



OVERSEAS COUNCIL AUSTRALIA

*A Company Limited by Guarantee*

ABN 68 092 388 746

**Special Purpose  
Financial Reports**

**For the Year ended 30 June 2015**



Our primary geographical focus is the Pacific, Asia, Middle East and Africa where we support some twenty five Bible colleges directly with student sponsorship, faculty study grants and a variety of educational infrastructure projects. We have also been expanding our indirect support in the Pacific region through the Pasifika Strategy. This may lead to more direct support of colleges in Papua New Guinea and the Pacific region.

We have increasingly been engaging consultants to assist in the international ministry. These people are primarily volunteers who are existing OCA supporters with specific skills needed by our partner colleges or in the administration of projects we oversee. Our Consultancy Program provides a rare opportunity for Australian Christians to contribute directly to mission with technical, business and governance expertise in a context that ensures the value of the contribution. We hope to continue to grow this program in the coming years.

We work with Christians, churches and select foundations in Australia to help them understand the value of contributing to the theological enterprise of the church in each country. We seek to grow this contribution through our events and personal contacts.

A summary of this year's activity compared to last year's is as follows:

	This year	Last year	
<b>Income</b>			
Donations	1,698,608	1,693,426	1,507,218
Goods in kind donated	-	177,518	-
Interest and other income	28,298	25,355	110,294
	<u>1,726,906</u>	<u>1,896,298</u>	<u>1,617,512</u>
<b>Outgo</b>			
Personnel	320,234	388,467	436,866
Administration	200,506	186,610	220,549
Projects & Scholarships Paid	1,305,823	889,626	1,043,466
Goods in kind supplied	-	177,518	-
Increase/(Decrease) in Projects & Scholarships yet to be paid	(118,724)	275,383	23,557
	<u>1,707,839</u>	<u>1,917,602</u>	<u>1,724,438</u>
<b>Operating Surplus/(Deficit) adjusted against Reserves</b>	<u>19,067</u>	<u>(21,304)</u>	<u>(106,927)</u>

#### Directors' Meetings

The number of directors' meetings held in the period each director held office during the financial year and the number of meetings attended by each director were:

	Meetings attended	Meetings
John Duncan Anderson	3	4
Colin McLean Adam	2	4
John Philip Allison	3	4
David Barrie Brown	2	4
Kenneth McCathie Chapman	4	4
Alan Jeffrey Hall	4	4
Stephen Robert Kerr	4	4
Philip Johnson Twyman (ceased Nov 14)	2	2
Malcolm Ross Wood	3	4
Timothy Edward Clemens (Commenced April 2015)	1	1

No indemnity has been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company with the exception that Directors and Officers insurances have been taken out by the company and that premiums have been paid for professional indemnity insurance in respect of the directors.

#### Auditors

The company's auditors follow the independence requirements of the Australian ethical pronouncements and the Corporations Act 2001. The auditors have provided the Board of Directors with a written declaration of their independence.

#### Members Guarantee

The entity is a company limited by guarantee. Under the Constitution, in the event of a shortfall of funds upon a winding up the members guarantee the obligations of the Company to the extent of \$10 per member. At balance date as there were 64 members, the amount so guaranteed in total amounted to \$640.

25th October 2015

For and on behalf of the board:

  
Director

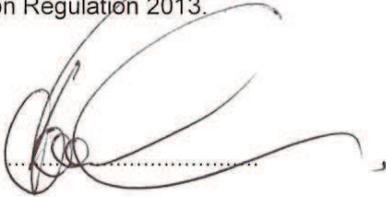
**Overseas Council Australia**  
ABN 68 092 388 746  
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes
  - (a) satisfy the requirements of the Australian Charities and Not For Profits Regulations 2013 including Accounting Standards ; and
  - (b) give a true and fair view of the financial position as at 30 June 2015 and performance and cashflows for the year ended on that date; and
2. The provisions of the Charitable Fundraising Act 1991 and the conditions attached to the Authority to Fundraise have been complied with;
3. Internal Controls exercised by the Organisation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.
4. 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.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Director



25th October 2015

**AUDITORS INDEPENDENCE DECLARATION**

To the Directors

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2015 there have been no contraventions of any applicable code of professional conduct in relation to the audit

Shedden & Green Partners



Lawrence R Green FCA  
Partner

25th October 2015  
Level 3, 19-21 Central Road, Miranda NSW 2228

**Overseas Council Australia  
Balance sheet as at 30 June 2015**

	Notes	2015 \$	2014 \$
<b>Current Assets</b>			
Cash	2	823,764	961,555
Receivables		<u>12,868</u>	<u>2,500</u>
		<u>836,632</u>	<u>964,055</u>
<b>Non-Current Assets</b>			
Fixed Assets	3	<u>36,682</u>	<u>12,521</u>
<b>Total Assets</b>		<u>873,314</u>	<u>976,576</u>
<b>Current Liabilities</b>			
Payables	4	884,616	1,000,920
Provisions	5	45,943	48,082
		<u>930,559</u>	<u>1,049,002</u>
<b>Total Liabilities</b>		<u>930,559</u>	<u>1,049,002</u>
<b>Net Assets</b>		<u>\$ (57,246)</u>	<u>\$ (72,426)</u>
<b>Administration Reserves</b>			
General Administration Reserve		(69,768)	(84,948)
Funds Invested in Assets Reserve		<u>12,522</u>	<u>12,522</u>
		<u>\$ (57,246)</u>	<u>\$ (72,426)</u>

The above Statement is to be read in conjunction with the accompanying notes

**Overseas Council Australia**  
**Statement of Changes in equity**  
**Accumulated Funds and Reserves**  
**For the Year ended 30 June 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Administration Reserve</b>		
Balance at the beginning of the Year	<b>(84,948)</b>	(70,364)
Administration Surplus/(Deficit) for the Year	<b>19,067</b>	(21,304)
Prior year adjustments	<b>(3,887)</b>	(890)
Transfer from/(to) Funds Invested in Assets Reserve	<u>-</u>	<u>7,610</u>
Funds Available at the end of the Year	<u><b>(69,768)</b></u>	<u>(84,948)</u>
<b>Funds Invested in Assets Reserve</b>		
Balance at the beginning of the Year	<b>12,522</b>	20,132
Transfer (to)/from Administration Reserve	<u>-</u>	<u>(7,610)</u>
Funds Available at the end of the Year	<u><b>12,522</b></u>	<u>12,522</u>
Total Funds and Reserves	<u><b>\$ (57,246)</b></u>	<u><b>\$ (72,426)</b></u>

The above Statement is to be read in conjunction with the accompanying notes

**Overseas Council Australia**  
**Detailed Income Statement**  
**For the Year ended 30 June 2015**

	2015	2014
	\$	\$
<b>Administration Account</b>		
<b>Income</b>		
Deficit Reduction	-	66,740
Donations to expansion	-	12,000
Friends of Overseas Council	44,620	12,964
Interest Received	26,845	18,235
Ministry Expenses Income	466,889	436,713
Other Income	1,453	7,120
	<u>539,807</u>	<u>553,772</u>
<b>Expenses</b>		
Audit Fees	2,000	1,900
Bank and Merchant Charges	9,873	5,422
Depreciation	8,711	7,609
Electricity	1,280	1,648
Staffing Expenses	320,234	388,467
Provisions for Staff Entitlements	(2,138)	1,770
General Expenses	14,454	20,044
Insurance	3,797	5,898
Motor Vehicle Expenses	28,160	23,114
Office Equipment & Software	13,749	7,696
Postage Printing & Stationery	10,992	11,312
Promotion	58,656	47,812
Rent	16,974	17,674
Telecommunications and Web	21,112	22,190
Project Management Costs	12,885	12,521
	<u>520,740</u>	<u>575,076</u>
<b>Administration Surplus/(Deficit)</b>	<u>\$ 19,067</u>	<u>\$ (21,304)</u>
<b>College Account</b>		
<b>Income</b>		
Faculty Development Income	238,565	225,110
Gifts in Kind	-	177,518
Project Income	649,508	655,608
Sponsorship Income	299,026	284,290
	<u>1,187,099</u>	<u>1,342,526</u>
<b>Expense</b>		
Faculty Development Payments	309,517	191,940
Gifts in Kind	-	177,518
Payments To Projects	710,289	413,575
Sponsorships Paid	286,017	284,111
	<u>1,305,823</u>	<u>1,067,143</u>
<b>Projects Account Surplus/(Deficit)</b>	<u>\$ (118,724)</u>	<u>\$ 275,383</u>

**Overseas Council Australia**  
**Income Statement**  
For the Year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Income</b>			
Operating Revenues	6	<b>1,698,608</b>	1,870,944
Interest	6	<b>26,845</b>	18,235
Other Income		<b>1,453</b>	7,120
		<u><b>1,726,906</b></u>	<u>1,896,298</u>
<b>Expenses</b>			
Personnel costs		<b>320,234</b>	388,467
Administration		<b>200,506</b>	186,610
Payments and in kind allocations to Projects	4	<b>1,305,823</b>	1,067,143
		<u><b>1,826,563</b></u>	<u>1,642,219</u>
<b>Net Income</b>		<u><b>(99,657)</b></u>	<u>254,079</u>

The above Statement is to be read in conjunction with the accompanying Notes

**Overseas Council Australia  
Statement of Cashflows  
For the Year ended 30 June 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Cashflows used in operating activities</b>		
Donations and sponsorships	1,686,369	1,708,224
Interest Received	26,845	19,951
Other income	11,821	9,620
Payments to Colleges and for Sponsorships	(1,305,823)	(889,626)
Payments to suppliers and employees	(514,427)	(570,493)
	<u>(95,216)</u>	<u>277,676</u>
<b>Net cash (used) in/provided by operating activities</b>		
<b>Cash Flows (used in)/from Investing Activities</b>		
Payments for Computers and Office Equipment	(1,637)	-
Payment for acquisition of vehicle	(31,234)	-
Disposal of Vehicle	-	12,826
Prior year adjustments	(3,527)	(890)
Increase/(Decrease) in Other Payables	(6,177)	(13,843)
	<u>(42,575)</u>	<u>(1,907)</u>
<b>Net (decrease)/increase in cash held</b>	<b>(137,791)</b>	<b>275,769</b>
<b>Cash at the beginning of the financial year</b>	<b>961,555</b>	<b>685,786</b>
	<u>961,555</u>	<u>685,786</u>
<b>Cash at the end of the financial year</b>	<b>\$ 823,764</b>	<b>\$ 961,555</b>
	<u>\$ 823,764</u>	<u>\$ 961,555</u>

**Reconciliation of Net cash used in operating activities to operating (deficit)/surplus**

<b>Operating (deficit)/surplus</b>	<b>(99,657)</b>	<b>254,079</b>
Depreciation	8,711	7,609
Gifts in Kind received	-	(177,518)
Gifts in Kind applied to projects	-	177,518
Decrease/(Increase) in Receivables	10,368	2,500
Decrease/(Increase) in Prepayments	-	(2,231)
Decrease/(Increase) in Interest Accrued	-	1,717
Increase/(Decrease) in PAYG Payable	(260)	(1,423)
Increase/(Decrease) in Income in Advance	(12,239)	14,797
Increase in Staff Entitlements	(2,138)	628
	<u>(99,657)</u>	<u>254,079</u>
<b>Net cash (used in)/provided by operating activities</b>	<b>\$ (95,216)</b>	<b>\$ 277,676</b>
	<u>\$ (95,216)</u>	<u>\$ 277,676</u>

The above Statement is to be read in conjunction with the accompanying Notes

**Overseas Council Australia**  
**Notes to and Forming Part of the Accounts**  
**For the Year ended 30 June 2015**

**Note 1 Summary of Significant Accounting Policies**

This is a special purpose financial report that has been prepared for the sole purpose of satisfying the requirements of the Australian Charities and Not For Profits Commission Act 2012 to prepare and distribute financial statements to members and must not be used for any other purpose. The Board of Management has determined that the accounting policies adopted are appropriate to meet the needs of the members.

The principal accounting policies adopted by OCA are stated to assist in a general understanding of the accounts. The policies have been consistently applied.

The following applicable Accounting Standards have been applied:

- AASB 101 Presentation of Financial Statements
- AASB 107 Cash Flow Statements
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110 Events after the Balance Sheet Date
- AASB 1031 Materiality
- AASB 1048 Interpretation and Application of Standards
- AASB 124 Related Party Disclosures

AASB 1 is not mandatory for the purpose of preparing a special purpose financial report and therefore Overseas Council Australia has not applied it. Management have considered the information needs of the users and are of the opinion that, as a not-for-profit organisation, there would not be any significant changes to its accounts if the AEIFRS had been adopted.

(a) **Basis of Accounting**

The accounts have been prepared on a cash basis and in accordance with the historical cost convention and so do not reflect changes in the purchasing power of money.

(b) **Donations and Grants**

These are brought to account over the period to which they relate notwithstanding that the level of activity being funded may vary from time to time. Donations for specific purposes are brought to account against the project or purpose for which they are received.

(c) **Furniture, Equipment and Vehicles**

Minor asset items are written off as an expense in the year of acquisition. Larger items are depreciated over their estimated useful lives using the straight line method of depreciation.

(d) **Employee Entitlements**

Annual leave owing is charged as an expense to the result for the year in respect of all staff. Long Service Leave is provided for after five years of service.

(e) **Income Tax**

OCA is a not-for-profit entity which is exempt from income tax. Endorsement as an Income Tax Exempt entity was received from July 2000. OCA is registered with the Australian Charities and Not For Profits Commission as a charity.

(f) **Status**

Overseas Council Australia is a Company Limited by Guarantee.

**Overseas Council Australia**  
**Notes to and Forming Part of the Accounts**  
**For the Year ended 30 June 2015**

	2015	2014
	\$	\$
<b>Note 2 Cash</b>		
Administration Account	731	952
Term Deposits	332,519	424,818
Common Fund	162,520	387,096
Ancillary Fund	233,696	50,651
Undeposited Funds	93,567	96,550
Petty Cash	731	1,487
	<u>731</u>	<u>1,487</u>
	<u>\$ 823,764</u>	<u>\$ 961,555</u>
<b>Note 3 Fixed Assets</b>		
Plant Equipment and Vehicle - at cost	68,550	35,679
Less Accumulated Depreciation	(31,869)	(23,158)
	<u>68,550</u>	<u>35,679</u>
	<u>(31,869)</u>	<u>(23,158)</u>
	<u>\$ 36,682</u>	<u>\$ 12,521</u>
<b>Note 4 Payables</b>		
Income in Advance	2,558	14,797
Project Balances Owing		
Project Funding Due	762,811	901,312
Sponsorships Funding Due	94,401	80,281
GST Payable/(Recoverable)	(4,970)	(5,633)
PAYG Payable	1,712	1,972
Motor Vehicle financing	26,755	-
Other Payables	1,350	8,191
	<u>2,558</u>	<u>14,797</u>
	<u>762,811</u>	<u>901,312</u>
	<u>94,401</u>	<u>80,281</u>
	<u>(4,970)</u>	<u>(5,633)</u>
	<u>1,712</u>	<u>1,972</u>
	<u>26,755</u>	<u>-</u>
	<u>1,350</u>	<u>8,191</u>
	<u>\$ 884,616</u>	<u>\$ 1,000,920</u>
<b>Note 5 Provisions</b>		
Annual leave	12,804	19,123
Long Service leave	33,139	28,958
	<u>12,804</u>	<u>19,123</u>
	<u>33,139</u>	<u>28,958</u>
	<u>\$ 45,943</u>	<u>\$ 48,082</u>
<b>Note 6 Operating Result</b>		
The Operating Result for the year is after:		
Crediting as income:		
Donations received	1,698,608	1,693,426
In kind donations	-	177,518
Interest received	26,845	18,235
	<u>1,698,608</u>	<u>1,693,426</u>
	<u>-</u>	<u>177,518</u>
	<u>26,845</u>	<u>18,235</u>
Charging as expenses:		
Auditors remuneration - auditing the accounts (no other benefits were received by the auditors)	2,000	1,900
	<u>2,000</u>	<u>1,900</u>
Provisions for employee entitlements	(2,138)	1,770
Depreciation	8,711	7,609
	<u>(2,138)</u>	<u>1,770</u>
	<u>8,711</u>	<u>7,609</u>

**Overseas Council Australia  
Notes to and Forming Part of the Accounts  
For the Year ended 30 June 2015**

**Note 7 Segment Reporting**

OCA is a not for profit Company Limited by Guarantee (formerly an incorporated association) operating throughout Australia

**Note 8 Related Parties**

There were no transactions with related parties. No member of the Board received any form of remuneration.

The names of persons who held the office of Director at any time during the year are:

John Duncan Anderson  
Colin McLean Adam  
John Philip Allison  
David Barrie Brown  
Kenneth McCathie Chapman  
Timothy Edward Clemens (from April 2015)  
Alan Jeffrey Hall  
Stephen Robert Kerr  
Philip Johnson Twyman (to Nov 2014)  
Malcolm Ross Wood

**Note 9 Statement showing how funds received were applied to charitable purposes**

Fundraising was by direct contact, Newsletters and through Churches. In view of the fact that the direct Newsletters are sent irrespective of fund raising appeals there are no appreciable separate costs of fundraising and so fundraising ratios are not included in these accounts  
OCA holds an Authority to Fundraise CFN/20492 expiring 03/12/2018

**Note 10 Financial Instruments and Risk**

OCA raises funds for projects and sponsorships and regularly remits those funds to colleges with the result that generally no significant funds are held. All funds are held in Australian banks which have been subject to government guarantee.

There is no currency risk as funds are held in Australian currency and there are no foreign currency commitments.

There is no market risk as funds are held in short term interest bearing bank accounts and term deposits only.

The exposure to interest rate risk (based on funds held at balance date) is:

	<b>2015</b>	<b>2014</b>
For a change of 1.0% in interest rates	<b>\$</b>	<b>\$</b>
administration income would change by:	<b>8,238</b>	<b>9,616</b>



CHARTERED ACCOUNTANTS  
AUSTRALIA + NEW ZEALAND

## SHEDDEN & GREEN PARTNERS

ABN 43 723 342 276

### INDEPENDENT AUDIT REPORT

TO: The Members, Overseas Council Australia

We have audited the accompanying financial report of Overseas Council Australia, which comprises the Balance Sheet as at 30 June 2015, and the Statement of Changes in Equity Funds and Reserves, Statement of Comprehensive Income and the Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration

#### **Directors' Responsibility for the Financial Report**

The Directors of the Company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with the requirements of the Australian Charities and Not For Profits Commission Act 2012 including Australian Accounting Standards (and the Australian Accounting Interpretations) and for such internal control as the directors deem 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.

#### **Auditor's Responsibility**

The Auditor's responsibility is to express an opinion on the financial report based on the audit. The audit was conducted 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 so as 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 judgement, 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 company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

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## **Independence**

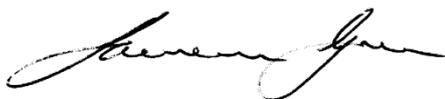
In conducting the audit, we have complied with relevant independence requirements.

## **Opinion**

In our opinion, the financial report of Overseas Council Australia has been prepared 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 Company's financial position as at 30<sup>th</sup> June 2015 and of its financial performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and Division 60 of the Australian Charities and Not For Profits Commission Regulation 2013.
- (iii) The financial reports and associated records have been properly kept in accordance with the Charitable Fundraising Act and its regulations.
- (iv) Monies received as a result of fundraising appeals conducted during the year have been properly accounted for and applied in accordance with the NSW Charitable Fundraising Act and its regulations.

Shedden and Green Partners  
Lawrence R Green FCA – Partner



Dated 25<sup>th</sup> October 2015  
Miranda NSW