

HOPE worldwide (Australia)
Limited

Consolidated Financial Report
For the 9 months ended
31 March 2014

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Directors report

The directors present their report together with the consolidated financial report of HOPE worldwide (Australia) Limited for 12 months ended 31 March 2015 and the auditor's report thereon. This financial report has been prepared in accordance with the Australian Accounting Standards.

Directors names

The names of the directors in office at any time during or since the end of the period are:

Bronwyn Dale Howell

Hilary Louise Gumley

Kevin Michael Roland

Mathew Graham Beanland

Michael John Fontenot

Wayne Andrew Merry (retired 23 November 2014)

Graham John Gumley

John Hancell (appointed 23 November 2014)

Michael James Howell (resigned 1 March 2015)

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results

The surplus of the group for the year amounted to \$551.

Review of operations

The company continued to engage in its principle activity, the results of which are disclosed in the attached consolidated financial statements.

Directors report

Company objectives

HOPE Worldwide (Australia) Limited has 4 major strategic goals and related performance targets. To assist in achieving our strategic goals and performance targets, we have also identified a small number of key supporting strategies.

Strategic Goals	Supporting Strategies
<ul style="list-style-type: none"> Support HOPE worldwide (PNG) in providing medical, educational and agricultural programs that benefit the underprivileged in Papua New Guinea 	<ul style="list-style-type: none"> Publicity Fundraising Sourcing new grants With the board of HOPE worldwide (PNG), oversee HOPE worldwide (PNG) senior management, strategic planning, and program implementation
<ul style="list-style-type: none"> Develop and continue to implement volunteer programs in Australia 	<ul style="list-style-type: none"> Through our subsidiary HOPE worldwide (Australia) Aid Pty Ltd, operate local programs that benefit the community in all locations where we have partner churches
<ul style="list-style-type: none"> Develop and continue to implement volunteer programs in overseas 	<ul style="list-style-type: none"> Operate HOPE volunteer corps in PNG and youth corps and other similar programs throughout the South Pacific. Coordinate some volunteer programs with HOPE worldwide Inc.
<ul style="list-style-type: none"> Support HOPE worldwide affiliated programs in Afghanistan and Cambodia and provide disaster relief when possible 	<ul style="list-style-type: none"> Fundraise for programs in Afghanistan Support selected programs connected with the Sihanouk Hospital Centre of HOPE in Phnom Pehn Fundraise for disaster relief where possible

Principle activities

The principle activity of the company was the provision of medical, educational, social and associated support to the residents of Papua New Guinea. The provision of diabetes services are no longer are a principle activity.

Apart from as noted above, there has been no other significant change in the nature of these activities during year.

Directors report

Information on directors

Bronwyn Dale Howell Experience	Doctor
Graham John Gumley Experience Special responsibility	Doctor President from 2 May 2014
Hilary Louise Gumley Experience	Teacher
Kevin Michael Roland Experience	Emergency Medical Technician (Fire-fighter/Paramedic)
Mathew Graham Beanland Experience Special responsibility	IT Consultant Secretary
Michael John Fontenot Experience	Minister of Religion
Wayne Andrew Merry Experience	Retired 23 November 2014 IT Consultant & Accountant
John Hancell Experience	Appointed 23 November 2014 Accountant & Minister of Religion
Richard John Edward Parrott Experience	Resigned 17 April 2014 IT Consultant
Michael James Howell Experience	Resigned 1 March 2015 Teacher

Directors report

Meetings of directors

Directors	Directors' meetings	
	Eligible to attend	Attended
Bronwyn Dale Howell	4	4
Graham John Gumley	4	4
Hilary Louise Gumley	4	4
Kevin Michael Roland	4	3
Mathew Graham Beanland	4	4
Michael John Fontenot	4	2
Michael James Howell	4	3
Wayne Andrew Merry	3	1
John Hancell	1	0
Richard John Edward Parrott	0	0

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$50 each towards meeting any outstandings and obligations of the group. At 31 March 2015 the number of members was 114.

Auditor's independence declaration

A copy of the auditor's independence declaration under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit of HOPE worldwide (Australia) Limited for the 9 months is provided with this report.

Signed on behalf of the directors:

Director: 

Director: 

Dated this 17th day of October 2015

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HOPE worldwide (Australia) Limited
 ABN 70 062 075 218

Statement of Consolidated Comprehensive Income
 For the period ended 31 March 2015

	2015	2014
	\$	\$
Revenue		
Contributions	156,035	90,219
School sponsorship/education	37	13,716
Volunteer corps fees	20,400	-
International Diabetes Program	-	701
Philippines Disaster Relief	-	11,445
Other donations - grants etc	139,797	59,174
Interest income	504	514
Membership subscriptions	-	36
Fundraising	-	245
Other income	18,131	11,000
	<u>334,904</u>	<u>187,050</u>
Less: expenses		
Overseas projects	(208,804)	(95,462)
Community education	(37)	(13,716)
Overseas project Australian based support	(53,637)	(44,034)
Local project support	(51,208)	(18,693)
Administration	(20,667)	(29,077)
Fundraising/contribution costs	-	(24,839)
	<u>(334,352)</u>	<u>(225,821)</u>
Surplus / (deficit)	<u>551</u>	<u>(38,771)</u>
Other comprehensive income for the year	<u>-</u>	<u>-</u>
Total comprehensive income	<u>551</u>	<u>(38,771)</u>

HOPE worldwide (Australia) Limited
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Statement of Consolidated Financial Position
 As at 31 March 2015

	Note	2015 \$	2014 \$
Current assets			
Cash and cash equivalents	4	60,096	73,582
Receivables	5	3,185	27,181
Other Assets	7	-	25,478
Total current assets		<u>63,281</u>	<u>126,241</u>
Non-current assets			
Property, plant and equipment	6	292	420
Total non-current assets		<u>292</u>	<u>420</u>
Total assets		<u>63,573</u>	<u>126,661</u>
Current Liabilities			
Payables	8	2,405	32,890
Provisions	9	13,956	8,200
Other Liabilities	10	28,921	67,831
Total current liabilities		<u>45,282</u>	<u>108,921</u>
Total liabilities		<u>45,282</u>	<u>108,921</u>
Net assets		<u>18,291</u>	<u>17,740</u>
Equity			
Retained surplus	11	18,291	17,740
Total equity		<u>18,291</u>	<u>17,740</u>

HOPE worldwide (Australia) Limited
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Statement of Consolidated Changes in Equity
 For the period ended 31 March 2015

	2015 \$	2014 \$
Retained surplus		
Balance at beginning of the year	17,740	56,511
Movement in equity from:		
Surplus / (deficit) for the year	551	(38,771)
Balance at the end of the year	<u>18,291</u>	<u>17,740</u>

HOPE worldwide (Australia) Limited
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Statement of Consolidated Cash Flows
 For the period ended 31 March 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from contributions and donors		319,485	176,456
Payments to suppliers and employees		(333,476)	(224,287)
Interest received		504	514
Net cash provided by / (used in) operating activities		<u>(13,486)</u>	<u>(47,317)</u>
Cash flows from investing activities			
Cash used in purchase of property, plant and equipment		-	(509)
Proceeds from sale of property, plant and equipment		-	-
Net cash provided by / (used in) investing activities		<u>-</u>	<u>(509)</u>
Reconciliation of cash			
Cash at beginning of period		73,582	121,408
Net increase / (decrease) in cash held		<u>(13,486)</u>	<u>(47,826)</u>
Cash at end of period	12(a)	<u>60,096</u>	<u>73,582</u>

Notes to the Consolidated Financial Statements
For the period ended 31 March 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the *Australian Charities and Not-For-Profit Commission Act 2012* and the *Australian Charities and Not-For-Profit Commission Regulations 2013*.

The consolidated financial report was approved by the directors as at the date of the director's report.

The consolidated financial report is for the entity HOPE worldwide (Australia) Limited consolidated as a group to include any other entities that HOPE worldwide (Australia) Limited controls. HOPE worldwide (Australia) Limited is a company limited by guarantee, incorporated and domiciled in Australia. HOPE worldwide (Australia) Limited is a not-for-profit entity for the purpose of preparing the financial statements.

At the date of this report, the company controls one entity, HOPE worldwide (Australia) Aid Pty Ltd. The directors of the company have resolved to guarantee the solvency of this subsidiary.

This report includes 12 months from 1 April 2014 to 31 March 2015. The comparative figures within these accounts cover a 9 month period from 1 July 2013 to 31 March 2014 as the company changed its financial reporting period year end to 31 March during that period.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the consolidated financial report.

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair value of the consideration given in exchange for assets.

(b) Revenue

Revenue from the rendering of services is recognised upon delivery of the service to the customers.

Revenue from the provision of services is recognised upon delivery of an invoice for the service.

Revenue from donations and fundraising activities is recognised when the company receives the monies and records them in the books and records.

All revenue is stated net of the amount of goods and services tax (GST).

(c) Income tax

No provision for income tax has been raised as the company, and all members of the group, are exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the Consolidated Financial Statements
For the period ended 31 March 2015

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(e) Property, plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure that it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be recovered from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

Class of fixed asset	Depreciation rates	Depreciation basis
Office equipment at cost	4 years	Straight-line

(f) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave, and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Long-term employee benefit obligations

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Notes to the Consolidated Financial Statements
For the period ended 31 March 2015

(ii) Long-term employee benefit obligations (cont)

Employee benefit obligations are presented as current liabilities if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(g) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross-basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires the company to exercise its judgement in the process of applying the accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of the future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the accounting policies

In the process of applying the company's accounting policies, the company makes various judgements, apart from those involving estimations. Judgements made by management in the application of Australian Accounting standards are disclosed in the relevant notes to the financial statements.

(b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, will seldom equal the related actual results. The estimates and assumptions used in the current year are unlikely to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

HOPE worldwide (Australia) Limited
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Notes to the Consolidated Financial Statements
For the period ended 31 March 2015

	2015 \$	2014 \$
NOTE 3: KEY MANAGEMENT PERSONNEL COMPENSATION		
Compensation received by key management personnel of the company		
Salary and wages	82,460	68,803
Superannuation	8,385	7,240
	<u>90,845</u>	<u>76,043</u>
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	<u>60,096</u>	<u>73,582</u>
NOTE 5: RECEIVABLES		
CURRENT		
Trade debtors	<u>3,185</u>	<u>27,181</u>
NOTE 6: PROPERTY, PLANT AND EQUIPMENT		
Plant & equipment		
Plant & equipment at cost	509	509
Accumulated depreciation	<u>(216)</u>	<u>(89)</u>
Total property, plant and equipment	<u>292</u>	<u>420</u>
NOTE 7: OTHER ASSETS		
CURRENT		
Other current assets	<u>-</u>	<u>25,478</u>
NOTE 8: PAYABLES		
CURRENT		
Trade creditors	-	-
Sundry creditors and accruals	<u>2,405</u>	<u>32,890</u>
	<u>2,405</u>	<u>32,890</u>
NOTE 9: PROVISIONS		
CURRENT		
Employee benefits	<u>13,956</u>	<u>8,200</u>
NOTE 10: OTHER LIABILITIES		
CURRENT		
Provision for audit fees	2,700	
Deferred income	<u>26,221</u>	<u>67,831</u>
	<u>28,921</u>	<u>67,831</u>

HOPE worldwide (Australia) Limited
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Notes to the Consolidated Financial Statements
For the period ended 31 March 2015

	2015	2014
	\$	\$
NOTE 11: RETAINED SURPLUS		
Retained surplus at beginning of period	17,740	56,511
Surplus/(deficit) for the period	551	(38,771)
Retained surplus at end of period	<u>18,291</u>	<u>17,740</u>
NOTE 12: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of consolidated cash flows is reconciled to the related items in the statement of consolidated financial position as follows:		
Cash at bank	<u>60,096</u>	<u>73,582</u>
NOTE 13: PARENT ENTITY INFORMATION		
Summarised presentation of the parent entity, HOPE worldwide (Australia) Limited.		
(a) Summarised statement of financial position		
Current assets	51,780	125,376
Total assets	52,072	126,395
Current liabilities	32,971	90,833
Total liabilities	32,971	90,833
Equity	19,102	35,562
(b) Summarised statement of comprehensive income		
Surplus/(deficit)	(16,460)	(20,949)
Other comprehensive income	-	-
	<u>(16,460)</u>	<u>(20,949)</u>

There were no contingent liabilities or commitments for purchase of property, plant and equipment at balance date.

HOPE worldwide (Australia) Limited
ABN 70 062 075 218

Notes to the Consolidated Financial Statements
For the period ended 31 March 2015

2015 2014
\$ \$

NOTE 14: FUNDRAISING APPEALS AND DONATIONS

Details of aggregate gross income of fundraising appeals and donations

Donations from individuals and others	116,774	73,471
Donations from supporting churches	58,232	28,956
Donations from education	37	13,716
Other donations	141,756	59,174
Fundraising appeals	-	245
Volunteer Corps fees	17,600	(62)
Interest	504	514
Membership fees	-	36
<i>Funds obtained from fundraising appeals and donations</i>	<u>334,904</u>	<u>176,050</u>
less direct fundraising costs	-	-
Net funds obtained from fundraising appeals and donations	<u>334,904</u>	<u>176,050</u>

**Donations and other funds received from
General Public were applied in Charitable purposes**

Net surplus obtained from appeals and donations	<u>334,904</u>	<u>176,050</u>
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This was applied to charitable purposes in the following manner

Transfer to HOPE worldwide and International		
Diabetes programs	173,403	115,721
Local program support	51,208	44,804
Balance applied to operational support and overseas project management at HOPE worldwide (Australia), and funds to be sent overseas.	110,292	15,526

Transfer to HOPE worldwide was expended by the following parties

on behalf of HOPE worldwide		
HOPE worldwide (PNG) programs	37,629	38,711
Cambodia - Sihanouk Hospital Centre of HOPE	134,587	52,809
HOPE worldwide (Philippines)	-	11,445
International Diabetes Program Partners	-	701
Other	1,188	12,055
	<u>173,403</u>	<u>115,721</u>

Comparison of Certain Monetary Figures & Percentages

	2015	2015	2014
	\$	%	%
Total cost of fundraising/gross income from fundraising and donations	0/334,904	0.0	0.0
Net surplus from fundraising/gross income from fundraising and donations	334,904/334,904	100.0	100.0
Total cost of services/total expenditure	313,686/334,352	93.8	87.1
Total cost of services/total income received	313,686/334,904	93.7	105.2

HOPE worldwide (Australia) Limited
 ABN 70 062 075 218

Notes to the Consolidated Financial Statements
 For the period ended 31 March 2015

NOTE 14: FUNDRAISING APPEALS AND DONATIONS (cont)

	Carry forward from March 31 2014	Income received	Expended on program	Carry forward 31 March 2015
	\$	\$	\$	\$
Overseas Aid Fund General	0	24,477	22,707	1,770
PNG Specific programs	2,386	28,202	21,680	8,908
The Charitable Foundation funds for Cambodia	53,092	79,215	132,307	0
Other funds for Cambodia	0	2,280	2,280	0
Pacific Health Fund	2,871	0	2,871	0
Philippines Relief	298	0	0	298
Afghanistan	0	13,250	0	13,250
International diabetes	1,995	0	0	1,995
Other overseas	0	1,188	1,188	0
Dandenong Refugee Sports	3,920	0	3,920	0
Pinewood Seniors Program	3,270	0	3,270	0
T O T A L	67,832	148,612	190,222	26,221

HOPE worldwide (Australia) Limited
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Responsible entity's declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 - 15, satisfy the requirement of the *Australian Charities and Not-For-Profit Commission Act 2012*, and
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements.
 - (b) give a true and fair view of the financial position as at 31 March 2015 and performance for the period ended on that date of the group.
2. In the director's 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.

This resolution is made in accordance with a resolution of the Board of Directors.

Director: Graham J. Gummley

Dates this 17 th day of October 2015