

Australian China Education Foundation Incorporated

ABN 36 484 704 932

Financial Statements

For the Period from 08 January 2014 to 30 June 2014

Australian China Education Foundation Incorporated

Contents

For the Period from 08 January 2014 to 30 June 2014

	Page
Financial Statements	
Committee's Report	1
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Committee Members' Declaration	10
Independent Audit Report	11

Australian China Education Foundation Incorporated

Committee's Report

30 June 2014

The Committee members submit the financial report of the Incorporated Association for the period from 08 January 2014 to 30 June 2014.

1. General information

Welcome to the first financial report for the Australian China Education Foundation Incorporated (ACEF) for the above period.

The purposes of the Foundation are—

1. To improve opportunities for children in poverty-stricken areas of China to fulfil their education needs through one-to-one sponsorship of the child;
2. To improve educational infrastructure and resources for those areas; and
3. To inspire and equip children and teachers through educational exchange activities for a better tomorrow.

Committee members

The names of Committee members throughout the year and at the date of this report are:

Taojin Nie	(President)
Karen Wang	(Vice President & Secretary)
Yin Chen	(Vice President)
Feishan Wang	(Vice President & Treasurer)
Yongfu Wang	(Vice President)
Zhuqin Mo	(Vice President)
Yuwen Zhang	(Vice President)

Principal activities

During the reporting period, ACEF has:

- established its governance structure and operating procedures;
- obtained the registration with Consumer Affairs Victoria (Registration No. A0060482Z) on 08 January 2014;
- obtained the approval of its status as a non-for-profit charitable organisation with Australia Charities and Non-for-Profits Commission on 24 January 2014;
- been endorsed by Australian Taxation Office for charity tax concession effective from 08 February 2014 and as a deductible gift recipient (DGR) effective from 23 June 2014; and
- successfully raised funds for one-to-one child sponsorship for 133 children in Xiu-shui, JiangXi Province, China.

Significant changes

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

Committee's Report

30 June 2014

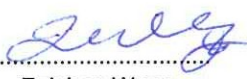
2. Operating results and review of operations for the year

Operating result

The total comprehensive income of the Foundation for the period from 08 January 2014 to 30 June 2014 amounted to \$ 27,543. The total cash donation received is \$77,200 and non cash donation received is \$722. Total donation distributed for one-to-one child sponsorship project is \$48,545.

Signed in accordance with a resolution of the Members of the Committee:

Treasurer:



Feishan Wang

Dated this day of 2014

22

October

Australian China Education Foundation Incorporated

Statement of Profit or Loss and Other Comprehensive Income

For the Period from 08 January 2014 to 30 June 2014

	Note	2014 \$
OPERATING REVENUE		
Donations Received		
1:1 Child Sponsorship	2	50,735
Library		10,000
ACEF Operation		16,355
Teaching Support		110
Non Cash Donation		722
Membership Fee		3,860
Interest Received		128
Bank Fee Reimbursement		132
		<hr/>
TOTAL REVENUE		82,042 <hr/>
EXPENSES		
Advertising		715
Bank Fees		136
Donation to China - 1:1 Child Sponsorship	2	48,545
General Expenses		313
IT Expense		722
Website construction		2,375
ACEF Registration		347
Stationery		1,346
		<hr/>
TOTAL EXPENSES		54,499 <hr/>
SURPLUS/(DEFICIT) FOR YEAR		27,543 <hr/>
OTHER COMPREHENSIVE INCOME		
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS		
Net gain/(loss) on revaluation of financial assets		-
		<hr/>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		27,543 <hr/>

Australian China Education Foundation Incorporated

Statement of Financial Position

As At 30 June 2014

	Note	2014 \$
ASSETS		
CURRENT ASSETS		
Westpac Bank Limited - Donation Account		13,036
Westpac Bank Limited - Operation Account		16,724
TOTAL CURRENT ASSETS		<u>29,760</u>
NON-CURRENT ASSETS		
Property, plant and equipment		-
TOTAL NON-CURRENT ASSETS		<u>-</u>
TOTAL ASSETS		<u>29,760</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade payables		2,217
TOTAL CURRENT LIABILITIES		<u>2,217</u>
NON-CURRENT LIABILITIES		
TOTAL NON-CURRENT LIABILITIES		<u>-</u>
TOTAL LIABILITIES		<u>2,217</u>
NET ASSETS		<u>27,543</u>
EQUITY		
Reserves		-
Retained surplus		27,543
TOTAL EQUITY		<u>27,543</u>

The accompanying notes form part of these financial statements.

Australian China Education Foundation Incorporated

Statement of Changes in Equity

For the Period from 08 January 2014 to 30 June 2014

2014

	Retained Surplus \$	Total \$
Balance at 08 January 2014		-
Surplus for the year	27,543	27,543
Total other comprehensive income for the year	-	-
Balance at 30 June 2014	<u>27,543</u>	<u>27,543</u>

Australian China Education Foundation Incorporated

Statement of Cash Flows

For the Period from 08 January 2014 to 30 June 2014

	2014
Note	\$
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Donations	77,200
Receipts from Membership	3,860
Other Income	132
Payments for Operating Expenses	(3,015)
Donation to China - 1:1 Child Sponsorship	(48,545)
Net cash provided by operating activities	<u>29,632</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Received	<u>128</u>
Net cash used by investing activities	<u>128</u>
Net increase (decrease) in cash and cash equivalents held	29,760
Cash and cash equivalents at beginning of year	<u>-</u>
Cash and cash equivalents at end of financial year	<u><u>29,760</u></u>

The accompanying notes form part of these financial statements.

Australian China Education Foundation Incorporated

Notes to the Financial Statements

For the Period from 08 January 2014 to 30 June 2014

1 Summary of Significant Accounting Policies continued

The financial statements cover Australian China Education Foundation Incorporated as an individual entity. Australian China Education Foundation Incorporated is a not-for-profit association incorporated in Victoria and operating pursuant to the *Association Incorporation Reform Act 2012*.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are special purpose financial statements that have been prepared in order to satisfy the financial reporting requirements of the *Association Incorporation Reform Act 2012*. The committee has determined that the association is not a reporting entity. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below unless otherwise stated.

The financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(c) Trade and other payables

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

(d) Income tax

The Foundation is exempt from income tax effective from 08 February 2014 under Division 50 of the Income Tax Assessment Act 1997. The Foundation was endorsed as a deductible gift recipient (DGR) from 23 June 2014.

(e) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

(f) Interest revenue

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

Australian China Education Foundation Incorporated

Notes to the Financial Statements

For the Period from 08 January 2014 to 30 June 2014

1 Summary of Significant Accounting Policies continued

(g) Comparative Figures

2013 - 2014 is the first year Australian China Education Foundation Incorporated in operation, therefore no comparative figures are available for previous year.

(h) Goods and services tax (GST)

The Foundation is not registered for GST. Revenues, expenses and assets are recognised inclusive of GST. Receivables and payables in the statement of financial position are shown inclusive of GST.

Australian China Education Foundation Incorporated

Notes to the Financial Statements

For the Period from 08 January 2014 to 30 June 2014

2014

\$

2 1:1 Child Sponsorship Donation Reconciliation

Total Children Sponsorship Received

50,735

Total Children Sponsored (133 x \$365 per child)

(48,545)

Undistributed 1:1 Child Sponsorship Donation

2,190

Undistributed donation of \$2,190 is additional 2 years donation received for child No D023, D024 & D025.

3 Contingent Liabilities and Contingent Assets

In the opinion of the Committee, the Foundation did not have any contingencies at 30 June 2014.

4 Events after the end of the Reporting Period

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

5 Registered Office Details

The registered office and principal place of business of the association is:

Australian China Education Foundation Incorporated

Suit 1316, 401 Docklands Drive

Docklands, Victoria 3008

Australian China Education Foundation Incorporated

Committee Members' Declaration

30 June 2014

In the opinion of the board the financial report as set out on pages 3 to 9:

1. Present fairly the financial position of Australian China Education Foundation Incorporated as at 30 June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in note 1 to the financial statements and the requirements of the *Association Incorporation Reform Act 2012*; and
2. At the date of this statement, there are reasonable grounds to believe that Australian China Education Foundation Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Treasurer 

Feishan Wang

Dated this 22 day of October 2014