

FRIENDS OF FEMILI PNG INCORPORATED
ABN 41 706 886 372

FINANCIAL REPORT

FOR THE YEAR ENDED
30 JUNE 2019

FRIENDS OF FEMILI PNG INCORPORATED
ABN 41 706 886 372

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FRIENDS OF FEMILI PNG INCORPORATED
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MEMBERS' REPORT

The members present their report, together with the financial statements, on Friends of Femili PNG Incorporated for the year ended 30 June 2019.

MEMBERS

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

Anna Wissink (Treasurer)
Stephen Howes (Chair)
Ume Wainetti (Deputy Chair until February 2019)
Kelly Williamson (Committee Member)
Eric Kwa (Committee Member)
Marcia Kalinoe (Committee Member)
Stephanie Copus-Campbell (Committee Member)

PRINCIPAL ACTIVITY

The principal activity of the entity was to support and promote the work of Femili PNG to assist survivors of family and sexual violence in Papua New Guinea to access the services they need.

SIGNIFICANT CHANGES

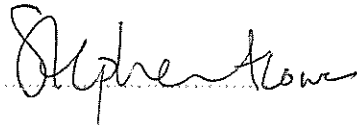
During the financial year, the incorporated association became a reporting entity. These general purpose financial statements have been prepared on an accrual basis to comply with Australian Accounting Standards - Reduced Disclosure Requirements.

OPERATING RESULT

In the current financial year the incorporated association recorded a deficit from ordinary activities of \$99,800 (2018: surplus \$103,772).

SUBSEQUENT EVENTS

No material subsequent events have occurred since balance date.



Stephen Howes
Chair of Friends of Femili PNG



Anna Wissink
Treasurer of Friends of Femili PNG

Dated:

Dated: 01 November 2019

RSM Australia Pty Ltd

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of the Friends of Femili PNG Incorporated for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A stylized, handwritten signature of 'RSM' in black ink.

RSM Australia Pty Limited

A handwritten signature in black ink, appearing to be 'Rodney Miller'.

Rodney Miller
Director

Canberra, Australian Capital Territory
Dated: 01 November 2019

RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
FRIENDS OF FEMILI PNG INCORPORATED

Opinion

We have audited the financial report of Friends of Femili PNG Incorporated, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the board and responsible persons' declaration.

In our opinion, the financial report of Friends of Femili PNG Incorporated has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act (ACT) 1991 and associated regulations, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Friends of Femili PNG Incorporated in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 comprises the information included in Friends of Femili PNG Incorporated's annual report for the year ended 30 June 2018, but does not include the financial report and the 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, 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 Management and Those Charged with Governance for the Financial Report

The board members of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the board members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board members are responsible for assessing Friends of Femili PNG Incorporated'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 management either intends to liquidate Friends of Femili PNG Incorporated or to cease operations, or has no realistic alternative but to do so.

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 at: <http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx>. This description forms part of our auditor's report.



RSM Australia Pty Limited



Rodney Miller
Director

Canberra, Australian Capital Territory
Dated: 01 November 2019

FRIENDS OF FEMILI PNG INCORPORATED
ABN 41 706 886 372

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Revenue		
Monetary donations and gifts	275,907	159,769
Non-monetary donations and gifts	31,764	40,763
Grants	30,000	142,508
Commercial Activities Income	911	3,719
Total Revenue	<u>338,582</u>	<u>346,759</u>
Expenditure		
International Aid and Development Programs		
International Programs		
- Funds to international programs	300,720	147,572
- Program support costs	83,005	13,043
Fundraising costs		
- Public	8,696	23,571
- Government, multilateral and private	2,595	3,094
Accountability and administration	11,348	13,552
Non-monetary expenditure	31,764	40,763
Total International Aid and Development Programs	<u>438,128</u>	<u>241,595</u>
Commercial Activities Expenditure	254	1,369
Other Expenditure	-	23
Total Expenditure	<u>438,382</u>	<u>242,987</u>
Total surplus/ (deficit) from ordinary activities	<u><u>(99,800)</u></u>	<u><u>103,772</u></u>

The accompanying notes form part of these financial statements

FRIENDS OF FEMILI PNG INCORPORATED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	NOTE	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	3	50,744	295,824
Total Current Assets		50,744	295,824
LIABILITIES			
Curren Liabilities			
Trade and other payables		5,773	14,729
Annual leave provision		2,261	3,685
Deferred revenue	4	5,100	140,000
Total Current Liabilities		13,134	158,414
NET ASSETS		37,610	137,410
EQUITY			
Retained Earnings		37,610	137,410
TOTAL EQUITY		37,610	137,410

The accompanying notes form part of these financial statements.

FRIENDS OF FEMILI PNG INCORPORATED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings	Total
Balance as at 30 June 2017	33,638	33,638
Surplus from operations	<u>103,772</u>	<u>103,772</u>
Balance as at 30 June 2018	<u>137,410</u>	<u>137,410</u>
Deficit from operations	<u>(99,800)</u>	<u>(99,800)</u>
Balance as at 30 June 2019	<u><u>37,610</u></u>	<u><u>37,610</u></u>

The accompanying notes form part of these financial statements.

FRIENDS OF FEMILI PNG INCORPORATED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	203,682	486,759
Payments to suppliers and employees	(448,762)	(224,573)
Net cash generated from/ (used in) operating activities	<u>(245,080)</u>	<u>262,186</u>
Net increase/ (decrease) in cash held	(245,080)	262,186
Cash on hand at the beginning of the financial year	295,824	33,638
Cash on hand at the end of the financial year	<u><u>50,744</u></u>	<u><u>295,824</u></u>

The accompanying notes form part of these financial statements.

FRIENDS OF FEMILI PNG INCORPORATED
ABN 41 706 886 372

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements for Friends of Femili PNG Incorporated are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The incorporated association 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.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct, Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act (ACT) 1991* and associated regulations, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations- monetary

Donations are recognised at the time the funds are received.

Donations- non- monetary

In line with the ACFID Code of Conduct, the value of material volunteer services received in-kind is disclosed in the Income Statement. Material voluntary services are valued using the job descriptions and relative rates of pay published in the Recognised Development Expenditure (RDE) Guidelines published by DFAT at: https://dfat.gov.au/about-us/publications/Documents/rde_notes.doc.

Grants

Grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year for the purpose of the grant. Grant monies that have been received or are receivable but have not been expended at balance date are recognised as unexpended grants in Deferred Revenue.

FRIENDS OF FEMILI PNG INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

GST

The entity is not registered for GST, therefore all figures are GST inclusive.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Deferred Revenue

Grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year for the purpose of the grant. Grant monies that have been received or are receivable but have not been expended at balance date are recognised as Unexpended grants in Deferred Revenue.

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Key judgement – Deferral of revenue and revenue recognition

Grants are recognised as revenue in the year received or receivable to the extent of expenditure during the year for the purpose of the grant. Grant monies that have been received or are receivable but have not been expended at balance date, including interest thereon where required under the terms of the grant, are recognised as Unexpended grants in Deferred Revenue.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The incorporated association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the incorporated association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

NOTE 3. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash at bank	<u>50,744</u>	<u>295,824</u>

NOTE 4. DEFERRED REVENUE

Grant for project	<u>5,100</u>	<u>140,000</u>
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NOTE 5. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to officers and other members of key management personnel of the incorporated association is set out below:

Aggregate compensation	<u>105,555</u>	<u>22,337</u>
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NOTE 6. CONTINGENT LIABILITIES

The incorporated association have no contingent liabilities as at 30 June 2019 and 30 June 2018.

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NOTE 7. COMMITMENTS

The incorporated association had no commitments for expenditure as at 30 June 2019 and 30 June 2018.

NOTE 8. RELATED PARTY TRANSACTIONS

Key management personnel

Disclosures relating to key management personnel are set out in Note 5.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

NOTE 9. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

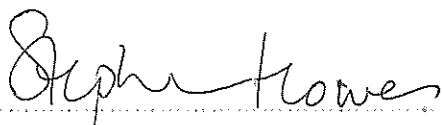
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MEMBERS' DECLARATION

I declare that:

- the attached financial statements and notes comply Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act (ACT) 1991* and associated regulations;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

Chair:.....
Stephen Howes



Dated this

1st day of November 2019

Treasurer:.....
Anna Wissink



Dated this

01st day of November 2019