

Special Purpose Financial Statements (Financial Report)

FEMILI PNG

for the year ending 30th June 2018

FEMILI PNG
Special Purpose Financial Report

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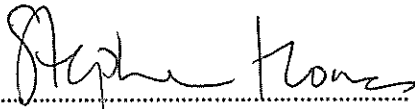
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EXECUTIVE MANAGEMENT DECLARATION


We confirm that the funds received by Femili PNG have been expended and accounted for in accordance with conditions set out in the Partner Agreement with Pacific Women.

We confirm that the accompanying Special Purpose Financial Report for Femili PNG represents a valid statement of Receipts and Payments for the year ended 30th June 2018 and the cash balance of funds at 30th June 2018.

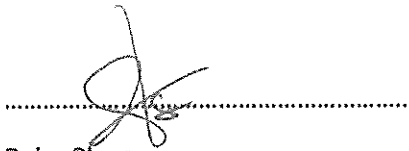
Dated this.....27..... day of.....November..... 2018



Stephen Howes
Chair
Femili PNG



Stephanie Copus-Campbell
Treasurer
Femili PNG



Daisy Plana
CEO
Femili PNG



Raja & Associates

REGISTERED PUBLIC ACCOUNTANTS, AUDITORS, MANAGEMENT CONSULTANTS & TAX AGENTS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEMILI PNG INC (Femili) FOR THE YEAR ENDED 30th JUNE 2018

Qualified Opinion

We have audited the Special Purpose Financial Report (Financial Statements) consisting of Statement of Receipts and Payments and Statement of Financial position of Femili for the year ended 30th June 2018.

In our opinion, except for the effects of the matter described in the **Basis of qualified opinion** of our report

- the Financial statements present fairly the financial position arising from cash transactions of the Femili at 30th June 2018 and the cash received and expenses paid during the period then ended on the basis of accounting described in Note 1.

Basis of Qualified Opinion

As stated in Note 1, Femili's policy is to prepare its financial statements based on cash receipts and payments, consequently, certain revenues and the related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying statement of financial position is not intended to present the financial position and results of operations in accordance with generally accepted accounting principles.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial statements* section of our report. We are independent of Femili PNG in accordance with the ethical requirements that are relevant to our audit of the financial report in Papua Guinea, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting and Restriction on Distribution and Use

The Financial Statements have been prepared for distribution to members and to satisfy the reporting requirements of Femili, and/ or Government of Australia's Department of Foreign Affairs & Trade (DFAT). We disclaim any assumption of responsibility for reliance on this audit report or the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Management’s Responsibilities for the Financial statements

The Management is responsible for the preparation and fair presentation of the Financial statements and for such internal control as the Management determines is necessary to enable the preparation of the Financial statements that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the Financial statements as a whole are 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 ISAs 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 statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

Dated 28th day of November 2018.

Raja & Associates



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Kuhaseelan Rajadurai
Registered Auditor
Registered under the Accountants Act 1996

FEMILI PNG
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 30TH JUNE 2018

	1 July 2016 to 30 June 2017		1 July 2017 to 30 June 2018	
	(PGK)	(PGK)	(PGK)	(PGK)
RECEIPTS				
DFAT funding	3,659,581		612,350	
Other funds raised	464,770		437,650	
Other	341		0	
Total funds received	4,124,692		1,050,000	
LESS PAYMENTS				
SET UP AND EQUIPMENT PURCHASES				
6-1001 Computer equipment	14,644		28,087	
6-1005 Office furniture	8,090		45,662	
6-1008 Mobile phones	820		714	
6-1009 House furniture	427		965	
6-1010 Vehicle purchase	850		107,148	
6-1011 Office fit out	254,300		0	
6-1012 Security fit out	2,294		27,541	
	281,425		210,118	
OPERATIONAL COSTS				
6-2001 Rental and utilities	217,507		141,675	
6-2003 Staff travel	70,494		129,452	
6-2004 Audit and accounting	15,425		18,161	
6-2006 Ongong vehicle costs	53,771	Note f(iii)	77,764	
6-2007 Stationary and general office	34,582		39,019	
6-2008 Security expenses	22,250		25,025	
6-2009 Insurance	10,656	Note f(i)	22,086	
6-2010 IT recurrent costs	12,458		13,939	
6-2011 Bank charges	682		982	
6-2013 Phone bills	39,098		38,131	
6-2015 Technical expertise	48,444		5,843	
6-2016 Repatr'n and direct assistance	85,257		82,623	
6-2017 Legal advice and assistance	66,742		2,828	
6-2018 Outreach and IEC	118,645		29,161	
6-2019 Case meetings and coordination	9,223		6,136	
6-2020 Planning and debriefing	21,921		10,977	
6-2021 Training and exchange	118,684	Note f(ii)	57,634	
6-2022 Research	27,408		9,861	
6-2023 Partner resourcing allocations	79,698		71,232	
6-2024 Governance expenses	9,021		23,664	
6-2025 Staff training			8,028	
6-2026 Fundraising expenses			4,647	
	1,061,964		818,868	
PERSONNEL COSTS				
6-3001 Staff salaries	1,070,002		1,406,942	
6-3002 Staff insurance	14,835		27,663	
6-3003 Relocation and other hiring costs			16,641	
	1,084,837		1,451,246	
Exchange and cash losses		-		0
Total payments	2,428,226		2,480,232	
TOTAL SURPLUS/(DEFICIT)	1,696,466		-1,430,232	

FEMILI PNG
STATEMENT OF FINANCIAL POSITION
AS OF 30TH JUNE 2018

	YEAR ENDING 30TH JUNE 2017 (PGK)	YEAR ENDING 30TH JUNE 2018 (PGK)
START OF YEAR NET POSITION		
Cash on hand - Lae, PNG	3,845	6,309
Cash in bank - Lae, PNG	173,278	1,836,390
Net out pending cheques - Lae PNG	-	18,909
Cash in bank - Canberra, Australia	157,978	206,438
GST refunds owed		1,341
	335,101	2,031,567
PLUS SURPLUS/(DEFICIT)	1,696,466	-1,430,232
END OF YEAR NET POSITION	2,031,567	601,336
 REPRESENTED BY		
Cash on hand - Lae, PNG	6,309	8,835
Cash in bank - Lae, PNG	1,836,390	211,980
Net out pending cheques - Lae PNG	18,909	28,462
Cash in bank - Canberra, Australia	206,438	393,137
GST refunds owed	1,341	15,846
	2,031,567	601,336

FEMILI PNG

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2018

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The reporting entity is Femili PNG, which is a non-profit organisation registered under Associations Incorporation Act. Friends of Femili PNG, the support group for Femili PNG, is audited separately and is not included in the Financial statements.

Basis of preparation

These special purpose financial statements have been prepared on a cash basis. Hence, present obligations to transfer economic benefits as a result of past events are not recognized in the accounts.

The reporting currency is Papua New Guinea Kina (K).

These financial statements have been prepared on the basis that Femili PNG is a going concern. This assumption places reliance on the fact that Femili PNG will continue to receive grants, donations and sponsorships and funding from DFAT and other sources.

a) Acquisition of Property, Plant and Equipment

All fixed assets acquired are expensed and recorded in the asset register.

b) Depreciation on Property, Plant and Equipment

Depreciation is not charged on the fixed assets.

c) Cash and Cash Equivalents

Cash is considered to be cash in hand, in transit and at current accounts in banks held in Lae and Canberra, net of pending cheques.

d) Goods & Services Tax (GST)

On October 20th 2015, Femili PNG was exempted from paying GST by Internal Revenue Commission (IRC). Payments are shown exclusive of GST and GST paid is shown separately as an asset "GST refunds owed", valued at K15, 846 as of 30 June 2018. Refunds are currently being sought from IRC.

e) Income Tax

Femili PNG is exempted from income tax under the Papua New Guinea Income Tax act, as such tax effect accounting procedures are not followed.

f) Receivables

- i. Femili PNG is owed K5,805 by Marsh insurance for a refund of Directors and Officers Insurance after we changed to QBE to provide this insurance.
- ii. Femili PNG is also in receipt of an open ticket valued at K3,361 after a cancellation due to security reasons.
- iii. As of 30th June 2018, Femili PNG was also owed K2,354 from Leasemaster for a vehicle rental bond; this was repaid on 18 September 2018.

g) Foreign currency translation

All foreign expenses and foreign funds received and transferred have been translated at an exchange rate of A\$=2.25PGK.

h) Income

These figures exclude funds raised in-kind.