

Partners In Aid Limited

ABN: 50 006 946 550

Financial Statements

For the Year Ended 30 June 2021

Partners In Aid Limited

ABN: 50 006 946 550

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For the Year Ended 30 June 2021

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Partners In Aid Limited

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Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Partners In Aid Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, 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.

Ashfords Audit and Assurance Pty Ltd
Chartered Accountants

Ryan H Dummett
Director

19 November 2021

Partners In Aid Limited

ABN: 50 006 946 550

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	2021	2020
	\$	\$
Donations	160,383	156,729
Member subscriptions	986	977
Interest received	793	1,741
India disbursements	(100,868)	(109,496)
Bangladesh disbursements	(33,100)	(33,000)
Philippines disbursements	(15,000)	-
Sri Lanka disbursements	(5,000)	-
Travel expenses	-	(3,342)
Insurance expense	(1,700)	(1,681)
Postage	(724)	(895)
Accounting fees	(1,088)	(858)
Audit fees	(3,500)	(3,400)
ACFID fees	(1,757)	(1,750)
Other expenses	(390)	(1,413)
Surplus/(deficit) before income tax	(965)	3,612
Income tax expense	-	-
Surplus/(deficit) for the year	(965)	3,612
Other comprehensive income, net of income tax		
Total comprehensive income/(loss) for the year	(965)	3,612

The accompanying notes form part of these financial statements.

Partners In Aid Limited

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Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	212,755	124,646
Trade and other receivables		140	109
Financial assets	5	75,770	75,020
TOTAL CURRENT ASSETS		<u>288,665</u>	<u>199,775</u>
TOTAL ASSETS		<u>288,665</u>	<u>199,775</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	93,759	3,950
Other liabilities	7	432	386
TOTAL CURRENT LIABILITIES		<u>94,191</u>	<u>4,336</u>
TOTAL LIABILITIES		<u>94,191</u>	<u>4,336</u>
NET ASSETS		<u>194,474</u>	<u>195,439</u>
EQUITY			
Accumulated surplus		<u>194,474</u>	<u>195,439</u>
TOTAL EQUITY		<u>194,474</u>	<u>195,439</u>

The accompanying notes form part of these financial statements.

Partners In Aid Limited

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Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2020	195,439	195,439
Deficit for the year	(965)	(965)
Balance at 30 June 2021	<u>194,474</u>	<u>194,474</u>

2020

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2019	191,827	191,827
Surplus for the year	3,612	3,612
Balance at 30 June 2020	<u>195,439</u>	<u>195,439</u>

The accompanying notes form part of these financial statements.

Partners In Aid Limited

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Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from operating income	177,521	157,639
Payments for operating expenses	(89,455)	(157,548)
Interest received	793	1,741
Net cash provided by/(used in) operating activities	<u>88,859</u>	<u>1,832</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for term deposits	<u>(750)</u>	-
Net cash provided by/(used in) investing activities	<u>(750)</u>	-
Net increase/(decrease) in cash and cash equivalents held	88,109	1,832
Cash and cash equivalents at beginning of year	<u>124,646</u>	<u>122,814</u>
Cash and cash equivalents at end of financial year	4 <u><u>212,755</u></u>	<u><u>124,646</u></u>

The accompanying notes form part of these financial statements.

Partners In Aid Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers Partners In Aid Limited as an individual entity. Partners In Aid Limited is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2021 were providing support for struggling rural communities in India, Bangladesh and Philippines and shipping livestock from Australia in order to improve the quality of local stock and thus provide improved food supplies for these communities.

The functional and presentation currency of Partners In Aid Limited is Australian dollars.

The financial report was authorised for issue by those charged with governance on 19 November 2021.

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*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Donations

Donations collected, including cash and goods, are recognised as revenue when the Company gains control of the asset.

Grant revenue

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. The performance obligations are varied based on the agreement.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Company considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

(b) Income Tax

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

(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.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(d) Financial instruments

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
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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 trade and other receivables and 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

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(d) Financial instruments

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

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

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, bank and other loans and lease liabilities.

(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.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 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 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company or refer to Note for details of the changes due to standards adopted.

3 Critical Accounting Estimates and Judgments

Those charged with governance 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.

4 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank	212,755	124,646
	<u>212,755</u>	<u>124,646</u>

5 Financial Assets

(a) Amortised cost

	2021	2020
	\$	\$
CURRENT		
Term deposit	75,770	75,020
	<u>75,770</u>	<u>75,020</u>

6 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	4,100	3,950
SEDS sponsorship payable	89,660	-
	<u>93,760</u>	<u>3,950</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

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Notes to the Financial Statements For the Year Ended 30 June 2021

7 Other Liabilities

	2021	2020
	\$	\$
CURRENT		
Membership received in advance	432	386
	<u>432</u>	<u>386</u>

8 Contingencies

	2021	2020
	\$	\$
Contingent Liabilities		
Bangladesh		
JRDP Project	20,300	20,300
TTIS Project	12,500	12,500
Total commitments to Bangladesh	<u>32,800</u>	<u>32,800</u>
India		
SEDS Project	48,766	50,803
SEDS Child Sponsorship	20,447	18,837
ABWU Sponsorship	10,868	13,585
Total commitments to India	<u>80,081</u>	<u>83,225</u>
Other		
Philippines Project	18,175	10,000
Kirabati Project	7,500	-
Sri Lanka Project	7,000	-
Total commitments for the year	<u>145,556</u>	<u>126,025</u>

9 Events after the end of the Reporting Period

The financial report was authorised for issue on 19 November 2021 by those charged with governance.

On the 15th July 2021, the Victorian Government announced a 5 day lockdown in response to the delta variant outbreak spreading from New South Wales. The lockdown has been extended for the foreseeable future and is contingent on vaccination rates across the state. Given the situation, it is not practical to estimate the impacts of the pandemic on the financial statements of the Company.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Partners In Aid Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Statutory Information

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

Partners In Aid Limited
159 Cranbourne Road
Narre Warren VIC 3805

Partners In Aid Limited

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Directors' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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



Director
Nicholas Foster



Director
Cecily Neil

Dated 19 November 2021

Partners In Aid Limited

Independent Audit Report to the members of Partners In Aid Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Partners In Aid Limited, which comprises the statement of financial position as at 30 June 2021, 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 directors' declaration.

In our opinion the financial report of Partners In Aid Limited 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 Registered Entity's financial position as at 30 June 2021 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 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 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 opinion.

Responsibilities of Responsible Entities for the Financial Report

The responsible persons 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 persons 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.

Partners In Aid Limited

Independent Audit Report to the members of Partners In Aid Limited

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.

Ashfords Audit and Assurance Pty Ltd
Chartered Accountants

Ryan H Dummett
Director

Dandenong South
19 November 2021