

Yotkom Uganda Ltd

ABN 36 622 357 331

Financial Statements

For the Year Ended 30 June 2019

Yotkom Uganda Ltd

ABN 36 622 357 331

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For the Year Ended 30 June 2019

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INDEPENDENT AUDIT SERVICES

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Yotkom Uganda Ltd

ABN 36 622 357 331

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Yotkom Uganda Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

INDEPENDENT AUDIT SERVICES
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'Jiahui Thum'.

Jiahui (Jeremiah) Thum

Director

Date: 17 November 2019

Yotkom Uganda Ltd

ABN 36 622 357 331

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	2019	2018
	\$	\$
Revenue	388	-
Other income	486,992	24,121
Administrative Expenses	(13,179)	(953)
Donations to Uganda Yotkom Medical Clinic	(412,748)	(20,168)
Surplus before income tax	61,453	3,000
Income tax expense	-	-
Surplus for the year	61,453	3,000
Other comprehensive income, net of income tax	-	-
Total comprehensive income for the year	61,453	3,000

The Company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Yotkom Uganda Ltd

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Statement of Financial Position As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	<u>66,653</u>	3,000
TOTAL CURRENT ASSETS		<u>66,653</u>	3,000
TOTAL ASSETS		<u>66,653</u>	3,000
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		<u>2,200</u>	-
TOTAL CURRENT LIABILITIES		<u>2,200</u>	-
TOTAL LIABILITIES		<u>2,200</u>	-
NET ASSETS		<u>64,453</u>	3,000
EQUITY			
Retained earnings		<u>64,453</u>	3,000
TOTAL EQUITY		<u>64,453</u>	3,000

The Company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Yotkom Uganda Ltd

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Statement of Changes in Equity For the Year Ended 30 June 2019

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	3,000	3,000
Surplus for the year	61,453	61,453
Total other comprehensive income for the period	-	-
Balance at 30 June 2019	64,453	64,453

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	-	-
Surplus for the year	3,000	3,000
Total other comprehensive income for the period	-	-
Balance at 30 June 2018	3,000	3,000

The Company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Yotkom Uganda Ltd

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Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donations	479,808	24,121
Payments to suppliers and donations to Uganda Yotkom Medical Clinic	<u>(416,156)</u>	<u>(21,120)</u>
Net cash provided by/(used in) operating activities	<u>63,652</u>	<u>3,001</u>
Net increase/(decrease) in cash and cash equivalents held	63,652	3,001
Cash and cash equivalents at beginning of year	<u>3,001</u>	-
Cash and cash equivalents at end of financial year	6 <u><u>66,653</u></u>	<u><u>3,001</u></u>

The accompanying notes form part of these financial statements.

Yotkom Uganda Ltd

ABN 36 622 357 331

Notes to the Financial Statements For the Year Ended 30 June 2019

The financial report covers Yotkom Uganda Ltd as an individual entity. Yotkom Uganda Ltd is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2019 were providing financial support to construct a medical clinic in Uganda.

The functional and presentation currency of Yotkom Uganda Ltd is Australian dollars.

The financial report was authorised for issue by the Responsible persons on 30 November 2019.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9

The Company has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 July 2018.

As part of the adoption of AASB 9, the Company adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

There are no changes to the Company's accounting policy and the impact on these financial statement from applying AASB 9.

3 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Donations

Donations and bequests are recognised as revenue when received.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Goods and services tax (GST)

Revenue, 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 Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included 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 operating cash flows.

(d) Financial instruments

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables (Not applicable to entity);
- financial assets at fair value through profit or loss (Not applicable to entity);
- available-for-sale financial assets (Not applicable to entity); and
- held-to-maturity investments (Not applicable to entity).

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Company uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Company's financial liabilities include trade and other payables which are measured at amortised cost using the effective interest rate method.

For current year

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL (Not applicable to entity)
- fair value through other comprehensive income - equity instrument (FVOCI - equity) (Not applicable to entity)
- fair value through other comprehensive income - debt investments (FVOCI - debt) (Not applicable to entity)

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI (Not applicable to entity)

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables only.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(f) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

4 Critical Accounting Estimates and Judgments

The Responsible persons make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

There is no accounting estimate or significant judgement noted during the year given the nature of the business operation..

5 Revenue and Other Income

Revenue from continuing operations

	2019	2018
	\$	\$
- Sale of goods	388	-
	<u>388</u>	<u>-</u>

	2019	2018
	\$	\$
Other Income		
- Donations	486,992	24,121
	<u>486,992</u>	<u>24,121</u>
Total Revenue and Other Income	<u>487,380</u>	<u>24,121</u>

6 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	66,653	3,001
	<u>66,653</u>	<u>3,001</u>

Yotkom Uganda Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2019

7 Other Assets

8 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits 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 \$ 10 each towards meeting any outstandings and obligations of the Company. At 30 June 2019 the number of members was 7 (2018: 7).

9 Contingencies

In the opinion of the Responsible persons, the Company did not have any contingencies at 30 June 2019 (30 June 2018: None).

10 Related Parties

(a) The Company's main related parties are as follows:

Related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members. Key management personnel of the Company are Dr Andrew Wright and Shirley Kampe.

(b) Transactions with related parties

There are no transactions noted with related parties during the year.

11 Events after the end of the Reporting Period

The financial report was authorised for issue on 17 November 2019 by the Responsible persons.

No matters or circumstances have arisen since the end of the financial year which significantly 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 financial years.

12 Statutory Information

The registered office and principal place of business of the company is:

Yotkom Uganda Ltd
16 Amersham Crescent
Carindale QLD 4152



INDEPENDENT AUDIT SERVICES

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Yotkom Uganda Ltd

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Independent Audit Report to the members of Yotkom Uganda Ltd

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Yotkom Uganda Ltd, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other 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 responsible persons' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the financial report of Yotkom Uganda Ltd is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

We were appointed as auditors of the entity in the current financial year. We did not perform any procedures over the opening balances from last financial report's closing balances in the balance sheet. As a result, we are unable to provide an opinion on those balances.

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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 qualified opinion.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities are responsible for assessing the Registered Entity'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 the responsible entities either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity'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 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 the 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 Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities' 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 Registered Entity'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 Registered Entity 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 those charged with governance 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.

INDEPENDENT AUDIT SERVICES

Chartered Accountants



Jiahui (Jeremiah) Thum
Director

Date: 17 November 2019