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INDEPENDENT AUDITOR'S REPORT

To the members of Maranatha Hospitals Aid and Development Fund Australia Inc.

Report on the Audit of the Financial Report

Qualified Audit Opinion

We have audited the accompanying financial report of Maranatha Hospitals Aid and Development Fund Australia Incorporated (the Association) which comprises the balance sheet as at 30 June 2021, income and expenditure statement, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and the Statement by the Board.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial report of Maranatha Hospitals Aid and Development Fund Australia Incorporated is in accordance with 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 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012.

We confirm that the independence declaration required by the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

Basis for Qualified Opinion

It is not practicable for the Association to maintain an effective system of internal control over receipts and other fundraising activities until their initial entry in the accounting records. Our audit in relation to these items was limited to amounts recorded. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

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 Association in accordance with 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, and we have 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 the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is 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.

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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility 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 this financial report.

As part of an audit in accordance with 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 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 Association 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 the directors 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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Luke Williams CA, CPA Registered Company Auditor
Partner

4/11/2021

**MARANATHA HOSPITALS AID AND DEVELOPMENT FUND
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

**including financial statement for the public ancillary fund
MARANATHA HOSPITALS AID AND DEVELOPMENT AUSTRALIA**

**MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA
INCORPORATED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

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**MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA
INCORPORATED
FOR THE YEAR ENDED 30 JUNE 2021**

STATEMENT BY THE BOARD

In the opinion of the Board of Maranatha Hospitals Aid and Development Fund Australia Incorporated:

- (a) the Association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 to prepare and distribute financial statements to the members of Maranatha Hospitals Aid and Development Fund Australia Incorporated;
- (b) the attached financial statements and notes thereto comply with the Australian Charities and Not-for-profits Commission Act 2012, the Accounting Standards as described in note 1 to the financial statements, the Australian Charities and Not-for-profits Commission Regulation 2013 and other mandatory professional reporting requirements;
- (c) the accompanying balance sheet as at 30 June 2021, income and expenditure statement and Notes to the financial statements for the year ended 30 June 2021 as set out on pages 3 to 6 are properly drawn up so as to give a true and fair view of the Association's financial position as at 30 June 2021 and of its performance for the financial year ended on that date;
- (d) as at the date of this statement there are reasonable grounds to believe that Maranatha Hospitals Aid and Development Fund Australia Incorporated will be able to meet its debts as and when they fall due;
- (e) no officer or no firm of which an officer is a member or no corporation in which an officer has a substantial financial interest has received or become entitled to receive a benefit as a result of a contract between the office, firm or corporation and Maranatha Hospitals Aid and Development Fund Australia Incorporated; and
- (f) no officer has received directly or indirectly any payment or other benefit of a pecuniary value other than remuneration payments to employees and reimbursements of out-of-pocket expenses in relation to Maranatha Hospitals Aid and Development Fund Australia Incorporated.

Signed in accordance with a resolution of directors made pursuant to section 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulation 2013;

Signed in accordance with the resolution of the Board of Directors



Michael Findlay
Interim Chairperson

26/10/2021



Gary Hodge
Treasurer

4/11/2021

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
BALANCE SHEET
AS AT 30 JUNE 2021

	2019-20	2020-21	Note
	\$	\$	
ASSETS			
Cash and Cash Equivalents			
General Fund	2,561	10,580	b
Public Ancillary Fund	249,377	305,466	c
Term Deposit	-	50,000	
Total Cash & Cash Equivalents	<u>251,938</u>	<u>366,046</u>	
Trade and Other Receivables			
Donations receivable	<u>25,164</u>	<u>46,336</u>	
Total Assets	<u>277,102</u>	<u>412,382</u>	
LIABILITIES			
Employee-related liabilities	<u>64</u>	<u>-</u>	
Total Liabilities	<u>64</u>	<u>-</u>	
Net Assets	<u><u>277,038</u></u>	<u><u>412,382</u></u>	
EQUITY			
Accumulated Funds	275,937	277,039	
Current Year Surplus/Deficit	<u>1,101</u>	<u>135,343</u>	
Total Equity	<u><u>277,038</u></u>	<u><u>412,382</u></u>	

The accompanying notes form part of these financial statements

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2019-20	2020-21	Note
	\$	\$	
INCOME			
Donations	248,344	323,365	a
Fundraising income	4,716	2,432	
Interest	2,962	1,485	
Overhead (GDG) & Volunteer Contributions	-	-	
Other income	10,000	10,000	
Total Income	<u>266,022</u>	<u>337,282</u>	
EXPENSES			
Bank fees	36	20	
Employee-related expenses	8,449	1,109	
Fundraising expenditure	2,005	2,534	
Project contributions	251,300	196,150	
Insurance	1,428	1,827	
Audit fees	480	-	
Software expenses	463	-	
Communication & promotion	760	300	
Other	-	-	
Total Expenses	<u>264,921</u>	<u>201,940</u>	
Net Surplus / (Deficit)	<u>1,101</u>	<u>135,343</u>	

The accompanying notes form part of these financial statements

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2021

	Accumulated Funds	Note
	\$	
BALANCE AT 1 JULY 2019	275,937	
Surplus for the Year	1,101	
	277,038	
BALANCE AT 1 JULY 2020	277,038	
Surplus for the Year	135,343	
BALANCE AT 30 JUNE 2021	412,381	

The accompanying notes form part of these financial statements

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2019-20	2020-21
	\$	\$
Cash flows from Operating Activities		
Receipts from donors	\$ 269,533	314,626
Payments to suppliers and employees	(266,266)	(202,003)
Interest received	2,962	1,485
Other	-	-
Net cash flows from operating activities	6,229	114,108
Net increase/(decrease) in cash and equivalents	6,229	114,108
Cash and equivalents at the beginning of the year	245,709	251,938
Cash and equivalents at the end of the year	<u><u>251,938</u></u>	<u><u>366,046</u></u>

The accompanying notes form part of these financial statements

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED

Public Ancillary Fund - ABN 34 290 264 644

Financial Statement - July 2020 through June 2021

	\$
Opening Balance at 1 July 2020	274,541
PAF Accounts	249,377
PAF Donation Receivable	25,164
Opening Balance	274,541
Receipts	
Donations	308,275
Fundraising	-
Interest	1,484
Total Receipts	309,758
Payments	
Disbursements to Global Development Group	179,950
Other Costs	2,533
Bank, Merchant and Fundraising Fees	15
Total Payments	182,498
Closing Balance as at 30 June 2021	401,802
PAF Bank Accounts	355,466
PAF Donations Receivable	46,336
Closing Balance	401,802

**MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
FOR THE YEAR ENDED 30 JUNE 2021**

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The members of the Board have prepared the financial report on the basis that the Association is not a reporting entity as there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "Special Purpose Financial Report" has been prepared for the purposes of complying with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 to prepare and distribute financial statements to the members of Maranatha Hospitals Aid and Development Fund Australia Incorporated.

These financial statements are presented in Australian dollars (\$), and 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 1048 Interpretation and Application of Standards

AASB 1054 Australian Additional Disclosures

These Financial Statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values.

Income Tax

The Association is exempt from income tax pursuant to the Income Tax Assessment Act 1997.

Accordingly, Australian Accounting Standards AASB 112 has not been applied and no provision for income tax has been included in the financial reports.

Goods & Services Tax (GST)

The Association is not registered for GST.

Note 2: Other Explanatory notes to the financial statements

- a. Comprises donations paid to the Association. While there is no liability attached to these donations, there is a requirement in the Association's constitution that these funds are applied for the purposes of the Association. There is also a requirement that funds received into the Ancillary Fund are applied for the purposes of the Fund as approved by the Australian Taxation Office.
- b. The Association holds a bank account for receiving monies and paying its operating costs and funding its overseas project.
- c. The Association holds a second bank account for its partnership with Global Development Group (GDG). GDG has Deductible Gift Recipient Status and the project is approved as part of this. Donations are received into this account and are tax deductible for the donor. Funds in this account are only ever paid to GDG and only for the purposes of undertaking the overseas project.
- d. The Association holds some assets which have been contributed in kind by individuals and other organisations. The value of these assets is low and due to the cash basis of the Association's accounting systems, these assets have not been recognised.