

Baptist World Aid Australia Public Ancillary Fund

A.B.N. 77 507 629 093



**BAPTIST
WORLD AID
AUSTRALIA**
Be love. End poverty.

Financial Statements

for the year ended 30 June 2017



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Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 June 2017

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
REVENUE			
Donations and Gifts:			
Tax deductible		10,839,924	10,921,938
Non-tax deductible		20,119	7,169
Bequests and legacies		528,697	71,924
Other income	3	7,325	7,635
TOTAL REVENUE		<u>11,396,065</u>	<u>11,008,666</u>
EXPENDITURE			
Accountability and administration		47,162	59,222
Distribution to Transform Aid International Ltd		11,348,903	10,949,444
TOTAL EXPENDITURE		<u>11,396,065</u>	<u>11,008,666</u>
EXCESS OF REVENUE OVER EXPENDITURE			
		<u>-</u>	<u>-</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>-</u>	<u>-</u>

This statement should be read in conjunction with the accompanying notes to the financial statements.



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Statement of Financial Position as at 30 June 2017

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
ASSETS			
Cash and cash equivalents	4	712,739	825,898
Other current assets	5	1,400	2,196
TOTAL ASSETS		<u>714,139</u>	<u>828,094</u>
LIABILITIES			
Trade and other payables	6	6,000	16,620
Payable to Transform Aid International Ltd		708,139	811,474
TOTAL LIABILITIES		<u>714,139</u>	<u>828,094</u>
NET ASSETS		<u>-</u>	<u>-</u>
EQUITY			
Retained earnings		-	-
TOTAL EQUITY		<u>-</u>	<u>-</u>

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Statement of Cash Flows

for the year ended 30 June 2017

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Donations received		10,848,922	10,935,540
Bequests and legacies received		528,697	71,924
Other income received		7,325	7,635
Payments to suppliers and employees		(45,866)	(59,491)
Distribution to Transform Aid International Ltd		(11,452,238)	(10,737,222)
Net cash provided by operating activities		<u>(113,160)</u>	<u>218,386</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash provided by investing activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by financing activities		<u>-</u>	<u>-</u>
NET INCREASE IN CASH HELD		(113,160)	218,386
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		825,898	607,512
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	4	<u>712,739</u>	<u>825,898</u>

This statement should be read in conjunction with the accompanying notes to the financial statements.



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Notes to the Financial Statements for the year ended 30 June 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board as set out below. In addition, Baptist World Aid Australia Public Ancillary Fund is a fund that complies with "Public Ancillary Fund Guidelines 2011" as set out by the Tax Administration Act 1953.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) have concluded would result in a finance report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

- AASB 110 – Events After the Balance Sheet Date; and
- AASB 1031 – Materiality.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or, except where specifically stated, current valuations of non-current assets.

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The following material accounting policies have been adopted in the preparation of this financial report. Other than the following, no other significant accounting policies require disclosure in this report.

(a) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

i. Donations and Fundraising

The Group recognises amounts donated or raised on behalf of the company as income only when they are received by the company. Tax deductible and non-tax deductible donations are determined at source and treated as separate.

ii. Interest and Dividends

Interest and dividends are recognised when received/receivable.

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



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(b) Cash

Cash includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

NOTE 2 NATURE AND OBJECTS OF ORGANISATION

On the 18th April 2013, Australian Baptist World Aid Inc. changed its legal status from an incorporated association to a company structure and subsequently received approval from the Australian Government as a Deductible Gift Recipient (DGR). Transform Aid International Ltd commenced operations under the new company structure from 23rd July 2013.

Baptist World Aid Australia Ltd, a wholly-owned subsidiary of Transform Aid International Ltd, was established and registered as a Charity organisation on the 8th August 2013. This subsidiary acts as trustee for the Baptist World Aid Australia Public Ancillary Fund.

NOTE 3 OTHER INCOME

Other income represents income received from various deputations and resource sales during the year.

NOTE 4 CASH AND CASH EQUIVALENTS

The cash and cash equivalents amount in the balance sheet is represented by:

	2017	2016
NAB - Overseas aid deductible	468,196	755,337
NAB - Non deductible	3,397	-
NAB - Direct deposit	241,146	70,561
	712,739	825,898

NOTE 5 OTHER CURRENT ASSETS

Other current assets includes:

GST receivables	1,400	2,196
	1,400	2,196



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2017

2016

NOTE 6 TRADE AND OTHER PAYABLES

Trade and other payables includes:

Merchant and Bank Fees

-

11,120

Audit Fees

6,000

5,500

6,000

16,620



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Trustee Directors' Declaration

The Directors of the trustee company have determined that the fund is not a reporting entity and that this special purpose financial report has been prepared in accordance with the accounting policies described in Note 1 to the financial statements and the 'Public Ancillary Fund Guidelines 2011'.

The Directors of the trustee company declare that:

1. The financial statements and notes, as set out on page 4:
 - a. Comply with Accounting Standards and 'Public Ancillary Fund Guidelines 2011' as described in Note 1 to the financial statements; and
 - b. Give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the fund in accordance with the accounting policies described in Note 1 to the financial statements; and
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 made in accordance with a resolution of the Board of Directors.

Philip Newman
Chair

Dated the 4th day of October 2017

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Independent Auditor's Report To the Trustee of Baptist World Aid Australia Public Ancillary Fund

Auditor's Opinion

We have audited the financial report of Baptist World Aid Australia Public Ancillary Fund (the Fund), which comprises the statement of financial position as at 30 June 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and comprising notes to the financial statements, including a summary of significant accounting policies and the statement by the Board of Directors of the trustee company.

In our opinion, the accompanying financial report of Baptist World Aid Australia Public Ancillary Fund:

- a presents fairly, in all material respects, the Fund's financial position as at 30 June 2017 and of its performance and cash flows for the year then ended; and
- b complies with the accounting policies described in Note 1 and the Australian Charities and Not-for-Profits Commission Act 2012 and the Australian Charities and Not-for-Profits Commission Regulation 2013.

Basis for Auditor's 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 Fund 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 audit opinion.

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Information other than the Financial Report and Auditor's Report

The Directors of the trustee company are responsible for the other information. The other obtained at the date of this auditor's report is information included in the Fund's annual report for the year ended 30 June 2017, 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, 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.

Responsibility of the Directors for the Financial Report

The Directors of the trustee company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 of the financial report, which form part of the financial report, are appropriate to meet the needs of the trustees and the Public Ancillary Fund Guidelines 2011 to the Tax Administration Act 1953 ("Guidelines"). This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors of the trustee company are responsible for assessing the Fund'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 the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund'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 at: http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



A G Rigele
Partner - Audit & Assurance

Sydney, 4 October 2017