

# Beyond the Orphanage Foundation

ABN: 36 253 254 414

## Financial Statements

For the Year Ended 30 June 2017

# Beyond the Orphanage Foundation

ABN: 36 253 254 414

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30 June 2017

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## **Chairman's Report**

### **30 June 2017**

It is with great pleasure that I present this Chairman's report for the 2016/17 financial year.

During this year, the collaborative efforts of so many people - our committed and passionate donors, volunteer board members who bring such great skills to BTO, our dedicated staff who give far above what is expected of them, our wonderful ambassadors and our dedicated program partners in Ethiopia, Nepal and Kenya - have again ensured that the orphaned and vulnerable children in our programs have received the very best of support to help them grow into independent adulthood.

We are most grateful to you all.

And, of course, to the children themselves: we take great joy in knowing that you are all moving on from the tragedy of your earlier lives, that you are now safe, living in loving homes and benefiting from education and good health. We celebrate your strength, courage, and resilience.

It's been a pretty interesting and busy 12 months since our last annual report and I think we would all agree that there has been a lot going on in the world.

It seems like every day we wake up to more fear and negativity - more and more bad news - another shooting, another terrorist attack or plan. We worry about political divides at home and abroad. We worry about political brinkmanship and the threat of war.

Given the current state of the housing market in Australia, it might not be surprising to think that we seem to be living in a bubble. But it might surprise you to think that the bubble goes, I think, beyond the value of real estate, and encompasses most of the news that we hear.

I call it a bad news bubble, and I want to burst it.

We don't hear about it enough, but there are plenty of good things happening in the world. Good people doing great work.

Let's look at our own organisation and to the places we know where kids' lives are being changed; there is no doubt, there are rays of hope in this bad news bubble.

It's only when we burst the bubble that we can see the world *is* getting better and that for most people on the planet, there's never been a better time to be alive.

For all of us at Beyond the Orphanage it's been a busy and productive year and I am proud to say we are celebrating our 10<sup>th</sup> year. A decade of incredible work, made possible by generous support.

I am very proud to report all we have achieved and, in particular, in just the last year:

- We supported the children in our programs to not only survive, but thrive.
- We established a U.S. independent entity as part of our long-term strategy for diversifying income streams. It sits under the overall BTO umbrella but is run by an independent board and has tax beneficial status in the U.S.
- We partnered with a program in Kenya whose focus is on the wellbeing of street children living in the slums of Nairobi.
- We delivered new computers for the children in our programs in Nepal and Kenya.
- We installed a fire safety program at one of our children's homes in Nepal.

## **Chairman's Report**

**30 June 2017**

- We have two graduates in Nepal! One going to study engineering and the other studying to become a lab assistant.
- District Child Welfare Board of Nepal named our partner program the best child welfare program out of 52 programs.
- We facilitated Dr Brynne Sheehan, child psychologist in the US, to work with both children and staff in our partners programs in Nepal as part of an on-going long-term commitment from BTO.
- We facilitated George Hernandez, a digital IT specialist in Australia, to work with both our partner programs in Nepal to help bolster the organisations on the path to self reliance through establishment of their on-line presence, including social media.
- In terms of fundraising, we brought on the scholarship project for long term support of children as they graduate from the programs, a very successful fundraising evening in Melbourne was held, special fundraising was conducted to fund the first holiday for the children in one of our programs in Nepal.

These are just some of the many good news stories and our successes throughout the year. Of course, there have been challenges, many of them as well, but this is about focusing on all the many great and wonderful things that we can achieve through the support and generosity of our supporters.

As always, we are immensely grateful to all of our supporters – who support us in many different ways. All of whom deserve credit and thanks for all that we have achieved and continue to achieve.

On behalf of the children of BTO, I thank you.



Chairman: .....

Geoff Hucker

Nov 30, 2017

Dated

## **Chairman's Report**

**30 June 2017**

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On behalf of the children of BTO, I thank you.



Chairman: .....  
Geoff Hucker

Dated

# Beyond the Orphanage Foundation

ABN: 36 253 254 414

## Trustees' Report

30 June 2017

Your directors of the trustee company present their report on Beyond the Orphanage Foundation for the financial year ended 30 June 2017.

### 1. General information

#### Directors

The names of the directors of the trustee company in office at any time during, or since the end of, the year are:

Names	Appointed/Resigned
Geoffrey Hucker	
Peter Bank	
Kate Fewings	
Timothy Handfield	
Susan Pitman	Resigned 14 September 2016
Stuart Szabo	Resigned 14 September 2016
Nancy Campisi	Appointed 14 September 2016
Keven Tate	
Greg Donoghue	Resigned 14 September 2016

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

#### (a) Principal activities

The principal activity of Beyond the Orphanage Foundation is to support vulnerable children through support of community organisations in Ethiopia, Nepal and Kenya.

No significant change in the nature of these activities occurred during the year.

### 2. Operating results and review of operations for the year

#### (a) Operating results

The net loss of Beyond the Orphanage Foundation Limited ATF Beyond the Orphanage Foundation Trust amounted to \$ (85,845) (2016 surplus: \$ 113,893).

#### (b) Review of operations

The pre-distribution surplus achieved of \$135,048 enabled distributions of \$220,893 to be made to to be made to continue to support the important work being done through Beyond the Orphanage programs and partnerships in Ethiopia, Nepal and Kenya.

## **Trustees' Report**

**30 June 2017**

### **3. Other items**

#### **(a) Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the trust during the year.

#### **(b) After balance date events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the trust, the results of those operations or the state of affairs of the trust in future financial years.

#### **(c) Future developments**

The trust intends to increase its presence in Nepal.

#### **(d) Auditor's independence declaration**

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 8 of the financial report.

### **4. Director information**

#### **(a) Information on directors**

Geoffrey Hucker

Experience

Captain Geoffrey Hucker is an Airline Captain with global aviation experience with a major airline; specialties include: training, CRM, cross cultural communication and risk mitigation. Extensive experience in the not for profit sector, particularly in developing countries, including management and planning projects, policy and procedures development, cross cultural communication, fundraising and is the founder and CEO of Beyond the Orphanage. He has successfully run Beyond the Orphanage since 2007.

Peter Banki

Qualifications

Experience

Bachelor Arts/Law University of Sydney

Peter is one of the foundation partners of the legal firm Banki Haddock Fiora. He is one of Australia's most respected legal intellectual property practitioners. He has more than 20 years' experience as a copyright and patent litigator and a media and intellectual property advisory specialist. Peter has clients in the entertainment, publishing and new media industries. He is a former chairman of the Australian Copyright Council and has extensive experience in policy development as a member of numerous government and industry committees on intellectual property and related matters. In April 2014 the Australian Financial Review included Peter in its Best Lawyers of Australia list.

## **Trustees' Report**

**30 June 2017**

### **4. Director information**

#### **(a) Information on directors**

Kate Fewings

Qualifications

Experience

Bachelor Arts/Law University of Sydney

Kate currently works as in-house legal counsel for one of the world's largest financial institutions, having been based initially in Hong Kong and later in Sydney. Prior to taking a position as in-house counsel, she worked for an international firm with roles based in Singapore, London and Hong Kong. Kate has over 15 years of experience as a lawyer and has participated in a number of not for profit projects including school renovation in Nepal, the establishment of a travel company intended to return money to local communities and various projects for women and girls in crisis across Asia.

Timothy Handfield

Qualifications

Experience

BSc degree, La Trobe University

Extensive experience in the creative sectors including: photography, publishing and fine art. He is an acknowledged leader in the use of digital technologies for fine art reproduction. His previous work includes consultancies for leading cultural institutions such as: The National Museum of Australia, the Baillieu Library, and the National Gallery of Victoria. He has thirty years experience as a director of businesses involved in photography and information technologies. Current directorships include: Handfield and Bell Pty Ltd and Beyond the Orphanage Foundation Ltd.

Susan Pitman

Qualifications

Experience

MA Anthropology

Susan has significant experience in the not for profit sector and specifically, has worked for 28 years as a social researcher in the child welfare field with an emphasis on practice research, program development and quality assurance/improvement. She has also worked as Manager of OzChild's International Aid Program.



## **Trustees' Report**

**30 June 2017**

### **4. Director information**

#### **(a) Information on directors**

Stuart Szabo

Qualifications

Diploma Management Studies, Masters Business Administration  
Melbourne Business School

Experience

Stuart has over 20 years consulting experience, including management consulting, line management, program and project management. He has broad industry experience, particularly with the implementation of structured approaches to program management. Stuart's work as an international airline pilot allows him the opportunity of regular visits to BTO in Ethiopia. He oversees management of the Ethiopian budget, and marketing planning. More recently, Stuart assisted with the search and relocation to the new drop-in centre in Addis Ababa, and further development of the IT facilities.

Nancy Campisi

Qualifications

BSc, Monash University, Bachelor of Law, University of  
Technology, Sydney

Experience

Nancy currently works as corporate legal counsel of one of Australia's leading biomedical research institutes. Prior to this she worked as a commercial lawyer for highly regarded Australian law firm where she was heavily involved with the firm's pro-bono practice. Nancy's non-legal experience includes senior management in the corporate sector and running her own consulting business. Nancy is passionate about making the world a better place for people living in less fortunate circumstances than hers, especially children. Nancy has been a mentor in the Big Sister program. She has also been a volunteer at the Kingsford Legal Centre, Taronga Park Zoo and the Luncheon Club (which provides meals and support for people living with HIV/AIDS).

Keven Tate

Experience

Captain Keven Tate is an airline captain based in Hong Kong, with 30 years in the aviation industry. This role takes him to many destinations throughout Asia. In 2010, Keven founded and has since run a de-institutionalisation project for children in Nepal, which includes foster care and vocational training. Responsibilities include project management and fundraising.

## Trustees' Report

30 June 2017

### 4. Director information

#### (b) Meetings of directors of the trustee company

During the financial year, four meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Geoffrey Hucker	4	4
Peter Banki	4	4
Kate Fewings	4	4
Timothy Handfield	4	3
Susan Pitman	1	-
Stuart Szabo	1	-
Keven Tate	4	3
Greg Donoghue	1	-
Nancy Campisi	4	3

Signed in accordance with a resolution of the board of directors:

  
Geoff Hucker (Nov 30, 2017)  
Director: .....  
Geoffrey Hucker  
Nov 30, 2017

  
Peter Banki (Dec 1, 2017)  
Director: .....  
Peter Banki  
Dec 1, 2017

Dated

## AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012*, and as auditor for the audit of Beyond the Orphanage Foundation for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Beyond the Orphanage Foundation during the year.

**Assura Group Pty Ltd**  
**Chartered Accountants**



**Hanoze Udachia**  
**Director**

Sydney, 2 December 2017

# Beyond the Orphanage Foundation

ABN: 36 253 254 414

## Statement of Profit or Loss and other Comprehensive Income

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
<b>REVENUE</b>		
<b>Donations and gifts</b>		
- Monetary		
Donations - General	155,096	324,035
Donations - Sponsorship	46,232	36,775
Donations - Projects	12,000	-
Donations - Community education	10,800	18,500
Donations - Administration	22,100	14,000
- Non-monetary		
<b>Bequests and legacies</b>	-	-
<b>Grants</b>		
- Department of Foreign Affairs and Trade	-	-
- Other Australian	-	-
- Other overseas	-	-
<b>Investment income</b>		
- Interest received	886	1,192
<b>Other income</b>		
- Fundraising income	48,926	-
<b>Revenue for International Political or Religious Adherence Promotion Programs</b>	-	-
<b>TOTAL REVENUE</b>	<b>296,040</b>	<b>394,502</b>
<b>EXPENDITURE</b>		
<b>International Aid and Development Programs Expenditure</b>		
<b>International programs</b>		
- Funds to international programs	(220,893)	(175,173)
- Program support costs	(7,470)	(3,094)
<b>Community education</b>	<b>(71,977)</b>	<b>(41,432)</b>
<b>Fundraising costs</b>		
- Public	(37,235)	(21,231)
- Government, multilateral and private	-	-
<b>Accountability and administration</b>	<b>(44,310)</b>	<b>(39,679)</b>
<b>Non-monetary Expenditure</b>		
<b>Total International Aid and Development Programs Expenditure</b>	<b>(381,885)</b>	<b>(280,609)</b>
<b>International Political or Religious Adherence Promotion Programs Expenditure</b>	-	-
<b>Domestic Programs Expenditure</b>	-	-

The accompanying notes form part of these financial statements.

## Beyond the Orphanage Foundation

ABN: 36 253 254 414

### Statement of Profit or Loss and other Comprehensive Income

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
<b>TOTAL EXPENDITURE</b>	<b>(381,885)</b>	<b>(280,609)</b>
<b>EXCESS / (SHORTFALL) OF REVENUE OVER EXPENDITURE</b>	<b>(85,845)</b>	<b>113,893</b>
Income tax expense	-	-
<b>EXCESS / (SHORTFALL) OF REVENUE OVER EXPENDITURE</b>	<b>(85,845)</b>	<b>113,893</b>
<b>Other comprehensive income:</b>		
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(85,845)</b>	<b>113,893</b>

The accompanying notes form part of these financial statements.

# Beyond the Orphanage Foundation

ABN: 36 253 254 414

## Statement of Financial Position

30 June 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	97,649	185,105
Trade and other receivables	4	7,705	-
Other assets	5	1,220	-
<b>TOTAL CURRENT ASSETS</b>		<b>106,574</b>	185,105
<b>NON-CURRENT ASSETS</b>			
Intangibles	6	46,366	46,777
<b>TOTAL NON-CURRENT ASSETS</b>		<b>46,366</b>	46,777
<b>TOTAL ASSETS</b>		<b>152,940</b>	231,882
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	11,190	5,642
Borrowings	8	2,079	724
<b>TOTAL CURRENT LIABILITIES</b>		<b>13,269</b>	6,366
<b>TOTAL LIABILITIES</b>		<b>13,269</b>	6,366
<b>NET ASSETS</b>		<b>139,671</b>	225,516
<b>EQUITY</b>			
Trust capital		100	100
Retained earnings		139,571	225,416
<b>TOTAL EQUITY</b>		<b>139,671</b>	225,516

The accompanying notes form part of these financial statements.

## Beyond the Orphanage Foundation

ABN: 36 253 254 414

### Statement of Changes in Equity

For the Year Ended 30 June 2017

#### 2017

	Trust capital	Retained earnings	Total
	\$	\$	\$
Balance at 1 July 2016	100	225,416	225,516
Total comprehensive income	-	(85,845)	(85,845)
Balance at 30 June 2017	100	139,571	139,671

#### 2016

	Trust capital	Retained earnings	Total
	\$	\$	\$
Balance at 1 July 2015	100	111,523	111,623
Total comprehensive income	-	113,893	113,893
Balance at 30 June 2016	100	225,416	225,516

The accompanying notes form part of these financial statements.

## Beyond the Orphanage Foundation

ABN: 36 253 254 414

### Statement of Cash Flows For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
<b>CASH FROM OPERATING ACTIVITIES:</b>		
Receipts from donors	287,449	394,810
Payments to suppliers and funds to programs	(367,094)	(266,642)
Interest received	886	1,192
Net cash provided by (used in) operating activities	10 <u>(78,759)</u>	<u>129,360</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for intangible asset	<u>(10,052)</u>	(42,098)
Net cash used by investing activities	<u>(10,052)</u>	<u>(42,098)</u>
Net increase (decrease) in cash and cash equivalents held	(88,811)	87,262
Cash and cash equivalents at beginning of year	<u>184,381</u>	<u>97,119</u>
Cash and cash equivalents at end of financial year	3 <u><u>95,570</u></u>	<u><u>184,381</u></u>

The accompanying notes form part of these financial statements.



## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **1 Summary of Significant Accounting Policies**

#### **(a) Basis of preparation**

The financial report covers Beyond the Orphanage Foundation (the 'trust') as a single entity. Beyond the Orphanage Foundation is a trust domiciled in Australia and a charity registered with the Australian Charities and Not-for-profits Commission.

The financial statements are general purpose financial statements that have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act* and Australian Accounting Standards. The trust is a not-for-profit entity for the purposes of Australian Accounting Standards.

The Statement of Profit and Loss and Other Comprehensive Income has been prepared in accordance with the ACFID reporting format. This has been done to provide more relevant description of donations received.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### **(b) Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### **(c) Revenue and other income**

The trust recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Beyond the Orphanage Foundation's activities as discussed below.

##### **Donation revenue**

Donations are recognised upon receipt from donors.

##### **Interest revenue**

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

##### **Revenue for designated purpose - ACFID**

No single appeal, grant or other form of fund raising for a designated purpose generated 10% or more of the organisation's international aid and development revenue for the financial year.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **1 Summary of Significant Accounting Policies**

#### **(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value.

#### **(e) Accounts receivable and other debtors**

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

#### **(f) Intangibles**

##### **Web site design**

Intangibles, being website development is initially capitalised at cost. Once in place and being used these costs are written off over the estimated useful life of the asset. The asset's value is amortised on a systematic basis matched to the future economic benefits over the useful life.

#### **(g) Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the trust during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### **(h) Goods and services tax (GST)**

The trust is not registered for GST. Revenues, expenses and assets are recognised inclusive of the amount of GST. The GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

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.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2017**

### **1 Summary of Significant Accounting Policies**

#### **(i) New accounting standards and interpretations**

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for further reporting periods. The trust has decided not to early adopt these standards.

The following table summarises those future requirements, and the impact on the company where relevant:

<b>Standard Name</b>	<b>Effective date for entity</b>	<b>Requirements</b>	<b>Impact</b>
AASB 1058 Income for Not-for-Profit Entities	1 July 2019	AASB 1058 supersedes all the income recognition requirements relating to private sector NFP entities, previously in AASB 1004 Contributions. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.	No significant impact is anticipated from this change of accounting standards.

### **2 Critical accounting estimates and judgments**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 3 Cash and cash equivalents

	2017	2016
	\$	\$
Cash at bank	97,649	185,105
	<u>97,649</u>	<u>185,105</u>

#### (a) Reconciliation of cash

Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	97,649	185,105
Credit card	(2,079)	(724)
<b>Balance as per statement of cash flows</b>	<u>95,570</u>	<u>184,381</u>

### 4 Trade and other receivables

CURRENT

Sundry debtors

7,705	-
<u>7,705</u>	<u>-</u>

### 5 Other assets

CURRENT

Prepayments

1,220	-
<u>1,220</u>	<u>-</u>

### 6 Intangibles

Website design

Formation costs

46,366	45,339
-	1,438
<u>46,366</u>	<u>46,777</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2017

### 7 Trade and other payables

	2017	2016
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	11,190	5,642
	<u>11,190</u>	<u>5,642</u>

### 8 Borrowings

CURRENT		
Unsecured liabilities:		
Credit card	2,079	724
	<u>2,079</u>	<u>724</u>

### 9 Financial instruments

The trust's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The main purpose for non-derivative financial instruments is to raise finance for trust operations and for the investment income from deposits to act as an additional source of revenue.

The trust does not believe it faces major risks from interest rates, credit, liquidity and foreign exchange risks and accordingly no further disclosures regarding financial risk management policies are required under AASB107.

### 10 Cash flow information

<b>(a) Reconciliation of result for the year to cashflows from operating activities</b>		
Surplus / (loss) for the year	(85,845)	113,893
Cash flows excluded from result attributable to operating activities		
Non-cash flows in profit:		
- amortisation	10,463	13,021
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(7,705)	1,500
- (increase)/decrease in prepayments	(1,220)	-
- increase/(decrease) in trade and other payables	5,547	946
Cashflow provided by / (used in) operations	<u>(78,759)</u>	<u>129,360</u>

## Beyond the Orphanage Foundation

ABN: 36 253 254 414

# Notes to the Financial Statements

For the Year Ended 30 June 2017

### 11 Trustee details

#### Registered office

The registered office of the trustee of the trust is:

Beyond the Orphanage Foundation  
Level 10 179 Elizabeth Street  
SYDNEY NSW 2000

# Beyond the Orphanage Foundation

ABN: 36 253 254 414

## Declaration by the Directors of the Trustee Company

The directors of the trustee company declare that:

1. The financial statements and notes, as set out on pages 9 - 19 present fairly the trust's financial position as at 30 June 2017 and its performance for the year ended on that date in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards ; and
2. In the directors' opinion, there are reasonable grounds to believe that the trust 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 board of directors of the trustee company.

Geoff Hucker  
Geoff Hucker (Nov 30, 2017)

Director .....

Geoffrey Hucker

Peter Banki  
Peter Banki (Dec 1, 2017)

Director .....

Peter Banki

Dated                      Nov 30, 2017

Dec 1, 2017

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BEYOND THE ORPHANAGE FOUNDATION

### Report on the Audit of the Financial Report

#### Qualified Opinion

We have audited the accompanying financial report of Beyond the Orphanage Foundation, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and directors' declaration.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* paragraph, the financial report of Beyond the Orphanage Foundation is in accordance with the provisions of the trust deed, including:

- a) Giving a true and fair view of the financial position of Beyond the Orphanage Foundation as of 30 June 2017 and of its financial performance for the year then ended; and
- b) Complying with the Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Act 2012.

#### Basis for Qualified Opinion

During our audit, we have not been able to obtain sufficient and appropriate audit evidence regarding the completeness of income earned from cash donations. Consequently, our audit procedures were limited to the amounts recorded in the general ledger and bank statements.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of 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. We have also 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 and fair presentation of the financial report in accordance with Australian Auditing Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity'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 management either intends to liquidate Beyond the Orphanage Foundation or to cease operations, or has no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE BEYOND THE ORPHANAGE FOUNDATION (Cont'd)**

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

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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 the 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 the 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 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 Entity'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 reporter, 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 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.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE BEYOND THE ORPHANAGE FOUNDATION (Cont'd)**

**Assura Group Pty Ltd**  
ABN : 30 114 712 462  
Level 2, 123 Clarence Street  
Sydney NSW 2000  
GPO Box 3807 Sydney NSW 2001

**Auditor's Responsibilities for the Audit of the Financial Report (Cont'd)**

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From the matters communicated with the management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Assura Group Pty Ltd**  
**Chartered Accountants**



**Hanoze Udachia**  
**Director**

Sydney, 2 December 2017