

MALUK TIMOR AUSTRALIA

ABN 54 121 715 446

SPECIAL PURPOSE FINANCIAL REPORT

For the year ended 31 December 2020



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Directors' Report

The directors of Maluk Timor Australia (ABN 54 121 715 446) ("the Company" or "MTA") present their report together with the financial report for the 12 months ended 31 December 2020 and the auditor's report thereon.

DIRECTORS

The directors of the Company in office at any time during or since the end of the financial period are:

Julie Hamblin Chair (Non-Executive Chairman)
 Associate Professor Andrew Cochrane AM (Non-Executive Deputy Chair)
 Dr Jeremy Beckett (CEO, Associacao Maluk Timor)
 Dianne Beer (Non-executive)
 Alison Bradley (Non-executive) (Resigned: 25 March 2020)
 Richard Campbell (Non-executive)
 Dr Christopher Fenton (Non Executive)
 Dr Shane Fryer OAM (Non-executive)
 Dr Joshua Francis (Non-executive)
 Frank Mattiussi (Non-executive)
 Helen Moorfoot (Non-executive)
 Associate Professor Clare Nourse AM (Non-executive)
 Michelle Wilson (CEO, Maluk Timor Australia & Company Secretary)

Qualifications, experience and social responsibilities

Julie Hamblin Chair

Ms Hamblin's work has spanned health law, governance, disability and international development. A former partner of HWL Ebsworth, she has expertise in health regulation, clinical risk, privacy and bioethics. She also has a particular interest in global health and human rights having worked with the United Nations Development Programme and other organisations on projects relating to public health and HIV/AIDS in more than 20 countries in Asia, the Pacific, Africa and Eastern Europe. She has served on numerous government and other advisory bodies in the health sector, including the Australian Research Integrity Committee, the NSW Clinical Ethics Advisory Panel, and the Attorney-General's International Pro Bono Advisory Group.

She is an experienced Non-Executive Director. Other roles include Chair of Autism Spectrum Australia, Deputy Chair of Plan International Australia, and board member of the Telecommunications Industry Ombudsman and the Royal Australian and New Zealand College of Obstetricians and Gynaecologists. She is a Fellow of the Australian Institute of Company Directors

Committee – Finance. Risk. Audit & Governance Committee

Directors' Report (continued)

Associate Professor Andrew Cochrane AM

Associate Professor Andrew Cochrane is a leading cardiac and thoracic surgeon from Melbourne, Victoria with 25 years of experience. From 2003 to 2011, he volunteered his time annually in Timor-Leste providing surgical care on a pro bono basis, in addition to volunteer surgical work in several Pacific nations through Operation Open Heart and the Royal Australasian College of Surgeons. More recently, he has been involved with the Maluk Timor Australia as a board member and donor, and as a board member of the East Timor Hearts Fund from 2014 to 2018. Andrew is an Associate Professor in the Dept. of Surgery, Monash University and is actively involved in a number of research projects. He is heavily involved with the Royal Australasian College of Surgeons (RACS), serving on several committees. He was the Chair of the RACS Victorian State Committee, from 2006-2008. He is currently a member of the Cardiothoracic Board, Chair of the Science and Education committee for the Australian and New Zealand Society of Cardiothoracic Surgeons, and is the main convener for the annual Cardiothoracic conference. In addition to his volunteer surgical services, Andrew is engaged in several other philanthropic activities through Monash University and University of Melbourne, including financing the Margaret Schofield scholarships for outstanding VCE music students, the Donald Cochrane Scholarship through the Faculty of Business and Economics for Ph.D. scholars, and the Margaret Schofield Opera Scholarship through the Melba Opera Trust. He is currently a Director and Trustee of the Cochrane - Schofield Charitable Fund.

Associate Professor Clare Nourse AM

Associate Professor Clare Nourse is a Paediatric Infection Specialist at the Queensland Children's Hospital in Brisbane, Queensland and is an Associate Professor in the School of Clinical Medicine at the University of Queensland. Clare qualified in medicine from Trinity College Dublin and trained at Our Lady's Hospital for Sick Children in Dublin, Royal Children's Hospital in Melbourne and Mater Children's Hospital in Brisbane. Clare has 25 years of experience in tertiary hospital medical practice, specifically in the field of paediatric infection. Her developing country experience includes work in Malawi, work with the International Committee of the Red Cross in Ethiopia and current contribution with Maluk Timor in Timor-Leste. Clare's particular clinical and research interests are in TB and HIV infection in children, paediatric health in poor resource countries, staphylococcal infection and refugee health. Clare was a board member of the Mater Hospital Foundation, Brisbane, Queensland 2008-2010.

Committees – Chair, Medical Advisory Committee

Dianne Beer

Dianne Beer is a senior lawyer at Thomson Geer working in the corporate, commercial, intellectual property ("IP") and technology and group. She has substantial experience serving a diverse range of clients from large listed entities to small dynamic businesses. This experience is used in complex transactions, situations of commercial impasse, and in the establishment of new businesses. Dianne has considerable experience working for clients in the health sector in New South Wales. Dianne is a Past President of Licensing Executives' Society for ANZ, the peak professional body for experts in licensing technology and intellectual property. Dianne's formal qualifications include LLM University of London and LLB (Hons) University of Adelaide and she is a Notary Public for New South Wales."

Committee – Finance, Risk, Audit & Governance Committee

Directors' Report (continued)

Dr Joshua Francis

Dr Joshua Francis is a Paediatrician and Paediatric Infectious Diseases Specialist, working at Royal Darwin Hospital in the Northern Territory. He is a Lecturer with the Flinders University Northern Territory Medical Program, and Senior Research Fellow with the Menzies School of Health Research, Charles Darwin University. He has previously been a board member for the Royal Australasian College of Physicians and a member of the Australian Medical Council. Josh is passionate about global and Indigenous child health. In addition to his clinical and academic roles in the Northern Territory, he also provides leadership to projects in Timor-Leste that are focused on strengthening healthcare delivery, clinical training and operational research.

Committees – Medical Advisory Committee

Frank Mattiussi

Frank Mattiussi is Managing Director of Origin Securities Pty Limited. He is a senior corporate adviser with over 40 years' experience in providing strategic and commercial advice to domestic and international clients across a wide range of industries. Prior to Origin, Frank had senior roles at AIDC Ltd, Hambros Australia, Wardley Australia and Price Waterhouse. Frank is a Fellow of Chartered Accountants Australia and New Zealand, a Senior Fellow of the Financial Services Institute of Australia and a Fellow of the Australian Institute of Company Directors.

Committees – Chair, Finance, Risk, Audit & Governance Committee

Helen Moorfoot

Helen Moorfoot is the volunteer coordinator, communicator and fundraiser for MTA fundraising and donor relations. She works with supporters, volunteers and the team in Dili, Timor-Leste to ensure this caring community is informed about what is happening here and in Timor-Leste. Helen also supports the voluntary board to facilitate team outcomes and works with other fundraisers to provide assistance and support to help raise much needed funds for Timor-Leste. Helen was a registered nurse and midwife then she spent many years working in the publishing industry in a sales capacity.

Committee – Chair, Partnerships, Fundraising and Communication Committee

Directors' Report (continued)

Dr Christopher Fenton

Dr Chris Fenton worked in General Practice in Rose Bay in Sydney from 1982 until 2004. He worked in Medical Director roles after that and was Medical Director for Papua New Guinea (PNG) for International SOS from 2009-2011. In 2012, he began doing fortnightly FIFO work to act as the Town Doctor in a mining town called Middlemount in Central Queensland and continues to do this work at present. Chris has been focused on supporting the delivery of health care services in Timor-Leste and was the Chief Executive Officer for the NGO now known as MTA from 2006 until February 2020. Chris remains on the Board of MTA and is now focusing specifically on two of MTT's programs, on encouraging increased engagement by the Members of the MTT NGO in the work of Maluk Timor so that they can be increasingly involved in its oversight and strategic direction and on assisting with the continued funding of Maluk Timor.

Committees – Medical Advisory Committee

Michelle Wilson

Michelle Wilson is an experienced Health Management Executive who has worked in the public and private health sectors health and community services sector and managed a health research foundation. She has held governance roles with charitable and not for profit organisations. Michelle has a strong interest in supporting and working with organisations that promote social justice and equitable access to services. Michelle was appointed as Chief Operating Officer of MTA in October 2019 and Chief Executive Officer in February 2020. Michelle has a Bachelor of Occupational Therapy (Honours), Masters of Business Administration and is a Graduate of the Australian Institute of Company Directors.

Committees – Chair, Administration Management Committee; Partnerships, Fundraising and Communication Committee, Finance, Risk, Audit & Governance Committee; Company Secretary

Dr Jeremy Beckett

Dr Jeremy Beckett is the Chief Executive Officer of Maluk Timor, based in Timor-Leste. He is a qualified general practitioner, who, prior to moving to Timor-Leste was providing medical services in Geraldton including working at Geraldton Hospital as an anaesthetist. Jeremy qualified in medicine from University of Western Australia.

Committees – Medical Advisory Committee, Partnerships, Fundraising and Communication Committee, Finance, Risk, Audit & Governance Committee

Dr Shane Fryer OAM

Dr Shane Fryer has a Specialist Orthodontic practice based in Wollongong which has been operating for 30 years. He is a Fellow of the Royal Australasian College of Dental Surgeons by examination in the field of paediatric dentistry. He has also been awarded honorary fellowships in the Pierre Fauchard Academy, the Academy of Dentistry International and the International College of Dentists. Shane is a member of the Royal Australian College of Dental Surgeons Special Field of Orthodontics, the Australian Dental Association, Royal Australasian College of Dental Surgeons, Australian Society of Orthodontists, American Society of Orthodontists and the World Federation of Orthodontists. In addition, he has demonstrated and tutored at Sydney University in the fields of Operative Dentistry and Paediatric Dentistry and Orthodontics.

Directors' Report (continued)

Richard Campbell

Richard Campbell has spent the last 39 years as a financial adviser, including 26 at UBS Wealth Management and now Crestone Wealth Management. Richard's combination of career and life experience has instilled in him a sense of perspective where he focusses on helping the less fortunate. He grew up in country NSW but now resides in Sydney. Along with MTA, Richard supports other charities in Uganda, and Australia with interests in medicine, education and the arts.

Committees - Partnerships, Fundraising and Communication Committee

Alison Bradley

Alison Bradley has experience in providing internal and external audit services, risk management and compliance activities in both Australia and United Kingdom. Alison has built her experience from a career in the professional services, working with clients from a range of industries and of varying sizes, including multi national organisations, large listed through to start up and not for profit organisations. Alison holds a Bachelor of Commerce and Bachelor of Science degrees from Australian National University and is also a member of Chartered Accountants Australia and New Zealand. Alison resigned on 25 March 2020.

Committees – Finance, Risk, Audit & Governance Committee

DIVIDENDS

The Company's constitution precludes the payment of dividends.

PRINCIPAL ACTIVITIES

During the year, the principal activities of MTA have been to advance quality healthcare in Timor-Leste, to help put an end to preventable death and disease and promote lifelong well being, especially for vulnerable women and children. MTA achieved this in 2020 by supporting, enhancing and developing the work of Associacao Maluk Timor (AMT) in Dili.

MTA's primary objective is quality improvement in healthcare being delivered by Timor-Leste's own developing health system by working inside government-run health centres, alongside Timorese health workers, and in close partnership with the Timorese Ministry of Health (MOH).

Our goal is to empower health workers and the MOH to build a strong primary health care system to address Timor-Leste's greatest health challenges in an effective and sustainable way. Our programs focus on medical and nursing training, malnutrition, women's health, tuberculosis, HIV, rheumatic heart disease and oral health. There is a continued strong emphasis on developing the skills of our Timorese staff in clinical and non-clinical roles.

Donations have been adversely affected by the decline in the general economic climate following the onset of the COVID19 pandemic and the natural disasters of 2020.

The COVID19 pandemic necessitated changes to the funding and operations of Maluk Timor Australia (MTA). MTA was able to secure DFAT funding to support a pivot in its activities in Timor Leste focussing on the provision of COVID19 response services.

Directors' Report (continued)

CORPORATE INFORMATION

MTA is a company limited by guarantee that is incorporated and domiciled in Australia. The registered office and principal place of business is Level 14, 60 Martin Place, Sydney NSW 2000.

OPERATING AND FINANCIAL REVIEW

Operating Result for the Period

The Surplus of the Company for the 12 months period ended 31 December 2020 was \$166,629 (31 December 2019: \$90,284).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the nature of activities during the year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There has been no significant events occurring after the balance date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

MTA is likely to pursue its objectives in future years with increased grant funding.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial period there were premiums paid by the Company to insure the board members and executive.

Directors' Report (continued)

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the period and the number of meetings attended by each director were as follows:

	<i>Number of meetings eligible to attend</i>	<i>Number of meetings attended</i>
Number of meetings held:	9	
Number of meetings attended:		
Julie Hamblin Chair (Non-Executive Chairman)	9	9
Associate Professor Andrew Cochrane AM (Non-Executive Deputy Chair)	9	5
Dr Jeremy Beckett (CEO, Associacao Maluk Timor)	9	9
Dianne Beer (Non-executive)	9	9
Alison Bradley (Non-executive)	3	1
Richard Campbell (Non-executive)	9	8
Dr Christopher Fenton (Non Executive)	9	9
Dr Joshua Francis (Non-executive)	9	9
Dr Shane Fryer OAM (Non-executive)	9	9
Frank Mattiussi (Non-executive)	9	9
Helen Moorfoot (Non-executive)	9	8
Associate Professor Clare Nourse AM (Non-executive)	9	9
Michelle Wilson (CEO, Maluk Timor Australia & Company Secretary)	9	9

MEMBERS GUARANTEE

MTA is a Company limited by guarantee that is incorporated and domiciled in Australia. If the Company is wound up, its constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the Company.

Directors' Report (continued)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration is set out on page 10.

Signed in accordance with a resolution of the directors.



Julie Hamblin Chair (Non-Executive Chairman)
Director

Sydney, 1st June 2021



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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012**

TO THE DIRECTORS OF MALUK TIMOR AUSTRALIA

In relation to our audit of the financial report of Maluk Timor Australia for the financial year ended 31 December 2020 and in accordance with the requirements of Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Name of Firm: Allworths Assurance & Advisory Pty Ltd

Name of Director: 

Colleen Hosking, FCA

Address: Level 18, 31 Market Street, Sydney

Dated this 1st June 2021

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2020

	31/12/2020	31/12/2019
Note	\$	\$
Revenue from continuing operations	2,072,052	879,243
Other revenue	15,000	-
Interest income	-	-
Revenue	2,087,052	879,243
Accounting, legal and consultancy expenses	(218,032)	(153,804)
Administration expenses	(113,172)	(16,773)
Foreign exchange gain/(loss)	3,028	145
Insurance expenses	(4,361)	(3,638)
Cash transfer to Associacao Maluk Timor - cost	(1,587,885)	(614,889)
Surplus/(deficit) for the year/period	166,629	90,284
Other comprehensive income		-
Total comprehensive income/(loss) attributable to members of the Company	166,629	90,284

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes on pages 15 to 18.

Statement of Financial Position

As at 31 December 2020

	Note	31/12/2020 \$	31/12/2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4a	1,310,797	422,247
Trade and other receivables		1,130	3,540
Prepayments		1,773	1,644
Total Current Assets		1,313,700	427,431
TOTAL ASSETS		1,313,700	427,431
LIABILITIES			
Current Liabilities			
Trade and other payables		771,209	51,568
Total Current Liabilities		771,209	51,568
TOTAL LIABILITIES		771,209	51,568
Net Assets		542,491	375,863
EQUITY			
Retained surplus		542,491	375,862
TOTAL EQUITY		542,491	375,862

The above statement of financial position should be read in conjunction with the accompanying notes on pages 15 to 18.

Statement of Changes in Equity

For the year ended 31 December 2020

	<i>Retained surplus</i> \$	<i>Total equity</i> \$
At 31 December 2019	375,862	375,862
Surplus for the year	166,629	166,629
Total Comprehensive Income for the year	166,629	166,629
At 31 December 2020	542,491	542,491
At 1 January 2019	285,578	285,578
Surplus for the year	90,284	90,284
Total Comprehensive Income for the year	90,284	90,284
At 31 December 2019	375,862	375,862

The above statement of changes in equity should be read in conjunction with the accompanying notes on pages 15 to 18.

Statement of Cash Flows

For the year ended 31 December 2020

	Note	31/12/2020 \$	31/12/2019 \$
Cash flows from operating activities			
Donations, grants and other receipts		2,870,576	805,004
Payments to suppliers		(1,802,953)	(701,775)
GST refunded/(paid)		(179,073)	(465)
Net cash flows (used in) from operating activities	4b	888,550	102,764
Cash flows from investing activities			
Net cash flows from investing activities		-	-
Cash flows from financing activities			
Outflows from the issue of shares		-	-
Net cash inflow from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		888,550	102,764
Cash and cash equivalents at beginning of period		422,247	319,483
Cash and cash equivalents at the end of period	4a	1,310,797	422,247

The above statement of cash flows should be read in conjunction with the accompanying notes on pages 15 to 18.

Notes to the Financial Statements

For the year ended 31 December 2020

2 CORPORATE INFORMATION

The financial report of Maluk Timor Australia (the Company) for the 12 month period ended 31 December 2020 was authorised for issue in accordance with a resolution of the directors on 25th May 2021.

MTA is a company limited by guarantee incorporated and domiciled in Australia.

The registered office and principal place of business of the Company is: Level 14, 60 Martin Place, Sydney NSW 2000.

The nature of the operations and principal activities of the Company are described in the directors' report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The directors have prepared the financial statements of the Company in accordance with the requirements of the Australia Charities and Not-for-profits Commission Act 2012 and the Not-for-profits Commission Regulation 2013. The directors consider that the Company is not publicly accountable nor a reporting entity because there are no users dependent on general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the requirements of recognition, measurement and classification aspects of all applicable Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards board ("AASB").

The special purpose financial statements include only the disclosure requirements of the following AASBs and those disclosures considered necessary by the directors to meet the needs of members:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting policies, Changes in Accounting Estimates and Errors

AASB 1048 Interpretation and Application of Standards

AASB 1054 Australian Additional disclosures

The financial statements do not comply with international Financial reporting Standards ("IFRS") adopted by the International Accounting Standard Board ("IASB").

The financial statements have been prepared at the historical cost basis.

The financial report is represented in Australian dollars.

(b) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

(c) New accounting standards and interpretations

Certain new accounting standards have been published that are not mandatory for 31 December 2020 reporting periods and have not yet been applied in the financial statements. The Company's assessment of the impact of these new standards and interpretations is that they will not materially affect any of the accounts recognised in the financial statements or significantly impact the disclosures in relation to MTA.

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and on hand.

(e) Trade and other Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of these goods and services.

(f) Revenue recognition

The Company adopts AASB 1058 and AASB 2016-8 ('the standards'). Application of the Standards defers income recognition in some circumstances for not-for-profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately.

The standards also expand the circumstances in which not for profit entities are required to recognise income for goods and services received for consideration that is significantly less than fair value of the asset principally to enable the entity to further its objectives (discounted goods and services). This factor has been applicable for the company in connection with legal fees.

AASB 2016-8 amended AASB 9 Financial Instruments and AASB 15 Revenue from Contracts with Customers to add requirements and authoritative implementation guidance for application by not-for-profit entities.

Timing and amount of revenue/grants to be recognised can be impacted. A contract may also be partially within the scope of this standard and partially within the scope of AASB 1058.

There is clearer guidance for deferral of revenue from some transactions where sufficiently specific performance conditions exist.

In many cases the standard allows more deferral of revenue and better matching of income and expenditure.

Donations

Donations are recognised once received. In the event that a donation is subject to conditions that require a level of performance before the company is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the company and it is probable that those conditions will be fulfilled in the reporting period.

Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues.

Other revenue

Other revenue is recognised when received or when the right to receive payment is established.

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Foreign currency translation

Transactions in foreign currency are initially recorded by the Company at its currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date and any gain or loss is realised in the statement of profit and loss and of the comprehensive income.

(h) Income tax

As the Company received income tax exemption from ATO (Noticed of Endorsement for Charity Tax Concession dated 11 April 2014), the Company will have no tax payable and will not be required to lodge an income tax return for the period ended 31 December 2021.

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- ▶ When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

- ▶ Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Notes to the Financial Statements (continued)

For the year ended 31 December 2020

	31/12/2020	31/12/2019
	\$	\$
3 REVENUE FROM CONTINUING OPERATIONS		
(a) Revenue from continuing operations		
Donations, grants and fundraising	2,072,052	879,243
	2,072,052	879,243
	At 31/12/2020	At 31/12/2019
4a CASH AND CASH EQUIVALENTS		
Cash at bank	1,310,793	422,247
	1,310,793	422,247

In the cash at bank balance, there is restricted cash of \$800,000 being held for a specific purpose in relation to funding programs in Timor.

4b RECONCILIATION OF OPERATING RESULT TO OPERATING CASH		
Surplus for the period	166,629	90,284
Operating profit before changes in working capital and provisions	166,629	90,284
(Increase)/decrease in trade and other receivables	2,408	(74,225)
(Increase)/decrease in other assets and liabilities	(128)	406
(Decrease)/increase in trade and other payables	719,641	88,904
Cash generated from operations	888,550	105,367
Interest paid		
Income taxes paid		
Net cash flows (used in) from operating activities	888,550	105,367

5 MEMBERS GUARANTEE

The Company is limited by guarantee. If the Company is wound up, the Company's constitution state that each member is required to contribute a maximum of \$1 each toward meeting any outstanding obligations of the Company. At 31 December 2020 the number of members was 31 (at December 2019: 25).

6 AUDITOR'S REMUNERATION

The audit of the financial statements of the Company is conducted by Allworths Assurance and Advisory. The audit fee for the year ended 31 December 2020 was \$9,700.

7 COVID-19 Impact

Donations have been adversely affected by the decline in the general economic climate following the onset of the COVID19 pandemic and the natural disasters of 2020.

The COVID19 pandemic necessitated changes to the funding and operations of Maluk Timor Australia (MTA). MTA was able to secure DFAT funding to support a pivot in its activities in Timor Leste focussing on the provision of COVID19 response services.

8 EVENTS AFTER BALANCE DATE

There have been no significant events occurring after the balance sheet date which may affect the Company's operations or results of those operations or the Company's state of affairs.

Directors' Declaration

In the opinion of the directors of Maluk Timor Australia ("the Company"):

- (a) the Company is not publicly accountable;
- (b) the financial statements and notes, set out on pages 11 to 18, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (i) giving a true and fair view in all material respects of the financial position of the Company as at 31 December 2020 and of its performance, as represented by the results of its operations for the financial period ended on that date in accordance with the statement of compliance and basis of preparation described in Note 2; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 2, and the Australian Charities and Not-for-profits Commission Act 2012; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Julie Hamblin Chair (Non-Executive Chairman)
Director

Sydney, 1st June 2021



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Independent Auditor's Report to the Members of Maluk Timor Australia

Report on the Financial Report

Opinion

We have audited the financial report of Maluk Timor Australia ("the Company") which comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, 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 members of the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 to the Financial Statements "*Basis of Preparation*" 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 the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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.

Emphasis of matter - basis of preparation and restriction on use

We draw attention to Note 1 to the financial report, which describes the basis of preparation.

The financial report has been prepared for the purpose of fulfilling the Directors financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Our report is intended solely for the members of the Company and ACNC and should not be used by any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Financial Report to which it relates to any person other than the members of the Company and ACNC. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2020, 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.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and have determined that the basis of preparation described in Note 2 to the Financial Report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The basis of preparation is also appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors 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 directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have 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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Colleen M Hosking
1st June 2021
SYDNEY NSW 2000