70	\$511.36
Progress postage (Gino)	\$947.99	\$388.55
Total Progress - Gino	<u>\$10,084.24</u>	<u>\$9,430.36</u>
Progress - Other		
Progress - Postage	\$498.28	\$1,134.70
Progress - Design	\$2,059.82	\$3,200.00
Total Progress - Other	<u>\$2,558.10</u>	<u>\$4,334.70</u>
Total TOTAL PROGRESS	<u>\$12,642.34</u>	<u>\$13,765.06</u>
SALARIES AND ON COSTS		
Salaries - Total		
Fitzgerald Salary	\$52,048.63	\$56,809.56
Collyer Salary	\$31,327.95	\$33,376.20
Wright Salary	\$21,313.60	\$26,712.36
Sims Salary	\$9,030.28	\$0.00
Office Salaries	\$398.50	\$0.00
Total Salaries - Total	<u>\$114,118.96</u>	<u>\$116,898.12</u>
Salary On Costs		
Super Fitzgerald	\$4,944.55	\$5,364.39
Super Collyer	\$2,976.16	\$3,153.00
Super - Wright	\$1,765.08	\$2,522.61
Super - Sims	\$857.88	\$0.00
Payroll provisions expense	-\$64.00	\$4,858.06
WorkCover Insurance	\$1,279.07	\$990.20
Total Salary On Costs	<u>\$11,758.74</u>	<u>\$16,888.26</u>
Salaries- Prof Dev. and Misc.		
Staff Training and Development	\$0.00	\$1,380.51
Misc. Medical	\$25.54	\$0.00
Volunteer & Intern Expenses	\$900.00	\$78.73
Other staff expenses	\$398.85	\$0.00
Prof. development - Books etc	\$66.34	\$0.00
Seminar/Conference - Prof. Dev	\$0.00	\$622.54
Total Salaries- Prof Dev. and Misc.	<u>\$1,390.73</u>	<u>\$2,081.78</u>
Sydney Eco Tax Conf. 2015		
EcoTax conf. entry expense	\$547.09	\$0.00
Ecotax conf. other travel exp	\$530.76	\$0.00
Total SALARIES AND ON COSTS	<u>\$128,346.28</u>	<u>\$135,868.16</u>
MISC. EXPENSES		
Bad debt expense	\$175.66	\$0.00
Other expenses	\$75.63	\$320.00
Total MISC. EXPENSES	<u>\$251.29</u>	<u>\$320.00</u>
SPECIAL PROSPER EVENTS		
Net Xmas Dinner Costs		
Xmas Dinner Costs	\$0.00	\$1,223.30
less Xmas Dinner Sales	\$0.00	-\$263.00
Total Net Xmas Dinner Costs	<u>\$0.00</u>	<u>\$960.30</u>
Henry George Dinner Net Exp.		
Henry George Dinner Costs	\$3,624.94	\$3,263.47
Less Henry George Dinner Sales	-\$1,597.75	-\$1,875.13
Total Henry George Dinner Net Exp.	<u>\$2,027.19</u>	<u>\$1,388.34</u>

Prosper Australia Inc.

Profit & Loss [With Last Year]

April 2015 through March 2016

28/04/20

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	This Year	Last Year
Total SPECIAL PROSPER EVENTS	<u>\$2,027.19</u>	<u>\$2,348.64</u>
K2's USA Tour 2015		
INCOME RSF Grant	-\$3,944.06	\$0.00
USA Food Expenses	\$682.00	\$193.58
USA Accommodation	\$575.07	\$435.34
USA Comms, filming & other exp	\$146.35	\$865.06
US travel to be allocated TEMP	\$3.00	\$0.00
USA Flights & Travel Expenses	\$3,419.94	\$2,305.99
USA CGO Conference Fee	\$639.00	\$0.00
Total K2's USA Tour 2015	<u>\$1,521.30</u>	<u>\$3,799.97</u>
DC's Trip to Perth		
Perth Flights & Travel	\$0.00	\$839.09
Perth Accommodation	\$0.00	\$300.00
Perth Food Expenses	\$0.00	\$54.55
Perth Events & Communications	\$0.00	\$170.71
Total DC's Trip to Perth	<u>\$0.00</u>	<u>\$1,364.35</u>
Total EXPENSES	<u>\$197,285.54</u>	<u>\$199,500.27</u>
Operating Profit	<u>-\$37,669.08</u>	<u>\$7,741.40</u>
OTHER INCOME		
Net Profit/(Loss)	<u>-\$37,669.08</u>	<u>\$7,741.40</u>

Prosper Australia Research Institute

LSX, 285 Lennox St
Richmond, VIC, 3121

Balance Sheet

As of March 2016

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CURRENT ASSETS	
BANK ACCOUNTS	
Bendigo Chq Account	\$27,537.49
Books	\$125.00
Trade Debtors	\$100.00
Owing from Prosper Aust.	\$20.00
Total CURRENT ASSETS	<u>\$27,782.49</u>
LIABILITIES	
Net Assets	<u>\$27,782.49</u>
EQUITY	
Retained Earnings	\$9,217.64
Current Earnings	\$18,564.85
Total EQUITY	<u>\$27,782.49</u>

Prosper Australia Research Institute

LSX, 285 Lennox St
Richmond, VIC, 3121

Profit & Loss [With Last Year]

April 2015 through March 2016

27/04/2016
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	This Year	Last Year
INCOME		
DONATIONS		
General Donations	\$33,428.20	\$10,000.00
Monthly Recurring Donations	\$350.00	\$0.00
MEMBERSHIP		
Membership	\$100.00	\$100.00
Total INCOME	<u>\$33,878.20</u>	<u>\$10,100.00</u>
EXPENSES		
ADMINISTRATION		
Bank & Finance Charges		
NAB Merchant Fees	\$622.61	\$0.00
Office & Related Expenses		
Stationery & Office Supplies	\$0.00	\$168.18
PARI stationery	\$0.00	\$89.18
Fundraising Expenses		
Fundraising Strategy	\$0.00	\$500.00
Website & Graphic Design		
Logo Design	\$0.00	\$75.00
Other Admin Costs		
Subscriptions	\$0.00	\$150.00
EDUCATION		
RESEARCH		
Spec Vac		
Spec Vac - Data Analysis	\$1,650.00	\$0.00
Spec Vac - Reporting	\$5,000.00	\$0.00
Spec Vac - Layout	\$1,100.00	\$0.00
Spec Vac - Promo & Media	\$2,750.00	\$0.00
Total Spec Vac	<u>\$10,500.00</u>	<u>\$0.00</u>
GST - Data analysis & Report	<u>\$2,500.00</u>	<u>\$0.00</u>
Total RESEARCH	<u>\$13,000.00</u>	<u>\$0.00</u>
WAGES EXPENSES		
Wages & Salaries	\$1,642.50	\$0.00
Sundry Expenses	\$48.24	\$0.00
Total EXPENSES	<u>\$15,313.35</u>	<u>\$982.36</u>
Net Profit/(Loss)	<u>\$18,564.85</u>	<u>\$9,117.64</u>