



Interplast[®]

Repairing bodies & rebuilding lives
in the Asia Pacific region

INTERPLAST AUSTRALIA & NEW ZEALAND

A.B.N. 59 006 155 193

**Annual
Financial Report**

For the year ended 30 June 2018

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DIRECTORS' REPORT

The Directors of Interplast Australia & New Zealand (Interplast) submit herewith the annual financial report for the financial year ended 30th June 2018. To comply with the provisions of the *Australian Charities and Not for Profit Act 2012*, the Directors report as follows:

The names of Interplast Directors during, or since the end of the financial year, and the number of meetings each has attended, are set out in the table below.

Directors	Date Appointed to current term of office	Date of cessation during the year	2017/18 Board meetings	
			Eligible to Attended	Attended
Keith Mutimer (<i>Chair</i>)	November 2015	-	7	6
Dr Michael McGlynn OAM	November 2017	-	7	7
Mr John Georgakis	November 2013	-	7	7
Mr Brian Guest	November 2013	-	7	6
Ms Andrea Coote	August 2015	-	7	6
Ms Marie Dorrington	November 2015	-	7	7
Dr Rowan Gillies	August 2015	22 May 2018	6	3
Associate Professor Michael Leung	November 2015	23 July 2017	0	0
Ms Hayley Morris	August 2015	-	7	7
Mr Paul Sundberg	November 2013	-	7	6
Dr Philip Ragg	November 2016	-	7	6

Principal Activities

The principal activities of Interplast during the financial year were to enable access to life-changing reconstructive surgery and related medical services in developing countries, through the delivery of surgical programs and building of local medical, nursing and allied health capacity within the Asia Pacific region.

Long-term and short-term objectives

Interplast's long term objectives are to:

- Improve the quality of life of people with a disability and increase their access to local health systems; and
- Contribute to the development of sustainable health systems and capacity building of health professionals.

Interplast's short term objectives are to:

- Improve access to treatment for vulnerable and marginalised groups that include people with a disability because of acquired or congenital medical conditions requiring plastic and reconstructive surgery;
- Delivery of safe and effective reconstructive surgery and other medical and allied health services, in partnership with local medical providers; and
- Strengthen local capacity to provide safe and quality reconstructive surgical and related activities to patients through the facilitation of training and professional development.

To achieve these objectives Interplast has adopted the following strategies:

- Attract and retain highly skilled and appropriately qualified volunteers and staff who are committed to Interplast's mission and values;
- Work in partnership with a range of stakeholders, both domestically and internationally to implement activities consistent with local needs and contexts;
- Maintain and enhance relationships with our donors;
- Ensure country program activities are implemented; and
- Demonstrate accountability and transparency consistent with the Australian Council for International Development's (ACFID) Code of Conduct and Department of Foreign Affairs and Trade (DFAT) requirements;

Key Performance Measures

Interplast measures its performance through review of:

- The type and number of activities;
- Number of unique volunteers and number of volunteer placements (reflecting that some volunteers go multiple times per year);
- The number of people reached and receiving treatment at no cost;
- The number of countries and geographical locations visited; and
- The number of local medical, nursing and allied health professionals receiving training opportunities and the types of training opportunities supported.

These benchmarks are used to assess whether Interplast's long and short-term objectives are being achieved.

Interplast completed 86 activities (FY17: 81) in 24 locations (FY17: 27) across 17 countries and performed:

- 12 Surgical activities (FY17: 14) incorporating practical teaching and training of surgical registrars and other medical staff;
- 62 Training-mentoring-professional development activities (FY17: 54) with local country medical staff within the Asia Pacific region;
- 8 Planning & Evaluation activities (FY17: 8) to strengthen future programming; and
- 4 Institutional support activities (FY17: 5).

From these 86 activities, the entity reached at least 1,379 people (FY17 1,665) and performed 670 operations (FY17: 853). A total of 90 Surgeons and Anaesthetists and 77 Nurses, Allied Health professionals and Nurse educators from across Australia & New Zealand undertook volunteer placements of 900 days (FY17: 1049 days) and 872 days (FY17: 899.5 days) respectively. Of the 88 surgeons and anesthetists, 9 participated in multiple activities. Likewise, with the 76 Nurses, Allied Health professionals and Nurse Educators, 10 participated in more than one program activity.

In addition, 1,947 training opportunities were provided (FY17: 1,922) for local trainees – these comprised:

- 3 training placements outside of local trainee's home countries of more than two weeks in duration;
- 724 opportunities to attend short-term practical workshops either in home countries or overseas;
- 591 training opportunities in-theatre or on-ward;
- 621 training opportunities through participation in lectures or presentations; and
- 8 opportunities to attend overseas conferences (outside local trainees home countries).

Information on Directors

Mr Keith Mutimer	President
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
Experience	Appointed Vice President 2015, Appointed President 2016
Mr John Georgakis	Treasurer & Vice President
Qualifications	Bachelor of Business (Accounting), Chartered Accountant.
Experience	Appointed Treasurer 2010, Appointed Vice President 2015
Dr Michael McGlynn OAM	Vice President
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons, Business & Medical Management Training, Harvard Business School.
Experience	Appointed Vice President 2016
Mr Brian Guest	Secretary
Qualifications	Company Management, Company Director
Experience	Appointed to the Board 2010, Appointed Secretary 2014
Ms Andrea Coote	Director
Qualifications	Bachelor of Arts
Ms Marie Dorrington	Director
Qualifications	Bachelor of Arts, Diploma of Education, Diploma of Teaching.
Dr Rowan Gillies	Director (Retired May 2018)
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Bachelor of Science, Fellow Royal Australasian College of Surgeons
Associate Professor Michael Leung	Director (Retired July 2017)
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
Ms Hayley Morris	Director
Qualifications	Bachelor of Arts (Communications)
Dr Philip Ragg	Director
Qualifications	Bachelor of Medicine, Bachelor of surgery, Fellow Royal Australian College of Surgeons, Fellow Australian and New Zealand College of Anesthetists
Mr Paul Sundberg	Director
Qualifications	Bachelor of Economics (Honors), Chartered Accountant FCA

Incorporation

The company is incorporated under the *Corporation Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30 June 2018, the total amount that members of the company are liable to contribute if the company is wound up \$700 (2017: \$700).

Review of Operations

The net operating loss amounted to \$167,141 (2017: Operating surplus of \$151,544).

Dividends

Payment of dividends is prohibited under our current Constitution.

Director's Remuneration

No fees were paid or are payable to the Directors. (2017: \$0).

Change in State of Affairs

During the Financial Year there was no significant change in the state of affairs of the Company other than that referred to in the Accounts or notes thereto.

Indemnification of Officers and Auditors

Directors and Officers Liability Insurance and Indemnity:

During the Financial Year, the company paid a premium in respect of a contract insuring the Directors of the company (as named above) against a liability incurred as such a Director to the extent permitted by the *Corporations Act 2001*.

The company has not otherwise, given indemnities during or since the end of the Financial Year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Subsequent Events

There has not been any matter or circumstance, other than that referred to in the Financial Statements or notes thereto, that has arisen since the end of the Financial Year, that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future years.

Auditor's Independence Declaration

The Auditor's independence declaration is included on page 5.

Signed in accordance with a resolution of the Directors made pursuant to the *Australian Charities and Not for Profit Act 2012*.

On behalf of the Directors



Keith Mutimer
Director



John Georgakis
Director

9 October 2018:



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE
AUSTRALIAN CHARITIES AND NOT FOR PROFITS COMMISSION ACT 2012 TO THE
DIRECTORS OF INTERPLAST AUSTRALIA & NEW ZEALAND**

I declare that, to the best of my knowledge and belief during the year ended 30 June 2018 there have been:

- no contraventions of the auditor independence requirements as set out in 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.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J.C. Luckins
Director

Dated this 9th day of October 2018

**CHARTERED ACCOUNTANTS
& ADVISORS**

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Melbourne VIC 3000
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Interplast Australia & New Zealand

Independent auditor's report to members

Report on the Audit of the Financial Statements

Opinion

We have audited the financial report of Interplast Australia & New Zealand. (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Interplast Australia & New Zealand has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

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 Company in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Company's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

CHARTERED ACCOUNTANTS & ADVISORS

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Melbourne VIC 3000
Telephone: +61 3 9824 8555
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Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the summarised financial report in accordance with the requirements of the relevant Australian Accounting Standards (including Australian Accounting Interpretations), the Australian Charities and Not-for-Profits Commission Act 2012 and the disclosure requirements set out in the ACFID Code of Conduct. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the summarised financial report.

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

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our independent auditor's report.



William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136



J.C. Luckins
Director

9 October 2018

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DIRECTORS' DECLARATION


The Directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors declare that that in the Director's opinion:

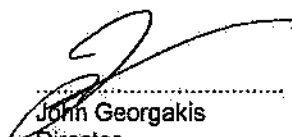
1. The financial statements and notes, as set out on pages 10 to 23, are in accordance with:
 - a. the Australian Charities and Not for Profit Commission Act 2012
 - b. Australian Accounting Standards applicable to the company; and
 - c. give a true and fair view of the financial position of the company as at 30 June 2018 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements and
2. There are reasonable grounds to believe that the company is able to pay all of its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and signed in accordance with subsection 60.15 (2) of the Australian Charities and Not for Profit Commission regulations 2013.

On behalf of the Directors



.....
Keith Mutimer
Director



.....
John Georgakis
Director

9 October, 2018

Statement of comprehensive income/(loss)

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
REVENUE			
Donations & Gifts - Monetary		796,657	1,028,882
Donations & Gifts - Non Monetary		61,465	139,051
Bequests & Legacies		42,932	160,436
Grants:			
- Government - Department of Foreign Affairs & Trade		616,342	658,868
- Government - RACS		96,702	19,632
- Other Australian		606,204	686,135
- Overseas		131,416	88,786
Revenue from Commercial Activities		30,463	-
Interest		67,658	74,291
Other income		10,325	8,607
Total revenue		2,460,164	2,864,688
EXPENDITURE			
<i>International aid and development programs expenditure</i>			
International Programs			
- Funds to international programs	11	1,240,543	1,341,150
- Program support costs		263,269	267,228
Community Education		167,387	149,691
Fundraising Costs			
- Public		449,068	486,559
- Government, Multilateral and Private		20,407	50,628
Commercial Activities (Domestic)		14,333	-
Accountability and Administration		311,156	287,780
Non-Monetary Expenditure		51,612	60,145
Total international aid and development expenditure		2,517,775	2,643,181
Domestic programs		109,530	69,963
Total domestic program expenditure		109,530	69,963
Total expenditure		2,627,305	2,713,144
Excess/(Deficiency) of revenue over expenditure		(167,141)	151,544
Other comprehensive income		-	-
Total comprehensive income/(loss)		(167,141)	151,544

The accompanying notes form part of these financial statements.

Statement of financial position
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents		2,810,849	3,057,005
Receivables		59,766	86,053
Prepayments		38,364	27,818
Inventories		5,119	5,007
Total current assets		2,914,098	3,175,883
Non-current assets			
Property and equipment	5	108,243	111,498
Total non-current assets		108,243	111,498
TOTAL ASSETS		3,022,341	3,287,381
LIABILITIES			
Current liabilities			
Payables	6	105,472	138,114
Deferred income		555,474	620,001
Provisions	7	56,802	60,690
Total current liabilities		717,748	818,805
Non-current liabilities			
Provisions	7	20,727	17,569
Total non-current liabilities		20,727	17,569
TOTAL LIABILITIES		738,475	836,374
NET ASSETS		2,283,866	2,451,007
EQUITY			
General Reserve	12	500,000	500,000
Capacity Reserve	12	-	80,000
Accumulated Funds	8	1,783,866	1,871,007
TOTAL EQUITY		2,283,866	2,451,007

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2018

	\$	\$	\$	\$
	Retained Earnings	General Reserve	Capacity Reserve	Total
Balance at 1 July 2016	1,799,463	500,000	-	2,299,463
Surplus for the year	151,544	-	-	151,544
Reserve Transfer	(80,000)		80,000	
Balance at 30 June 2017	1,871,007	500,000	80,000	2,451,007
Deficit for the year	(167,141)	-	-	(167,141)
Reserve Transfer	80,000		(80,000)	-
Balance at 30 June 2018	1,783,866	500,000	-	2,283,866

The accompanying notes form part of these financial statements.

Statement of cash flows
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from contributions		1,367,123	1,279,395
Donations		839,590	1,189,319
Interest received		67,658	74,291
Other income		40,788	8,607
Payments to suppliers & employees		<u>(2,525,504)</u>	<u>(2,472,897)</u>
Net cash provided by (used in) operating activities		<u>(210,345)</u>	<u>78,715</u>
Cash flows from investing activities			
Payment for property, plant & equipment		(35,811)	(23,202)
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		(246,156)	55,513
Cash at beginning of year		<u>3,057,005</u>	<u>3,001,492</u>
Cash at end of year	3	<u>2,810,849</u>	<u>3,057,005</u>

The accompanying notes form part of these financial statements.



Notes to the financial statements

For the year ended 30 June 2018

1 Summary of Significant Accounting Policies

The financial statements cover Interplast Australia & New Zealand as an individual entity, incorporated and domiciled in Australia. Interplast Australia & New Zealand is a company limited by guarantee.

The Directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users who are dependent on its general-purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not for Profit Act 2012 and Charitable Collections Act 1946 (W.A). The Company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for Profit Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar. The financial statements were authorised on 10 October 2018 by the directors of the Company.

Accounting Policies

- (a) **Donated Services**
A substantial number of volunteers have donated a significant amount of their time in the company's services, these services are not reflected in the accompanying Financial Statements. (Refer to Note 16 for details)
- (b) **Depreciation**
Depreciation is provided on fixed assets and is calculated on a straight-line basis so as to write off the net cost of each fixed asset over its expected useful life, useful life of fixed asset are between 3 and 13 years.
- (c) **Cash and Cash Equivalents**
Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments.
- (d) **Employee Entitlements**
Provisions made in respect of wages and salaries, annual leave, and other employee entitlements expected to be settled within 12 months, are calculated at salary rates effective at 30 June 2018. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to an employee superannuation fund are charged as expenses when incurred.



Notes to the financial statements

For the year ended 30 June 2018

(e) **Income Tax**
No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(f) **Payables**
Payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(g) **Goods and Services Tax**
Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- a) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the taxation authority is classified as operating cash flows.

(h) **Receivables**
Receivables are recorded as amounts due to Interplast at the end of the reporting period.

(i) **Revenue Recognition/Deferred Income**
General donations and bequest are recognised as revenue when received.

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

Interplast Australia & New Zealand receives non-reciprocal contributions of assets from various parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the Statement of comprehensive income.

All revenue from donations and contributions to specific programs are recognised by reference to the stage of completion of activities to which the revenue relates.

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

(j) **Inventories**
Inventories are measured at the lower of cost or net replacement cost.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.



Notes to the financial statements

For the year ended 30 June 2018

- (k) **Leases**
Lease payments for operating leases, where substantially all the risk and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.
- (l) **Financial Instruments**
Financial assets and liabilities in the scope of AASB 139 Financial Instruments: Recognition and Measurement, are classified as either financial assets at fair value through the Statement of Comprehensive Income, loans and receivables or payables, held-to-maturity investment, or available for sale investments, as appropriate. When financial assets and liabilities are recognised initially, they are measured at fair value, plus, in the case of instruments not at fair value through the Statement of Comprehensive Income, directly attributable transaction costs.
- The classification of financial assets is determined after initial recognition and, when allowed and appropriate, are re-valued at each financial year end. Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.
- (m) **Critical Accounting Estimates and Judgements**
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.
- Key estimates**
- a) *Revenue Recognition*
Key judgements have been made around the recognition of income as defined in note 1(i).
- b) *Impairment*
The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.
- c) *Estimation of useful lives of assets*
The estimation of useful lives of assets has been based on historical experience. In addition, the condition of the asset is assessed regularly and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.
- (n) **New Accounting Standards for Application in Future Periods**
The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these standards.

2 Related Party Transactions

There were no monetary transactions with related parties during the Financial Year. (2017; \$0).

Interplast Australia & New Zealand has obtained professional pro-bono services from members of the Board of Directors. No payment was made for these services.

Notes to the financial statements

For the year ended 30 June 2018

	2018 \$	2017 \$
3 Notes to the Cash Flow Statement		
Reconciliation of Cash		
Cash at the end of the Financial Year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash on hand	285	-
Foreign currency on hand	274	160
Westpac Bank	2,806,236	3,056,499
PayPal	4,054	346
	2,810,849	3,057,005
Reconciliation of profit from ordinary activities to net cash flows from operating activities		
Surplus/(Deficit) from ordinary activities	(167,141)	151,544
Non-cash flows in operating surplus		
Depreciation	48,518	48,385
Charges to provisions	(730)	1,434
Stock write-off	-	11,761
Changes in assets and liabilities, net of the effects of purchase and disposals		
Increase in Assets	(9,453)	(65,621)
Decrease in contributions for future programs	(64,526)	(163,981)
Increase (Decrease) in Payables	(32,642)	41,990
Decrease (Increase) in Receivables	26,287	(11,144)
Decrease (Increase) in Prepayments	(10,546)	60,949
Decrease (Increase) in Inventory	(112)	3,399
Cash flows from operations	(210,345)	78,715
4 Remuneration of Auditors		
Auditing the Financial Report – William Buck	17,000	16,500
	17,000	16,500

Notes to the financial statements

For the year ended 30 June 2018

	2018 \$	2017 \$
5 Property Plant and Equipment		
Surgical equipment		
At cost	532,211	655,908
Accumulated depreciation	(446,552)	(568,120)
Net carrying amount	<u>85,659</u>	<u>87,788</u>
Computer and electrical equipment		
At cost	52,772	115,790
Accumulated depreciation	(30,188)	(92,080)
Net carrying amount	<u>22,584</u>	<u>23,710</u>
Total net carrying amount	108,243	111,498
Note: As of 1 July 2017 the value of the following fully depreciated and obsolete assets were removed from the asset register:		
Surgical equipment	162,879	
Computer and electronic equipment	69,102	
6 Payables		
Payables	82,384	82,497
Accrued Expenses	18,012	37,186
Other Creditors	5,076	18,431
	<u>105,472</u>	<u>138,114</u>
7 Provisions		
(a) Current		
Annual leave	40,440	40,824
Long service leave	12,447	11,240
Leave in lieu	3,916	8,626
Total Current provisions	<u>56,802</u>	<u>60,690</u>
(b) Non-current		
Long service leave	<u>20,727</u>	<u>17,569</u>

Notes to the financial statements

For the year ended 30 June 2018

	2018 \$	2017 \$
8 Accumulated Funds		
Balance at beginning of Financial Year	1,871,007	1,799,463
Surplus for year	(167,141)	151,544
Transfer to Capacity Reserve	-	(80,000)
Balance at end of Financial Year	<u>1,703,866</u>	<u>1,871,007</u>

9 Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

Payable – minimum lease payments		
- not later than 12 months	21,837	23,402
- later than 12 months but not later than 5 years	-	39,665
- greater than 5 years	-	-
	<u>21,837</u>	<u>63,067</u>

Operating lease commitments include non-cancellable three year operating lease, commencing 1 January 2016 for office rental and a two-year Fibre Internet service commencing 1 May 2017.

The Company has no finance leases.

10 Financial Risk Management

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

The total for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets		
Cash and cash equivalents	2,810,849	3,057,005
Receivables	59,766	86,053
Total Financial Assets	<u>2,870,615</u>	<u>3,143,058</u>
Financial Liabilities		
Trade and other payables	105,472	138,114
Total Financial Liabilities	<u>105,472</u>	<u>138,114</u>

Notes to the financial statements

For the year ended 30 June 2018

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimizing adverse effects on financial performance. Risk management policies and matrix are reviewed and approved by the board on a regular basis. These include credit risk and future cash flow requirements.

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

(a) Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligation resulting in financial loss to the company. The company, while exposed to credit related losses in the event of non-performance by counter-parties to financial instruments, does not expect any counter parties to fail to meet their obligations.

The company's only significant credit risk exposure to any single counterparty is with its bankers Westpac Banking Corporation. The carrying amount of financial assets recorded in the balance sheet, net of any provision for doubtful debts, represents the company's maximum exposure to credit risk.

(b) Liquidity risk

Liquidity risk is the risk of being unable to meet financial obligations as they fall due. The company's exposure to liquidity risk is low due to the active and regular monitoring of financial performance, approved budgets and future cash flows, coupled with the significant reserves held by the company.

(c) Interest rate risk

The company's exposure to market interest rates relates primarily to the company's cash and cash equivalent assets. The company has no borrowings.

At balance date the company had the following mix of financial assets exposed to Australian variable interest rate risk:

	Interest Rate %	2018 \$
Cash at bank	0.00%	236,656
Deposits at call	2.00% to 2.40%	2,574,193
		<u>2,810,849</u>
	Interest Rate %	2017 \$
Cash at bank	0.00%	490,643
Deposits at call	2.40% – 2.70%	2,566,362
		<u>3,057,005</u>

Notes to the financial statements

For the year ended 30 June 2018

	2018 \$	2017 \$
11 Program Expenditure by Country		
Pacific & Papua New Guinea		
Fiji	159,510	145,888
Kiribati	12,798	62,496
Samoa	44,580	51,689
Solomon Islands	94,970	18,591
Tonga	53,899	46,369
Vanuatu	52,725	38,341
Papua New Guinea	164,393	161,141
	582,875	524,515
Asia		
Bangladesh	12,778	10,002
Bhutan	139,128	126,413
Laos	97,850	114,307
Mongolia	72,129	74,724
Myanmar	131,497	116,038
Nepal	130,592	86,282
Philippines	37,419	172,103
Sri Lanka	62,163	68,694
Vietnam	25,724	48,072
	709,280	816,635
Total Program Expenditure	1,292,155	1,341,150
Less cost of donated supplies	(51,612)	-
Total Program Expenditure by Country	1,240,543	1,341,150

12 Reserves

General Reserve

The general reserve has been established to meet the organisation's current financial obligations, operating commitments and includes a prudent margin for unforeseen events.

13 Contingent Assets and Liabilities

The directors have determined that no other contingent asset or liability exists at the end of the reporting period.

Notes to the financial statements

For the year ended 30 June 2018

14 Events after the reporting date

No matter or circumstances has arisen since 30 June 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

15 Additional Company information

Interplast Australia and New Zealand is a Company limited by Guarantee, incorporated and operating in Australia.

Principal Place of Business

Royal Australasian College of Surgeons
250-290 Spring Street
East Melbourne Vic 3002
Telephone: (03) 9249 1231

Principal Registered Office

Minter Ellison Solicitors
Level 23
Rialto Towers
Melbourne Vic 3000

16 Information to be furnished under the ACFID Code of Conduct

SUMMARY OF CASH MOVEMENTS

For the Financial year ended 30th June 2018

	Cash Available at Beginning of Financial Year	Cash Raised During Financial Year	Cash Disbursed During Financial Year	Cash Available at End of Financial Year
Funds held for future programs	200,523	1,086,670	(1,058,821)	228,372
Funds held for future programs - Rotary	419,478	314,416	(406,792)	327,102
Total for other purposes	2,437,004	771,068	(952,697)	2,255,375
TOTAL	3,057,005	2,172,154	(2,418,310)	2,810,849

Notes to the financial statements

For the year ended 30 June 2018

Recognised Development Expenditure: Value of Volunteer Services

The value of volunteer services is not included in the accounts. However, for the purposes of claiming DFAT Recognised Development Expenditure the following information has been prepared in accordance with the rates approved by DFAT.

Australian Volunteers for the year ended 30 June 2018.

	2018	2017
	\$	\$
76 Medical Specialists for a total of 733 days	394,019	584,448
74 Allied Health Specialists, Nurse Educators and Nurses for a total of 768 days	277,873	240,614
Actual Total Value of Volunteer Services	671,892	825,062
