



for Cambodian children  
A community-based Care organisation

# FINANCIAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2021

ABN 82 131 966 197



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## directors' report

The Directors present this report of the Hope for Cambodia Children Foundation Inc. (HOPE) for the year ended 30 June 2021.

### Legal Status

HOPE is an Incorporated Association registered by the Tasmanian Office of Consumer Affairs and Fair Trading under the Associations Incorporation Act 1964'

### Directors

IN OFFICE DURING THE 2020-2021 YEAR		IN OFFICE AT THE DATE OF THIS REPORT	
<b>Grahame Lewis</b>	<i>Chair</i>	<b>Grahame Lewis</b>	<i>Chair</i>
<b>Carol Leddton</b>	<i>Deputy Chair</i>	<b>Carol Leddton</b>	<i>Deputy Chair</i>
<b>Annette Browning</b>	<i>Secretary</i>	<b>Annette Browning</b>	<i>Secretary</i>
<b>Megan Ayliffe</b>	<i>Public Officer</i>	<b>Megan Ayliffe</b>	<i>Public Officer</i>
<b>Gary Wise</b>	<i>Treasurer</i>	<b>Gary Wise</b>	<i>Treasurer</i>
<b>Andrew Noble</b>		<b>Andrew Noble</b>	
<b>Craig Armstrong</b>		<b>Craig Armstrong</b>	
<b>Glen Streten</b>		<b>Glen Streten</b>	
<b>Jenny McAuley</b>		<b>Jenny McAuley</b>	
<b>John Kinsella Jnr</b>		<b>John Kinsella Jnr</b>	
<b>Michael de Mestre</b>		<b>Michael de Mestre</b>	
<b>Peter Butler</b>		<b>Peter Butler</b>	
<b>Tim Berry</b>		<b>Tim Berry</b>	

### Principal Activity

A Community-Care organisation providing charitable financial and sustainable assistance for projects benefiting children, families and communities in Cambodia.

### Results

The net profit (loss) of the Foundation for the year ended 30 June 2021 was (\$79,515) (2020: \$326,719)

### Review of Operations

The Foundation does not receive any Government grants. Our source income includes donations from the corporate community, individuals and the conducting of fundraising events.



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## directors' report (Continued)

There are a number of matters that are now being addressed by the board to ensure our future. These include the need to diversify our fundraising and need to increase our overall fundraising efforts. Diversification may come from establishing some fundraising ventures in Cambodia which will increase our fundraising in the long term. Another current initiative is to obtain sponsors for all of our Cambodian programs.

### Significant Changes in Methods of Operations

No significant changes in the methods of operation of the Foundation occurred during the financial year

### After Balance Date Events

A matter has continued to evolve since 30 June 2021 that has significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

The COVID19 pandemic is likely to induce significant changes in the state of affairs of the association during the financial period ended 30 June 2022. The committee members will take all necessary measures to preserve capital and shepherd the association through this uncertain period.

### Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 has been received and is included in this report on Page 16.

Signed in accordance with a resolution of the directors:

Director: Grahame Lewis – Chair

Director: Gary Wise – Treasurer

Dated 01/12/2021

Sydney





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## declaration by directors

The Directors of the Hope for Cambodian Children Foundation Inc. declare that;

- (a) the financial report comprising the Income Statement, Balance Sheet and Cash Flows, and accompanying notes are in accordance with the Australian Charities and Not for Profits Commission Act 2012;
  - (i) give a true and fair view of the financial position as at 30 June 2021 and the performance for the year ended on that date of the Foundation
  - (ii) comply with the Accounting Standards and Corporations Regulations 2001; and
- (b) in the director's opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of the Foundation and is signed for and on behalf of the Foundation by;

Director: Grahame Lewis (Chair)

Director: Gary Wise (Treasurer)

Dated 01/12/2021

Sydney

## income statement for the year ending 30 June 2021

	NOTE	2021 \$	2020 \$
Revenue from ordinary activities	2	263,667	315,375
Other expenses from operational activities	3	338,445	616,209
Profit (Loss) from operational activities		(74,778)	(300,834)
Income tax relating to operational activities		0	0
Net profit or (loss) from operational activities after income tax		(74,778)	(300,834)
Gain (Loss) on Foreign Exchange Transactions unrealised	4b	(4,737)	(25,886)
<b>Net profit (Loss)</b>		<b>(79,515)</b>	<b>(326,720)</b>
<b>Accumulated Income at the end of the financial year</b>	<b>8</b>	<b>527,530</b>	<b>607,046</b>



## balance sheet as at 30 June 2021

	Note	2021	2020
<b>Current Assets</b>		\$	\$
Cash and cash equivalents	4	198,234	218,190
Accounts Receivable	5	620	9,314
<b>Non-Current Assets</b>			
Land and Buildings	6	378,773	387,873
Furniture and Fittings	6	0	0
Motor Vehicles	6	0	0
<b>Total Assets</b>		<b>577,627</b>	<b>615,377</b>
<b>Current Liabilities</b>	7	50,097	8,331
<b>Total Liabilities</b>		<b>50,097</b>	<b>8,331</b>
<b>Net Assets</b>		<b>527,530</b>	<b>607,046</b>
<b>Equity</b>	8	<b>527,530</b>	<b>607,046</b>

## cash flow statement for year ending 30 June 2021

	Note	2021	2020
		\$	\$
Receipts from fundraising	12	263,666	315,375
Payments general administration		33,651	46,166
Payments fundraising expenses		6,556	26,621
Cambodian operation payments		298,238	543,421
Capital Purchases		0	0
<b>Net Cash provided by operating activities</b>		<b>(74,779)</b>	<b>(300,833)</b>
<b>Net increase (decrease) in cash held</b>		<b>(19,956)</b>	<b>(288,942)</b>
Cash at beginning of the year		218,190	507,132
Cash at the end of the year		198,234	218,190
Reconciliation of net cash provided by operations to net increase in cash held			
<b>Net cash provided by operations</b>		<b>(74,779)</b>	<b>(300,833)</b>
Add Depreciation		9,100	9,100
Add Debtors decrease (increase)		8,694	20,347
Add Creditors Increase (Reduction)		41,766	8,331
Add Unrealised Gain (Loss) on Exchange		(4,737)	(25,886)
<b>Net increase (decrease) in cash held</b>		<b>(19,956)</b>	<b>(288,942)</b>





## notes to the June 2021 financial statements

### 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, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not for Profits Commission Act 2012.

The financial report covers the activities of the economic entity which comprises of Hope for Cambodian Children Foundation Inc. which is incorporated and domiciled in Australia.

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, or except where stated, current valuations of non-current assets. Cost is based on fair consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### (a) going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business. The Incorporated Association's continued existence is ultimately dependent upon the success of future fund raising and sponsor support. If the Incorporated Association is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in its normal course of business and at amounts different from those stated in the financial report.

#### b) cash

Cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

#### c) trade and other receivables

Trade and Other receivables are recognised at the nominal transaction value without taking into account the time value of money.

#### d) trade creditors and other payables

Trade creditors and other payables are recognised at the nominal transaction value without taking into account the time value of money.

#### e) revenue and other income

Fund Raising income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. The Incorporated Association is registered for goods and services tax (GST) as a charitable foundation. Revenues, expenses and assets are recognised net of GST.

## notes to the June 2021 financial statements

### f) rounding of amounts

Amounts in the financial report and Directors report have been rounded off to the nearest \$1.

### g) taxation

The Foundation is exempt from the payment of income tax

### h) information required to be presented as a registered fundraiser.

The Foundation is registered as a fundraiser in each State and Territory. As such certain information is required by the various fundraising regulators in each location. Specific purpose accounts have been prepared **See Note 12** which covers the general information usually required by each regulator.

## Note 2 revenue

Revenue Source	2021 \$	2020 \$
Auctions -Events	0	0
Crowd Funding	0	0
Donations – Building Fund	0	0
Donations – General	35,629	37,787
Donations – Hiro's Charity Cycle	188,612	216,329
Donations – Schools	6,220	6,049
Government Grant:Covid-19 Cash Flow Boost	20,000	10,000
Sponsorships – Individual	12,207	50,381
Sponsorships – Corporate	1,000	(8,360)
Ticket sales	0	3,190
<b>TOTAL OPERATING INCOME</b>	<b>263,668</b>	<b>315,376</b>
Gain (Loss) on foreign exchange	<b>(4,737)</b>	<b>(25,886)</b>
<b>TOTAL INCOME</b>	<b>258,931</b>	<b>289,489</b>



## notes to the June 2021 financial statements

### Note 3 operating result

	2021	2020
	\$	\$
<b>Profit from ordinary activities before income tax expense has been determined after charging the following:</b>		
<b>General Administration Expenses</b>		
▪ Bank Fees	314	402
▪ Accounting & Legal Fees	8,059	17,297
▪ Audit Fees	1,900	1,850
▪ Other	23,378	26,617
<b>Total General Administration Costs</b>	<b>33,651</b>	<b>46,166</b>
<b>Fundraising Expenses</b>	<b>6,556</b>	<b>26,621</b>
<b>Cambodian Operating Costs</b>	<b>298,238</b>	<b>543,421</b>
<b>Total Expenses</b>	<b>338,445</b>	<b>616,209</b>

### Note 4a cash assets

	2021	2020
	\$	\$
<b>Cash Assets consist of the following:</b>		
<b>Banks</b>		
NAB - General Fund	31,271	18,551
NAB - Public Fund	113,035	50,003
NAB -USD Currency Account (Australian \$ equivalent)	53,928	149,636
<b>Total Cash Assets</b>	<b>198,234</b>	<b>218,190</b>

### Note 4b USD Account

Hope holds a USD account with the NAB and monthly transfers to Cambodia are made from this account. Hope maintains a shadow account in our general ledger which costs the monthly transfers to Cambodia at the rates of the USD when bought. This operates on a FIFO basis.

ACCOUNT	2021				2020			
	BAL		FE	AUD	BAL		FE	AUD
NAB USD	40,479	USD	.7506	53,928	103,249	USD	.69	149,636
GL USD AUD EQUIV	58,665	AUD		58,665	175,522	AUD		175,522
GAIN (LOSS)				(4,737)				(25,886)

## notes to the June 2021 financial statements

### Note 5 accounts receivable

Accounts Receivable consists of the following:

	2021	2020
	\$	\$
GST Refundable	620	(686)
Government Grant: COVID-19 Cash Flow Boost	0	10,000
Trade Debtors	0	0
<b>Total Accounts Receivable</b>	<b>620</b>	<b>9,314</b>

### note 6 non-current assets

2020-2021	Land	Buildings	Furniture & Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Original Cost	150,485	363,858	73,733	23,744	611,820
Accumulated depreciation B/F		126,470	73,733	23,744	223,947
Depreciation this year		9,100	0	0	9,100
Accumulated depreciation C/F		135,570	73,733	23,744	232,047
Written Down Value	150,485	228,288	0	0	378,773

2019-2020	Land	Buildings	Furniture & Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Original Cost	150,485	363,858	73,733	23,744	611,820
Accumulated depreciation B/F		117,370	73,733	23,744	214,347
Depreciation this year		9,100	0	0	9,100
Accumulated depreciation C/F		126,470	73,733	23,744	223,947
<b>Written Down Value</b>	<b>150,485</b>	<b>237,388</b>	<b>0</b>	<b>0</b>	<b>387,873</b>



## notes to the June 2021 financial statements

### Note 7 current liabilities

Current Liabilities consists of the following:

	<b>2021</b>	<b>2020</b>
	\$	\$
Accounts Payable	50,097	8,331
<b>Total Current Liabilities</b>	<b>50,097</b>	<b>8,331</b>

### Note 8 changes in equity

Changes in Equity

	<b>2021</b>	<b>2020</b>
	\$	\$
Accumulated funds at start of year	607,046	933,746
Profit (Loss) for the year	(79,515)	(326,720)
Accumulated funds at end of year	<b>527,530</b>	<b>607,046</b>

### Note 9 events subsequent to reporting date

No events have occurred since reporting date which would have a material impact on the financial statements

### Note 10 financial instruments

#### (a) financial risk management

The Foundations financial Instruments are solely cash at the bank.

**Cash and cash equivalents**

<b>2021</b>	<b>2020</b>
\$	\$
<b>198,234</b>	<b>218,190</b>

## notes to the June 2021 financial statements

### risk management policies

The Board monitors all risks as part of its normal activities

### credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, as disclosed in the balance sheet and notes to the financial statements. The Foundation does not have any material credit risk exposure to any single debtor or group of debtors.

### Interest Rate Risk

The Foundation is not exposed to material interest rate risk

### Liquidity Risk

The Foundation manages its liquidity risk by the maintenance of 12 month rolling cash forecast budgets and thus able to predict periods where additional budget restraint or fundraising effort is required

### Foreign Currency Risk

Budgets for the Foundation's activities in Cambodia are based on \$US. As such there is a risk of currency fluctuations affecting the Foundation's operations. The Board is aware of these risks, continually monitors currency fluctuations and will take mitigating actions to lessen the risk where it is cost effective to do so. The foundation operates a \$US account which helps to mitigate this risk.

## (b) Net fair values

The net fair value of financial assets and liabilities approximates their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form. The aggregate net fair values and carrying amounts of financial assets and liabilities are disclosed in the balance sheet and in the notes forming part of the financial statements.

## Note 11 Company Details

Registered Office	37 Derwent Water Avenue Sandy Bay Tasmania 7007
Principal place of business	Sydney NSW
Official mail address	PO Box 2045 North Parramatta NSW 1750



## notes to the June 2021 financial statements

### NOTE 12 INFORMATION FURNISHED FOR CHARITABLE FUNDRAISING PURPOSES

(a) Details of aggregate gross income and total expenditure of fundraising activities	2021	2020
Proceeds from fundraising activities		
<i>Event Auctions</i>	0	0
<i>Crowd Funding</i>	0	0
<i>Hope Building Fund</i>	0	0
<i>General Donations</i>	35,627	37,787
<i>Charity Ride Donations</i>	188,612	216,329
<i>Government Grant</i>	20,000	10,000
<i>Schools</i>	6,220	6,049
<i>Sponsorships – Individual</i>	1,000	(8,360)
<i>Sponsorships – Corporate</i>	12,207	50,381
<i>Ticket sales</i>	0	3,190
Gross proceeds from fundraising activities	263,666	315,376
Direct Costs of fundraising	6,556	26,621
Net Surplus from Fundraising	257,110	288,755
Unrealised gain (loss) on Foreign Exchange	(4,736)	(25,886)
Total Expenses	331,889	589,589
<b>SURPLUS (DEFICIT)</b>	<b>(79,515)</b>	<b>(326,720)</b>

notes forming part of the financial statements for the year ended 30 June 2021 (continued)

NOTE 12 INFORMATION FURNISHED FOR CHARITABLE FUNDRAISING PURPOSES (Continued)

(b) Comparison by monetary figures and percentages	2021	2020
	\$	\$
Gross proceeds from fundraising appeals	<b>263,666</b>	<b>315,376</b>
Total direct costs of fundraising appeals	<b>6,556</b>	<b>26,621</b>
Total Direct costs of fundraising as a percentage of gross proceeds from fundraising appeals	2.69	8.43
Net Surplus from fundraising appeals	<b>257,110</b>	<b>288,755</b>
Net Surplus from fundraising appeals as a percentage of Gross proceeds from fundraising appeals	97.51	91.50
Total cost of direct services	<b>298,238</b>	<b>543,422</b>
Total Expenditure (not including direct cost of fundraising)	<b>331,889</b>	<b>589,589</b>
Total cost of direct services as a percentage of total expenditure	89.86	92.17
Total Income received (including net profit from fundraising appeals)	<b>263,666</b>	<b>315,376</b>
Total cost of direct services as a percentage of total income	113.11	172.20







# Collins & Co Audit Pty Ltd

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## **AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF HOPE FOR CAMBODIAN CHILDREN FOUNDATION INC A.B.N. 82 131 966 197**

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 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.

Name of Auditor: Frederik R.L. Eksteen

Date: 2 December 2021

Address: Collins & Co Audit Pty Ltd  
127 Paisley Street  
Footscray VIC 3011



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**HOPE FOR CAMBODIAN CHILDREN FOUNDATION INC**  
**A.B.N. 82 131 966 197**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

## Opinion

I have audited the accompanying financial report of Hope For Cambodian Children Foundation Inc. (the Association), which comprises the balance sheet as at 30 June 2021, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the Associations Incorporations Act 1964 (TAS), including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2021 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1 and the *Associations Incorporations Act 1964* (TAS).

## Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. I am 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.



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

My 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.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 controls that I identify during my audit.

**Frederik Ryk Ludolf Eksteen CA**

**Collins & Co Audit Pty Ltd**  
**127 Paisley Street**  
**FOOTSCRAY VIC 3011**

**Dated 2 December 2021.**