

# World Hope International Ltd

A Company Limited by Guarantee

ABN: 67 615 983 661

## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

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## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
<b>INCOME</b>			
Contributions	2	119,045.69	79,443.32
Interest		48.43	30.45
Operating income	3	108,840.87	4,712.14
<b>Total Income</b>		<b>227,934.99</b>	<b>84,185.91</b>
<b>EXPENDITURE</b>			
Advertising and promotions		4,056.66	480.30
Depreciation		321.18	26.77
Employee entitlements		94,077.72	32,428.66
Insurance		3,795.58	1,823.57
Postage, printing and stationery		1,830.25	1,102.67
Project payments	4	141,465.04	1,277.62
Sundry expenses		1,689.14	2,323.49
Telephone and internet		1,484.31	1,405.08
Travel and accommodation		9,199.54	3,553.98
<b>Total Expenditure</b>		<b>257,919.42</b>	<b>44,422.14</b>
<b>Surplus / (deficit) before income tax expense</b>		<b>(29,984.43)</b>	<b>39,763.77</b>
Less Income tax expense		-	-
<b>Surplus / (deficit) after income tax expense for the year attributable to the members</b>		<b>(29,984.43)</b>	<b>39,763.77</b>
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the members</b>		<b>(29,984.43)</b>	<b>39,763.77</b>

The accompanying notes form part of these financial statements.

# World Hope International Ltd

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## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	2018	2017
	\$	\$
<b>CURRENT ASSETS</b>		
Cash at bank	8,302.56	8,384.87
Cash at bank - overseas aid	28,077.46	19,265.73
Cash on deposit	7,966.88	10,035.08
Other debtors	1,899.87	535.94
<b>Total Current Assets</b>	<b>46,246.77</b>	<b>38,221.62</b>
<b>NON- CURRENT ASSETS</b>		
Plant and equipment at cost	3,211.80	3,211.80
Less accumulated depreciation	(347.95)	(26.77)
<b>Total Non-Current Assets</b>	<b>2,863.85</b>	<b>3,185.03</b>
<b>TOTAL ASSETS</b>	<b>49,110.62</b>	<b>41,406.65</b>
<b>CURRENT LIABILITIES</b>		
Committed Project Expenditure	26,906.60	-
PAYG payable	2,984.00	1,515.00
Provision for employee entitlements	7,975.67	-
Superannuation payable	1,465.01	127.88
<b>Total Current Liabilities</b>	<b>39,331.28</b>	<b>1,642.88</b>
<b>Total Liabilities</b>	<b>39,331.28</b>	<b>1,642.88</b>
<b>NET ASSETS</b>	<b>9,779.34</b>	<b>39,763.77</b>
<b>EQUITY</b>		
Accumulated surplus	9,779.34	39,763.77
<b>Total Equity</b>	<b>9,779.34</b>	<b>39,763.77</b>

The accompanying notes form part of these financial statements.

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## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated Surplus \$	Total \$
Opening balance 1 July 2016	-	-
Plus, Surplus after income tax	39,763.77	39,763.77
<b>Closing Balance 30 June 2017</b>	<b>39,763.77</b>	<b>39,763.77</b>
Opening balance 1 July 2017	39,763.77	39,763.77
Less Deficit after income tax	(29,984.43)	39,763.77
<b>Closing Balance 30 June 2018</b>	<b>9,779.34</b>	<b>39,763.77</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		226,522.63	84,155.46
Payments to suppliers		(219,909.84)	(43,288.43)
Interest received		48.43	30.45
<b>Net Cash Flows from Operating Activities</b>	5	<b>6,661.22</b>	<b>40,897.48</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		-	(3,211.80)
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>(3,211.80)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net Cash Flows from Financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase / (decrease) in cash held</b>		<b>6,661.22</b>	<b>37,685.68</b>
Cash at the beginning of the year		37,685.68	-
<b>Cash at the end of the year</b>	5	<b>44,346.90</b>	<b>37,685.68</b>

The accompanying notes form part of these financial statements.

# World Hope International Ltd

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **New, revised or amending Accounting Standards and Interpretations adopted**

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **Basis of preparation**

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

**These are special purpose financial statements that have been prepared for the purposes of complying with section 60.40 of the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation).** The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of the Company.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality' and AASB 1048 'Interpretation and Application of Standards', as appropriate for not-for-profit oriented entities. These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

#### **Historical cost convention**

The financial statements have been prepared under the historical cost convention.

#### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

#### **Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

# World Hope International Ltd

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### Donations and fundraising:

As is common for organisations of this size and type, it is not practicable for the company to maintain an effective system of internal control over income until their initial entry into the accounting records. Accordingly, income recorded in the financial report, for donations and fundraising, is limited to the amounts banked and recorded in the bank accounts of the company.

#### Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

#### Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

#### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2018	2017
	\$	\$
<b>NOTE 2: CONTRIBUTIONS</b>		
Contributions: Christmas Catalog	644.26	-
Contributions: Education Projects	2,790.54	-
Contributions: Emergency Relief	13,828.90	-
Contributions: General	40,944.84	79,443.32
Contributions: Gifts in Kind	26,461.02	-
Contributions: Grants	11,900.00	-
Contributions: Health & Nutrition	4,500.00	-
Contributions: Mobile Power	1,800.00	-
Contributions: Mushroom House Cambodia	467.77	-
Contributions: PNG Medical Scholarships	486.00	-
Contributions: Sierra Leone ETC Sponsorships	698.25	-
Contributions: Village Birth Attendant PNG	45.00	-
Contributions: Water Project	14,479.11	-
	<b>119,045.69</b>	<b>79,443.32</b>

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	2018	2017
	\$	\$
<b>NOTE 3: OPERATING INCOME</b>		
Operating Income: Administration Fee	8,848.81	-
Operating Income: General	12,000.00	4,712.14
Operating Income: WHI USA	87,992.06	-
	<b>108,840.87</b>	<b>4,712.14</b>

<b>NOTE 4: PROJECT PAYMENTS</b>		
Project Payments: Cambodia Mushroom Payments	23,094.15	-
Project Payments: Emergency Relief	14,070.49	-
Project Payments: General	53,367.62	1,277.62
Project Payments: Health & Nutrition Payments	16,400.00	-
Project Payments: PNG Education Payments	5,000.00	-
Project Payments: PNG Rural Development Payments	4,286.51	-
Project Payments: Sierra Leone ETC Sponsorships	306.19	-
Project Payments: W.A.S.H. Payments	24,940.08	-
	<b>141,465.04</b>	<b>1,277.62</b>

<b>NOTE 5: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash Flows from Operating Activities with Surplus After Income Tax</b>		
Surplus / (Deficit) attributable to the members	(29,984.43)	39,763.77
<b>Non-Cash Items</b>		
Depreciation	321.18	26.77
<b>Changes in Assets and Liabilities</b>		
(Increase)/decrease in other debtors	(1,363.93)	(535.94)
Increase/(decrease) in committed project expenditure	26,906.60	-
Increase/(decrease) in PAYG payable	1,469.00	1,515.00
Increase/(decrease) in provision for employee entitlements	7,975.67	-
Increase/(decrease) in superannuation payable	1,337.13	127.88
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>6,661.22</b>	<b>40,897.48</b>

<b>b. Reconciliation of Cash</b>		
Cash at bank	8,302.56	8,384.87
Cash at bank - overseas aid	28,077.46	19,265.73
Cash on deposit	7,966.88	10,035.08
	<b>44,346.90</b>	<b>37,685.68</b>
Less bank overdraft	-	-
<b>Total Cash</b>	<b>44,346.90</b>	<b>37,685.68</b>

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## RESPONSIBLE PERSONS' DECLARATION

Per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

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

- (a) there are reasonable grounds to believe **World Hope International Ltd** is able to pay all of its debts, as and when they become due and payable; and
- (b) 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.

  
\_\_\_\_\_  
Chairperson

Dated this 1st day of August 2018.



# World Hope International Ltd

A Company Limited by Guarantee

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## INDEPENDENT AUDIT REPORT

*To the members of World Hope International Ltd*

### **Opinion**

We have audited the accompanying financial report of **World Hope International Ltd**, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible persons' declaration.

In our opinion, the accompanying financial report of **World Hope International Ltd** is in accordance with the Australian Charities and Non-for-Profit Commission Act 2013, including:

1. giving a fair view of the Association's financial position as at 30 June 2018 and of its financial performance for the period ended on that date; and
2. complying with note 1 to the financial statements.
3. Complying with Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

### **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. This special purpose financial report is prepared to assist **World Hope International Ltd** to comply with the financial reporting provisions of their constitution. As a result, the financial report may not be suitable for another purpose.

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

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards as disclosed in note 1, the Australian Charities and Non-for-Profit Commission Act 2013 and for such internal control as the directors 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 Directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our responsibility is to express an opinion on the financial report based on our audit. We 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 perform the audit to obtain reasonable assurance about 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.

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## INDEPENDENT AUDIT REPORT

To the members of World Hope International Ltd

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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee Members' 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.

### Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



Jason O'Connor CA  
Registered Company Auditor (No. 353931)

Liability limited by a scheme approved under Professional Standards Legislation

Dated this 2nd day of August 2018.

Jason O'Connor CA  
Po Box 3361, Warner Qld 4500  
07 3040 5320  
[www.joconnorptyltd.com.au](http://www.joconnorptyltd.com.au)  
[auditor@joconnorptyltd.com.au](mailto:auditor@joconnorptyltd.com.au)