

Special Purpose Financial Statements (Financial Report)

FEMILI PNG

for the year ending 30th June 2021

FEMILI PNG
Special Purpose Financial Report

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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 Agreements with Pacific Women, Oil Search Foundation, UNDP/UN Women and other donors.

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 2021 and the cash balance of funds at 30th June 2021.

Dated this.....17..... day of.....November..... 2021



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Stephen Howes
Chair
Femili PNG



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Anna Wissink
Treasurer
Femili PNG



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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 2021

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 2021.

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 2021 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 Femili’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Management.
- 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 17th day of November 2021.

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 2021

	1 July 2019 to 30 June 2020		1 July 2020 to 30 June 2021	
	(PGK)	(PGK)	(PGK)	(PGK)
RECEIPTS				
	(Note 1h)			
Pacific Women (DFAT)	2,192,000		4,487,699	
Bel Isi (OSF)	2,090,698		1,931,209	
UN Women Spotlight	-		1,188,268	
UNDP Spotlight	-		403,799	
UNDP Covid Support	-		275,632	
Kokoda Track Foundation	-		203,400	
Dep't of Justice and Attorney General	-		100,000	
Other funds raised	210,022		129,695	
Total funds received		4,492,720		8,719,702
LESS PAYMENTS				
SET UP AND EQUIPMENT PURCHASES (Note 1a)				
6-1001 Computer and digital equipment	22,183		56,324	
6-1005 Office furniture	11,562		58,539	
6-1008 Mobile phones	7,238		12,784	
6-1009 House furniture	908		1,268	
6-1010 Vehicle purchase	169,555		255,760	
6-1011 Office fit out	7,346		20,888	
6-1012 Security fit out	-		241,235	
		218,792		646,797
OPERATIONAL COSTS				
6-2001 Rental and utilities	271,853		430,096	
6-2003 Staff travel	131,681		171,126	
6-2004 Audit and accounting	34,223		35,669	
6-2006 Ongong vehicle costs	93,457		135,544	
6-2007 Stationary and general office	106,670		139,375	
6-2008 Security expenses	44,207		44,838	
6-2009 Insurance	15,147		20,002	
6-2010 IT recurrent costs	64,042		86,846	
6-2011 Bank charges	2,474		2,108	
6-2013 Phone bills	57,931		79,025	
6-2015 Technical expertise	5,499		11,000	
6-2016 Repatriation	83,317		105,498	
6-2017 Legal advice and assistance	7,905		6,220	
6-2018 Outreach and IEC	29,601		121,370	
6-2019 Case meetings and coordination	9,427		17,500	
6-2020 Staff care	35,337		68,751	
6-2021 Training and exchange	39,878		285,801	
6-2022 Research	53,512		193	
6-2023 Partner resourcing allocations	153,430		206,448	
6-2024 Governance and planning	27,083		956	
6-2025 Staff training	85,230		35,215	
6-2026 Fundraising expenses	3,157		2,930	
6-2028 Direct assistance	153,246		382,639	
		1,508,307		2,389,149
PERSONNEL COSTS				
6-3001 Staff salaries	2,579,437		2,779,289	
6-3002 Staff insurance	70,189		102,176	
6-3003 Relocation and other hiring costs	16,169		15,344	
		2,665,795		2,896,809
Exchange and cash losses		-		-
Total payments		4,392,894		5,932,755
TOTAL SURPLUS/(DEFICIT)		99,825		2,786,947

FEMILI PNG
STATEMENT OF FINANCIAL POSITION
AS OF 30TH JUNE 2021

	YEAR ENDING 30TH JUNE 2020 (PGK)	YEAR ENDING 30TH JUNE 2021 (PGK)
START OF YEAR NET POSITION	(Note 1c)	
Cash on hand - PNG	5,597	16,883
Cash in bank - PNG	1,367,730	1,445,179
Net out pending cheques - PNG	9,553	4,739
Cash in bank - Canberra, Australia	310,469	290,600
GST refunds owed	(Note 1d) 45,488	71,633
	<u>1,719,731</u>	<u>1,819,556</u>
PLUS SURPLUS/(DEFICIT)	<u>99,825</u>	<u>2,786,947</u>
END OF YEAR NET POSITION	<u><u>1,819,556</u></u>	<u><u>4,606,503</u></u>
 REPRESENTED BY		
Cash on hand - PNG	16,883	21,862
Cash in bank - PNG	1,445,179	3,775,237
Net out pending cheques - PNG	4,739	38,686
Cash in bank - Canberra, Australia	290,600	661,703
GST refunds owed	(Note 1d) 71,633	186,387
	<u>1,819,556</u>	<u>4,606,503</u>

FEMILI PNG
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2021

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The reporting entity is Femili PNG, which is a non-profit organisation registered under Associations Incorporation Act.

Femili PNG runs case management centres (CMC) in Lae, Port Moresby and Goroka to assist survivors of family and sexual violence (FSV). In addition, Femili PNG works with communities, service providers, schools, government officials and businesses to provide training and outreach on FSV, related laws, referral pathways to assist survivors, child safety and breaking the cycle of violence.

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 PNG and Australia, 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 K186,387 as of 30 June 2021. An initial refund has been obtained from IRC, and further refunds are being sought.

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.

FEMILI PNG

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2021

g) Foreign currency translation

All foreign expenses and foreign funds received and transferred have been translated at an exchange rate of A\$=2.3452PGK for the months of July 2020 to June 2021.

h) Income

During the year Femili received the following major receipts under respective partner agreements.

Donor	Project/Partner Agreement Name	Amount Received (K) 2020	Amount Received (K) 2019
Department of Foreign Affairs & Trade (DFAT)	Pacific Women (Cardno)	4,487,699	2,192,000
Oil Search Foundation	Bel Isi Program	1,931,209	2,090,698
United Nations Development Program (UNDP)	Spotlight Initiative in PNG	403,799	-
UN Women	Spotlight Initiative in PNG	1,188,268	-
United Nations Development Program (UNDP)	Support to FSV Core Service Providers and Survivors in Lae & Port Moresby during COVID-19.	275,632	-
Kokoda Track Foundation	Project Zero: Addressing Gender-Based Violence and Child Protection in rural PNG	203,400	-
Department of Justice and Attorney General	DJAG – MOU on Cooperation in Prevention, Protection and Information Sharing on Gender-Based Violence	100,000	-

Reported income figures exclude funds raised in-kind.