

**REPORT OF THE INDEPENDENT AUDITOR ON THE  
SUMMARY FINANCIAL STATEMENTS**

**TO THE MEMBERS OF ENGINEERS WITHOUT BORDERS  
AUSTRALIA LIMITED AND THE TRUSTEES OF ENGINEERS  
WITHOUT BORDERS FOUNDATION**

The accompanying combined summary financial statements of Engineers Without Borders Australia Limited (the company) and Engineers Without Borders Foundation (the trust), comprising the summary combined Statement of Financial Position as at 30 June 2014, the summary combined Statement of Surplus and Deficit and Other Comprehensive Income, combined Statement of Changes in Equity and the Table of Cash Movement for Designated Purposes for the year then ended, and explanatory notes, are derived from the statutory audited financial statements of Engineers Without Borders Australia Limited and Engineers Without Borders Foundation for the year ended 30 June 2014. We expressed a modified auditor's opinion on the financial statements of both entities in our respective auditor's reports dated 31 October 2014 (see below).

The summary financial statements do not contain all the disclosures required by applicable Australian Accounting Standards and the *Corporations Act 2001* (as applicable). Reading the summary financial statements, therefore, is not a substitute for reading the audited financial report of Engineers Without Borders Australia Limited (the company) and Engineers Without Borders Foundation (the trust).

*Responsibility for the combined summary financial statements.*

The directors of Engineers Without Borders Australia Limited are responsible for the preparation and presentation of the combined summary financial statements, and that the basis of preparation is appropriate for the purpose in which they have been prepared in accordance with the Australian Council For International Development (ACFID) Code of Conduct.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the combined summary financial statements based on our procedures, which were conducted in accordance with Auditing Standard *ASA 810 Engagements to Report on Summary Financial Statements*.

*Auditor's Opinion*

In our opinion, the combined summary financial statements derived from the audited financial reports of Engineers Without Borders Australia Limited (the company) and Engineers Without Borders Foundation (the trust) are consistent, in all material respects, with the audited financial statements from which it was derived. However, the combined summary financial statements should be read in conjunction with our audit reports on the statutory financial statements for the company and the foundation which contain modified audit opinions.

We qualified our reports as follows: As is common for not-for-profit organisations, it is not practicable for the company/foundation to maintain an effective system of internal control over income including donations and other voluntary income, until their initial entry in the accounting records. Accordingly, our audit on the company/foundation's revenue was limited in this regard and therefore we are unable to express an opinion whether income including donations and other voluntary revenue is complete. Without further qualification we also included in our report on Engineers Without Borders Australia Limited an emphasis of matter regarding the financial support the company provides to Engineers Without Borders Foundation.

**LOWE LIPPMANN**

**TONY TASSONE**  
Partner

Signed at Melbourne on 12 day of November 2014



Liability limited by a scheme approved under Professional Standards Legislation

**Partners:**

|               |                |              |
|---------------|----------------|--------------|
| Joseph Franck | Gideon Rathner | Tony Tassone |
| Danny Lustig  | Joseph Kalb    | David Gordon |
| Mark Saltzman | Daniel Franck  |              |

**Consultants:**

|             |               |
|-------------|---------------|
| Brian Rudy  | Hillel Bick   |
| Philip Behr | Emile Rochman |

**Summary Financial Statements  
for the Year Ending 30 June 2014  
Engineers Without Borders Australia Ltd & Engineers Without Borders Foundation**

*A copy of the full financial statements for the year ending 30 June 2014 is available upon request by emailing [info@ewb.org.au](mailto:info@ewb.org.au)*

The Summary Financial Statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Guidance available at [www.acfid.asn.au](http://www.acfid.asn.au)

**Statement of Surplus and Deficit and Other Comprehensive Income  
for the Year Ended 30 June 2014**

|   | 2014<br>\$          | 2013<br>\$          |
|---|---------------------|---------------------|
| <b>REVENUE</b>  |                     |                     |
| Donations and gifts   |                     |                     |
| * Monetary  | 204,605             | 257,103             |
| * Non-monetary (1)  |                     |                     |
| Bequests and Legacies   | -                   | -                   |
| Grants  |                     |                     |
| * Department of Foreign Affairs and Trade                           | 322,578             | 76,440              |
| * Other Australian  | 219,759             | 184,256             |
| * Other overseas  | 80,119              | 28,145              |
| Investment Income   | 15,889              | 23,624              |
| Other Income  |                     |                     |
| * Membership  | 57,818              | 58,891              |
| * Sponsorship/Partners  | 977,446             | 873,322             |
| * Earned Income   | 358,908             | 325,100             |
| <b>TOTAL REVENUE</b>  | <b>\$ 2,237,122</b> | <b>\$ 1,826,881</b> |
| <b>EXPENDITURE</b>  |                     |                     |
| <b>International Aid and Development Programs Expenditure</b>       |                     |                     |
| International programs  |                     |                     |
| * Funds to international programs                                   | 424,632             | 329,307             |
| * Program support costs   | 254,741             | 317,735             |
| Community education   | 703,559             | 562,855             |
| Fundraising costs   |                     |                     |
| * Public  | 31,770              | 18,916              |
| * Government, multilateral and private                              | -                   | -                   |
| Accountability and Administration                                   | 517,025             | 543,392             |
| Non-Monetary Expenditure (1)  |                     |                     |
| <b>Total International Aid and Development Programs Expenditure</b> | <b>\$ 1,931,727</b> | <b>\$ 1,772,205</b> |
| Domestic Programs Expenditure                                       | 94,750              | 169,307             |
| <b>TOTAL EXPENDITURE</b>  | <b>\$ 2,026,477</b> | <b>\$ 1,941,512</b> |
| <b>EXCESS / (SHORTFALL) OF REVENUE OVER EXPENDITURE</b>             | <b>\$ 210,645</b>   | <b>\$ (114,631)</b> |

**Notes:**

**1. Non-Monetary Income and Expenditure - International Programs**

The non-monetary value of the work carried out by our volunteers working directly on international aid and development programs has been valued at \$1,153,751 (2013 \$1,117,952)

Volunteers' services have been valued in accordance with the Department of Foreign Affairs and Trade's Recognised Development Expenditure guidelines (June 2010) by applying an hourly rate from the relevant Department of Foreign Affairs and Trade Enterprise Agreement to the number of hours contributed, as recorded by each volunteer.

We consider it is important to report a monetary value of these valuable frontline services to indicate the scale of the contribution of volunteers to users of the financial statements, albeit that the work is done on a voluntary basis.

In-kind donations and volunteer support not directly relating to international aid and development programs are not included due to uncertainties relating to their reliable measurement.

**2. During the financial year, the organisation had no transactions in the Political or Religious Adherence Promotion Programs category.**

**3. The classifications of Revenue and Expenditure adopted above have been re-grouped in presentation for the purposes of this report from those applied in the statutory financial statements. Total reported Revenue and Expenditure is consistent.**

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Engineers Without Borders Australia Ltd & Engineers Without Borders Foundation**

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**Statement of Financial Position as at 30 June 2014**

|                                      | 2014<br>\$       | 2013<br>\$     |
|--------------------------------------|------------------|----------------|
| <b>ASSETS</b>                        |                  |                |
| <b>Current Assets</b>                |                  |                |
| Cash and cash equivalents            | 916,524          | 824,642        |
| Trade and other receivables          | 209,999          | 80,051         |
| Other current assets                 | 98,240           | 89,271         |
| <b>Total Current Assets</b>          | <b>1,224,763</b> | <b>993,964</b> |
| <b>Non-Current Assets</b>            |                  |                |
| Property, plant and equipment        | -                | -              |
| <b>Total Non-Current Assets</b>      | <b>-</b>         | <b>-</b>       |
| <b>TOTAL ASSETS</b>                  | <b>1,224,763</b> | <b>993,964</b> |
| <b>LIABILITIES</b>                   |                  |                |
| <b>Current Liabilities</b>           |                  |                |
| Trade and other payables             | 122,547          | 91,487         |
| Provisions                           | 61,398           | 55,517         |
| Other current liabilities            | 82,224           | 83,739         |
| <b>Total Current Liabilities</b>     | <b>266,169</b>   | <b>230,743</b> |
| <b>Non-Current Liabilities</b>       |                  |                |
| Provisions                           | 2,043            | 17,316         |
| <b>Total Non-Current Liabilities</b> | <b>2,043</b>     | <b>17,316</b>  |
| <b>TOTAL LIABILITIES</b>             | <b>268,212</b>   | <b>248,059</b> |
| <b>NET ASSETS</b>                    | <b>956,551</b>   | <b>745,905</b> |
| <b>EQUITY</b>                        |                  |                |
| Retained earnings                    | 956,551          | 745,905        |
| <b>TOTAL EQUITY</b>                  | <b>956,551</b>   | <b>745,905</b> |

**Statement of Changes in Equity for the Year Ended 30 June 2014**

|   | Retained<br>Earnings<br>\$ | Total<br>\$ |
|---|----------------------------|-------------|
| Balance at 30 June 2012                     | 860,536                    | 860,536     |
| Excess/(shortfall) of revenue over expenses | (114,631)                  | (114,631)   |
| Balance at 30 June 2013                     | 745,905                    | 745,905     |
| Excess/(shortfall) of revenue over expenses | 210,646                    | 210,646     |
| Balance at 30 June 2014                     | 956,551                    | 956,551     |

**Table of Cash Movements for Designated Purposes for the Year Ended 30 June 2014**

|  | Cash available at<br>beginning of<br>financial year | Cash raised<br>during financial<br>year | Cash disbursed<br>during financial<br>year | Cash available<br>at end of<br>financial year |
|--|---|---|--|---|
| Funds received from Department of Foreign Affairs and Trade for the annual Australian NGO Cooperation Program (ANCP) | -   | 300,000                                 | 280,000                                    | 20,000  |
| Total for other non-designated purposes  | 824,642   | 1,805,659                               | 1,733,777                                  | 896,524                                       |
| <b>TOTAL</b>   | <b>824,642</b>                                      | <b>2,105,659</b>                        | <b>2,013,777</b>                           | <b>916,524</b>                                |

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**Directors' Declaration**

The directors of Engineers Without Borders Australia Ltd as the directors of the company and as trustee of Engineers Without Borders Foundation declare that:

- (a) The summarised financial statements are consistent with the statutory audited financial statements of Engineers Without Borders Australia Limited and Engineers Without Borders Foundation for the year ended 30 June 2014
- (b) The Full Financial Statements of Engineers Without Borders Australia Limited and Engineers Without Borders Foundation
  - (i) comply with relevant Australian Accounting Standards as applicable and the Corporations Regulations 2001 and Trust Deed respectively; and
  - (ii) give a true and fair view of the financial position as at 30 June 2014 and of the financial performance for the year ended on that date.
- (c) in the directors' opinion there are reasonable grounds to believe that the entities will be able to pay their debts as and when they become due and payable.

On behalf of the Board, this declaration is in accordance with a resolution of the directors.



Director  
Phil Clark

  
Director  
Kaj Lofgren

Dated this 11th day of November 2014