

Company - Special Purpose Financial Statements

Partners for Equity Limited
ABN 55606221390
For the year ended 30 June 2019

Prepared by TGS Partners Pty Ltd

Contents

3	Directors' Report
4	Statement of Income and Expenditure
5	Statement of Financial Position
6	Statement of Changes in Equity
7	Statement of Cash Flows
8	Notes to the Financial Statements
12	Directors' Declaration
13	Independent Auditor's Report

Directors' Report

Partners for Equity Limited For the year ended 30 June 2019

Your directors present this report on Partners for Equity Limited for the financial year ended 30 June 2019. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), the directors report as follows:

Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Mark Cubit

Mr David Rickards

Mr Marcus Fazio

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company was to provide aid to communities that are disadvantaged or in poverty, mostly in developing countries.

No significant changes in the nature of the entity's activities occurred during the financial year.

Review of Operations

During the year, Partners for Equity Limited continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

The net current year surplus of Partners for Equity Limited for the financial year ended 30 June 2019 after provision for income tax was:

Year ended 30 June 2019: \$375,763 Year ended 30 June 2018: \$(43,806)

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Events subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company, in future years.

Members Guarantee

The company's incorporated under the Australian Charities and Not-for profit Commission Act 2012 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 June 2019 the number of members was 3 (2018:3)

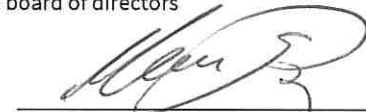
The directors' report is signed in accordance with a resolution of the board of directors

Director:



Mark Cubit

Director:



David Rickards

Marcus Fazio

Dated: 20 / 11 / 2019

Statement of Income and Expenditure

Partners for Equity Limited For the year ended 30 June 2019

	NOTES	2019	2018
Income			
Donations	2	16,652,884	12,879,743
Interest Income		177	135
Total Income		16,653,061	12,879,878
<hr/>			
Total Income		16,653,061	12,879,878
Expenses			
Bank Fees		4,344	2,870
Consulting and Accounting		11,131	14,220
Depreciation		55	-
Employee Benefits Expense		5,074	7,892
Executive Remuneration		46,119	54,795
General Expenses		758	771
Grants	3	16,199,867	12,827,455
Rent and Office Expenses		484	9,115
Travel and Accommodation		8,715	6,566
Computer Expenses		176	-
Wages and Salaries		575	-
Total Expenses		16,277,298	12,923,684
<hr/>			
Surplus/(deficit) before Income Tax		375,763	(43,806)
Income Tax Expense			
Income Tax Expense		-	-
<hr/>			
Surplus/(deficit) After Tax		375,763	(43,806)

The accompanying notes form part of these financial statements.

Statement of Financial Position

Partners for Equity Limited

As at 30 June 2019

	NOTES	2019	2018
Assets			
Current Assets			
Cash and Cash Equivalents	4	745,935	383,143
Trade and Other Receivables	5	199	367
Total Current Assets		746,133	383,510
Fixed Assets			
Software	6	4,945	-
Total Fixed Assets		4,945	-
Total Assets		751,078	383,510
Liabilities			
Current Liabilities			
Trade and Other Payables	7	(695)	7,500
Total Current Liabilities		(695)	7,500
Total Liabilities		(695)	7,500
Net Assets		751,774	376,010
Equity			
Retained Surpluses		751,774	376,010
Total Equity		751,774	376,010

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

Partners for Equity Limited
For the year ended 30 June 2019

	2019	2018
Equity		
Opening Balance	376,010	419,816
Movement		
Surplus/(deficit) for the year	375,763	(43,806)
Total Movement	375,763	(43,806)
Total Equity	751,774	376,010

The accompanying notes form part of these financial statements.

Statement of Cash Flows

Partners for Equity Limited For the year ended 30 June 2019

	2019	2018
Cash Flows From Operating Activities		
Receipts From Donations	16,652,884	12,879,743
Interest Received	177	135
Payments to Suppliers and Employees	(85,403)	(89,097)
Grants Paid	(16,199,867)	(12,827,455)
Net Cash Flows provided by/(used in) Operating Activities	367,791	(36,673)
Cash Flows From Investing Activities		
Payment for Property, Plant and Equipment	(5,000)	-
Net Cash Flows provided by/(used in) Investing Activities	(5,000)	-
Net Cash Flows	362,791	(36,673)
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	383,143	419,816
Movement in Cash and Cash Equivalents	362,791	(36,673)
Cash and cash equivalents at end of period	745,935	383,143
Net change in cash for period	362,791	(36,673)

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Partners for Equity Limited For the year ended 30 June 2019

1. Statement of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not for Profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not for Profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those in previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The accounting policies that have been adopted in the preparation of the statements are as follows:

Taxation

a) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

b) Income Tax

The company is exempt from paying income tax under section 50-45 of the *Income Tax Assessment Act 1997* and subsequently has not been charged any income tax expense.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 30 June 2019. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to 30 June 2019. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related costs.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured. Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash Equivalents

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

Revenue Recognition

Revenue from donations is recognised upon receipt of the donation from the donor.

Revenue from interest is recognised using the effective interest rate method.

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

	2019	2018
2. Revenue		
Donations	16,652,884	12,879,743
Total Revenue	16,652,884	12,879,743

	2019	2018
3. Grants Expenditure		
Grant Expenditure is paid to charitable organisations around the world that have been accepted by the Board as International Partners.		-
Grants	16,199,867	12,827,455
Total Grants Expenditure	16,199,867	12,827,455

	2019	2018
4. Cash and Cash Equivalents		
Cash at Bank	745,935	383,143
Total Cash and Cash Equivalents	745,935	383,143

	2019	2018
5. Trade and Other Receivables		
GST Receivable	199	367
Total Trade and Other Receivables	199	367

	2019	2018
6. Fixed Assets		
Software		
Opening		-
Additions	5,000	-

Disposals	-	-
Less Accumulated Depreciation on Software	(55)	-
Total Software	4,945	-
Total Fixed Assets	4,945	-
	2019	2018

7. Trade and Other Payables

Superannuation Payable	55	-
FBT Withholding	(750)	7,500
Total Trade and Other Payables	(695)	7,500
	2019	2018

8. Auditors remuneration

Amounts received or due and receivable by the auditor of the company for:	-	-
- audit and review services	3,000	1,200
- non-audit services	-	375
Total Auditors remuneration	3,000	1,575
	2019	2018

9. Cash Flow Information

Surplus/(deficit) after income tax expense	375,763	(43,806)
Adjustment for Depreciation	55	-
(increase)/decrease in trade and other receivables	(199)	(367)
Increase/(decrease) in trade and other payables	(695)	7,500
Cash flow from operations	374,924	(36,673)
	2019	2018

10. Related Party Transactions

Transactions with key management personnel	-	-
The Executive Officer received remuneration for administration services during the period under review	46,119	54,795

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons. The details of each related party transaction during the year ended 30 June 2019 is as follows:

No Directors have entered into any material contracts with the company and there were no material contracts involving director interest subsisting at year end. There were no loans to Directors.

11. Capital and Leasing Commitments

a) Capital Commitments

Partners for Equity does not have any capital commitments in place at 30 June 2019.

b) Finance and Leave Commitments

Partners for Equity does not have any finance leases in place at 30 June 2019.

c) Operating Lease Commitments

Partners for Equity does not have any operating leases in place at 30 June 2019.

12. Events after the Reporting Period

There have been no events subsequent to the balance sheet date that have an impact that would require disclosure in the financial statements of notes there of.

13. Company Details

The registered office of the company is:

Partners for Equity Limited
The Hub Level 2, 696 Bourke Street
Melbourne Victoria 3000

The principal place of business is:

Partners for Equity Limited
The Hub Level 2, 696 Bourke Street
Melbourne Victoria 3000

14. Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 June 2019 the number of members was 3. At 30 June 2018 the number of members was 3.

Directors' Declaration

Partners for Equity Limited For the year ended 30 June 2019

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, present fairly the company's financial position as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and requirements of the *Australian Charities and Not for Profits Commission Act 2012*; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Mark Cubit



Dated:

20/11/2019

Marcus Fazio



Dated:

20/11/2019

Independent Auditor's Report

Partners for Equity Limited For the year ended 30 June 2019

Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Partners for Equity Limited (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2018, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Committee's Responsibility for the Financial Report

The committee of Partners for Equity Limited is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the [insert name of applicable state/territory Act] and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Opinion

In our opinion, the financial report presents fairly, in all material respects (or gives a true and fair view – refer to the applicable state/territory Act), the financial position of Partners for Equity Limited as at 30 June 2018 and (of) its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the [insert name of applicable state/territory Act].

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Partners for Equity Limited to meet the requirements of the [insert name of applicable state/territory Act]. As a result, the financial report may not be suitable for another purpose.



Auditor's signature: [insert name]

Auditor's address: [insert address]

Dated: / /