

**MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020**

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

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FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020

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**MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
FOR THE YEAR ENDED 30 JUNE 2020**

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 2020, income and expenditure statement and Notes to the financial statements for the year ended 30 June 2020 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 2020 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



Julie Freund
Chairperson

14/10/2020



Gary Hodge
Treasurer

27/10/2020

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
BALANCE SHEET
AS AT 30 JUNE 2020

	2018-19	2019-20	Note
	\$	\$	
ASSETS			
Cash and Cash Equivalents			
General Fund	19,394	2,561	b
Public Ancillary Fund	226,315	249,377	c
Total Cash & Cash Equivalents	245,709	251,938	
Trade and Other Receivables			
Donations receivable	31,637	25,164	
Total Assets	277,346	277,102	
LIABILITIES			
Employee-related liabilities	1,409	64	
Total Liabilities	1,409	64	
Net Assets	275,937	277,038	
EQUITY			
Accumulated Funds	280,445	275,937	
Current Year Surplus/Deficit	(4,508)	1,101	
Total Equity	275,937	277,038	

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 2020

	2018-19	2019-20	Note
	\$	\$	
INCOME			
Donations	268,576	248,344	a
Fundraising income	3,295	4,716	
Interest	1,183	2,962	
Overheads Contributions (GDG) & Volunteer Contributions	20,000	-	
Other income	-	10,000	
Total Income	293,054	266,022	
EXPENSES			
Bank fees	90	36	
Employee-related expenses	22,058	8,449	
Fundraising expenditure	4,030	2,005	
Project contributions	260,000	251,300	
Insurance	3,229	1,428	
Audit fees	4,950	480	
Software expenses	1,209	463	
Communication & promotion	1,317	760	
Other	679	-	
Total Expenses	297,562	264,921	
Net Surplus / (Deficit)	(4,508)	1,101	

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 2020

	Accumulated Funds \$	Note
BALANCE AT 1 JULY 2018	280,445	
Surplus for the Year	<u>(4,508)</u>	
	<u>275,937</u>	
BALANCE AT 1 JULY 2019	275,937	
Surplus for the Year	<u>1,101</u>	
BALANCE AT 30 JUNE 2020	<u>277,038</u>	

The accompanying notes form part of these financial statements

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	2018-19	2019-20
	\$	\$
Cash flows from Operating Activities		
Receipts from donors	277,019	269,533
Payments to suppliers and employees	(300,152)	(266,266)
Interest received	1,183	2,962
Other	20,000	-
Net cash flows from operating activities	(1,950)	6,229
Net increase/(decrease) in cash and equivalents	(1,950)	6,229
Cash and equivalents at the beginning of the year	247,659	245,709
Cash and equivalents at the end of the year	<u>245,709</u>	<u>251,938</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 2019 through June 2020

	\$
Opening Balance at 1 July 2019	257,952
PAF Accounts	226,315
PAF donations receivable	31,637
Opening Balance	257,952
Receipts	
Donations	227,043
Fundraising	-
Interest	2,942
Total receipts	229,985
Payments	
Disbursements to Global Development Group	211,300
Other Costs	2,075
Bank, merchant and fundraising fees	21
Total payments	213,397
Closing Balance as at 30 June 2020	274,541
PAF Bank Accounts	249,377
PAF donations receivable	25,164
Closing Balance	274,541

MARANATHA HOSPITALS AID AND DEVELOPMENT FUND AUSTRALIA INCORPORATED
FOR THE YEAR ENDED 30 JUNE 2020

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.

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
F: (08) 8332 3466
E: norwood@galpins.com.au

W: www.galpins.com.au

ABN: 30 630 511 757

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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 2020, 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 2020 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

14/10/2020