



**Interplast<sup>®</sup>**

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 2019**

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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 2019. 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	2018/19 Board meetings	
			Eligible to Attended	Attended
Keith Mutimer ( <i>Chair</i> )	November 2017	-	7	7
Dr Michael McGlynn OAM	November 2016	-	7	6
Mr John Georgakis	November 2016	-	7	4
Mr Brian Guest	November 2016	-	7	6
Mr Peter Caldwell	November 2018	-	4	4
Ms Andrea Coote	August 2015	20 November 2018	3	3
Ms Marie Dorrington OAM	November 2018	-	7	5
Dr Kirstie MacGill	November 2018	-	4	3
Ms Amy McLeod	November 2018	-	4	4
Ms Hayley Morris	November 2018	-	7	7
Mr Paul Sundberg	November 2016	-	7	7
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 72 activities (FY18: 86) in 27 locations (FY18: 24) across 17 countries and performed:

- 13 Surgical activities (FY18: 12) incorporating practical teaching and training of surgical registrars and other medical staff;
- 48 Training-mentoring-professional development activities (FY18: 62) with local country medical staff within the Asia Pacific region;
- 9 Planning & Evaluation activities (FY18: 8) to strengthen future programming; and
- 2 Institutional support activities (FY18: 4).

From these 72 activities, the entity reached at least 1,014 people (FY18 1,379) and performed 518 operations (FY18: 670). A total of 73 Surgeons and Anaesthetists and 70 Nurses, Allied Health professionals and Nurse educators from across Australia & New Zealand undertook volunteer placements of 681 days (FY18: 900 days) and 660 days (FY18: 872 days) respectively. Of the 73 surgeons and anesthetists, 9 participated in multiple activities. Likewise, with the 70 Nurses, Allied Health professionals and Nurse Educators, 10 participated in more than one program activity.

In addition, 1786 training opportunities were provided (FY18: 1,947) for local medical professionals – these comprised;

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

**Information on Directors**

<b>Mr Keith Mutimer</b>	President
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
Experience	Appointed Vice President 2015, Appointed President 2016
<b>Mr John Georgakis</b>	Treasurer & Vice President
Qualifications	Bachelor of Business (Accounting), Chartered Accountant
Experience	Appointed Treasurer 2010, Appointed Vice President 2015
<b>Dr Michael McGlynn OAM</b>	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
<b>Mr Brian Guest</b>	Secretary
Qualifications	Company Management, Company Director
Experience	Appointed to the Board 2010, Appointed Secretary 2014
<b>Mr Peter Caldwell</b>	Director
Qualifications	Diploma of Business Studies (Accounting), Chartered Accountant FCPA
<b>Ms Andrea Coote</b>	Director (Retired November 2018)
Qualifications	Bachelor of Arts
<b>Ms Marie Dorrington OAM</b>	Director
Qualifications	Bachelor of Arts, Diploma of Education, Diploma of Teaching
<b>Dr Kirstie MacGill</b>	Director
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons, Diploma in Anatomy, Master of Surgical Education
<b>Ms Amy McLeod</b>	Director
Qualifications	Bachelor of Laws, Bachelor of Commerce, Certificate in Governance Practice
<b>Ms Hayley Morris</b>	Director
Qualifications	Bachelor of Arts (Communications)
<b>Dr Philip Ragg</b>	Director
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Australian and New Zealand College of Anaesthetists
<b>Mr Paul Sundberg</b>	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 2019, the total amount that members of the company are liable to contribute if the company is wound up \$700 (2018: \$700).

**Review of Operations**

The net operating surplus amounted to \$343,390 (2018: Operating deficit of \$167,141).

**Dividends**

Payment of dividends is prohibited under our current Constitution.

**Director's Remuneration**

No fees were paid or are payable to the Directors. (2018: \$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 ensuring 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**

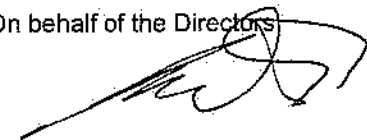

There has not been any matter or circumstance, other than that referred to in the Financial Statements or notes thereto, that has arisen since the end of the Financial Year, that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or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

8 October 2019:



**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 2019 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 8<sup>th</sup> day of October 2019

**ACCOUNTANTS & ADVISORS**  
Level 20, 181 William Street  
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 2019, 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 2019 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.

ACCOUNTANTS & ADVISORS

Level 20, 181 William Street  
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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.

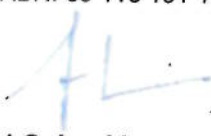
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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](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

8 October 2019

## 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 9 to 21, 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 2019 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

8 October, 2019

## Statement of comprehensive income

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>REVENUE</b>			
Donations & Gifts - Monetary	16	1,111,072	796,657
Donations & Gifts - Non Monetary		77,636	61,465
Bequests & Legacies		268,117	42,932
Grants			
- Government - Department of Foreign Affairs & Trade		949,890	713,044
- Other Australian		422,032	606,204
- Overseas		65,485	131,416
Revenue from Commercial Activities		-	30,463
Interest		59,520	67,658
Other Income		2,720	10,325
<b>Total revenue</b>		<b>2,956,472</b>	<b>2,460,164</b>
<b>EXPENDITURE</b>			
<i>International aid and development programs expenditure</i>			
<b>International Programs</b>			
- Funds to international programs	11	1,307,197	1,240,543
- Program support costs		209,721	263,269
<b>Community Education</b>		<b>137,500</b>	<b>167,387</b>
<b>Fundraising Costs</b>			
- Public		438,708	449,068
- Government, Multilateral and Private		22,013	20,407
<b>Accountability and Administration</b>		<b>380,822</b>	<b>311,156</b>
<b>Non-Monetary Expenditure</b>		<b>56,895</b>	<b>51,612</b>
<b>Total international aid and development expenditure</b>		<b>2,552,856</b>	<b>2,503,442</b>
Domestic programs		60,226	109,530
Commercial Activities (Domestic)		-	14,333
<b>Total expenditure</b>		<b>2,613,082</b>	<b>2,627,305</b>
<b>Excess/(Deficiency) of revenue over expenditure</b>		<b>343,390</b>	<b>(167,141)</b>
Other comprehensive income		-	-
<b>Total comprehensive income/(loss)</b>		<b>343,390</b>	<b>(167,141)</b>

The accompanying notes form part of these financial statements.

## Statement of financial position

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,779,834	2,810,849
Receivables		101,377	59,766
Prepayments		92,325	38,364
Inventories		4,552	5,119
<b>Total current assets</b>		<b>2,978,658</b>	2,914,098
<b>Non-current assets</b>			
Property and equipment	5	92,588	108,243
<b>Total non-current assets</b>		<b>92,588</b>	108,243
<b>TOTAL ASSETS</b>		<b>3,070,676</b>	3,022,341
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	6	126,518	105,472
Deferred income		210,245	555,474
Provisions	7	101,982	56,802
<b>Total current liabilities</b>		<b>438,745</b>	717,748
<b>Non-current liabilities</b>			
Provisions	7	4,675	20,727
<b>Total non-current liabilities</b>		<b>4,675</b>	20,727
<b>TOTAL LIABILITIES</b>		<b>443,420</b>	738,475
<b>NET ASSETS</b>		<b>2,627,256</b>	2,283,866
<b>EQUITY</b>			
General Reserve	12	500,000	500,000
Retained Earnings	8	2,127,256	1,783,866
<b>TOTAL EQUITY</b>		<b>2,627,256</b>	2,283,866

The accompanying notes form part of these financial statements.

## Statement of changes in equity

For the year ended 30 June 2019

	\$	\$	\$	\$
	Retained Earnings	General Reserve	Capacity Reserve	Total
<b>Balance at 1 July 2017</b>	<b>1,871,007</b>	<b>500,000</b>	<b>80,000</b>	<b>2,451,007</b>
Deficit for the year	(167,141)	-	-	(167,141)
Reserve Transfer	80,000	-	(80,000)	-
<b>Balance at 30 June 2018</b>	<b>1,783,866</b>	<b>500,000</b>	<b>-</b>	<b>2,283,866</b>
Surplus for the year	343,390	-	-	343,390
<b>Balance at 30 June 2019</b>	<b>2,127,256</b>	<b>500,000</b>	<b>-</b>	<b>2,627,256</b>

The accompanying notes form part of these financial statements.

**Statement of cash flows**  
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Receipts from contributions		1,174,440	1,367,123
Donations		1,379,189	839,590
Interest received		59,520	67,658
Other income		868	40,788
Payments to suppliers & employees		<u>(2,640,610)</u>	<u>(2,525,504)</u>
<b>Net cash provided by (used in) operating activities</b>		<b>(26,593)</b>	<b>(210,345)</b>
<b>Cash flows from investing activities</b>			
Payment for property, plant & equipment		(4,421)	(35,811)
<b>Net cash provided by (used in) financing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash held</b>		<b>(31,015)</b>	<b>(246,156)</b>
Cash at beginning of year		<u>2,810,849</u>	<u>3,057,005</u>
<b>Cash at end of year</b>	3	<b><u>2,779,834</u></b>	<b><u>2,810,849</u></b>

The accompanying notes form part of these financial statements.

## **Notes to the financial statements**

For the year ended 30 June 2019

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### **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 8 October 2019 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 17 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 is 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 2019. 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 and are charged as expenses when incurred.

## **Notes to the financial statements**

**For the year ended 30 June 2019**

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**(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 2019

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**(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. (2018; \$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 2019

	2019 \$	2018 \$
<b>3 Notes to the Cash Flow Statement</b>		
<b>Reconciliation of Cash</b>		
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	412	285
Foreign currency on hand	274	274
Westpac Bank	2,774,310	2,806,236
Other Cash	4,941	4,054
	<b>2,779,833</b>	<b>2,810,849</b>
<b>Reconciliation of profit from ordinary activities to net cash flows from operating activities</b>		
Surplus/(Deficit) from ordinary activities	352,445	(167,141)
Non-cash flows in operating surplus		
Depreciation	31,150	48,518
Charges to provisions	29,060	(730)
Stock write-off	567	-
Changes in assets and liabilities, net of the effects of purchase and disposals		
Increase in Assets	(10,906)	(9,453)
Decrease in contributions for future programs	(334,422)	(64,526)
Increase (Decrease) in Payables	16,920	(32,642)
Decrease (Increase) in Receivables	(42,509)	26,287
Decrease (Increase) in Prepayments	(53,961)	(10,546)
Decrease (Increase) in Inventory	-	(112)
<b>Cash flows from operations</b>	<b>(31,685)</b>	<b>(210,345)</b>
<b>4 Remuneration of Auditors</b>		
Auditing the Financial Report – William Buck	17,000	17,000
	<b>17,000</b>	<b>17,000</b>

## Notes to the financial statements

For the year ended 30 June 2019

	2019 \$	2018 \$
<b>5 Property Plant and Equipment</b>		
<b>Surgical equipment</b>		
At cost	543,117	532,211
Accumulated depreciation	(471,411)	(446,552)
Net carrying amount	<u>71,706</u>	<u>85,659</u>
<b>Computer and electrical equipment</b>		
At cost	57,194	52,772
Accumulated depreciation	(36,312)	(30,188)
Net carrying amount	<u>20,882</u>	<u>22,584</u>
<b>Total net carrying amount</b>	<u><u>92,588</u></u>	<u><u>108,243</u></u>
<b>6 Payables</b>		
Payables	78,919	82,384
Accrued Expenses	30,099	18,012
Other Creditors	17,500	5,076
	<u>126,518</u>	<u>105,472</u>
<b>7 Provisions</b>		
<b>(a) Current</b>		
Annual leave	53,568	40,440
Long service leave	42,751	12,447
Leave in lieu	5,663	3,916
Total Current provisions	<u>101,982</u>	<u>56,802</u>
<b>(b) Non-current</b>		
Long service leave	<u>4,675</u>	<u>20,727</u>
<b>8 Retained Earnings</b>		
Balance at beginning of Financial Year	1,783,866	1,951,007
Surplus for year	343,390	(167,141)
Balance at end of Financial Year	<u><u>2,127,256</u></u>	<u><u>1,783,866</u></u>

## Notes to the financial statements

For the year ended 30 June 2019

	2019 \$	2018 \$
<b>9 Capital and Leasing Commitments</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable – minimum lease payments		
- not later than 12 months	21,837	21,837
- later than 12 months but not later than 5 years	-	-
- greater than 5 years	-	-
	<u>21,837</u>	<u>21,837</u>

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:

<b>Financial Assets</b>		
Cash and cash equivalents	2,779,834	2,810,849
Receivables	101,377	59,766
<b>Total Financial Assets</b>	<u>2,881,211</u>	<u>2,870,615</u>
<b>Financial Liabilities</b>		
Trade and other payables	126,518	105,472
<b>Total Financial Liabilities</b>	<u>126,518</u>	<u>105,472</u>

## Notes to the financial statements

For the year ended 30 June 2019

### 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 counterparty 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 counterparties 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 %	2019 \$
Cash at bank	0.00%	185,645
Term Deposits	2.00% to 2.40%	2,588,614
		<u>2,774,259</u>
	Interest Rate %	2018 \$
Cash at bank	0.00%	236,656
Term Deposits	2.00% to 2.40%	2,574,193
		<u>2,810,849</u>

## Notes to the financial statements

For the year ended 30 June 2019

	2019 \$	2018 \$
<b>11 Program Expenditure by Country</b>		
<b>Pacific &amp; Papua New Guinea</b>		
Fiji	274,265	159,510
Kiribati	55,458	12,798
Samoa	55,956	44,580
Solomon Islands	55,196	94,970
Tonga	72,680	53,899
Vanuatu	72,943	52,725
Papua New Guinea	11,301	164,393
	<b>597,799</b>	<b>582,875</b>
<b>Asia</b>		
Bangladesh	54,058	12,778
Bhutan	150,843	139,128
Laos	82,006	97,850
Mongolia	72,244	72,129
Myanmar	123,723	131,497
Nepal	54,107	130,592
Philippines	160,584	37,419
Sri Lanka	10,451	62,163
Vietnam	58,276	25,724
	<b>766,293</b>	<b>709,280</b>
<b>Total Program Expenditure</b>	<b>1,364,091</b>	<b>1,292,155</b>
<b>Less cost of donated supplies</b>	<b>(56,895)</b>	<b>(51,612)</b>
<b>Total Program Expenditure by Country</b>	<b>1,307,197</b>	<b>1,240,543</b>

## 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 2019

### 14 Events after the reporting date

No matter or circumstances has arisen since 30 June 2019 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 Future Program Expenditure Commitment

Total "Donations & Gifts – Monetary" includes an amount of \$342,789 which has been pledged to fund specific programs in FY20. Therefore, at balance date a timing difference exists between revenue recognition and program expenditure.

Donations received on a restricted basis	406,872
Revenue restrictions extinguished during the year	(64,083)
<b>Closing Balance - Net Restricted Assets</b>	<b>\$342,789</b>

### 17 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 2019.

	2019	2018
	\$	\$
69 Medical Specialists for a total of 654 days	452,384	394,019
68 Allied Health Specialists, Nurse Educators and Nurses for a total of 645.5 days	225,740	277,873
<b>Total Value of Volunteer Services</b>	<b>678,124</b>	<b>671,892</b>

