

foodwatershelter inc

Annual Report 2015/2016

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Directors' Report

The Directors present their report together with the financial report of foodwatershelter incorporated ("fws") for the period of 1 July 2015 to 30 June 2016 and the auditor's report therein.

DIRECTORS

The Directors in office at any time during or since the period 1 July 2015 to 30 June 2016 are:

Nicole Lucas (fws President)
Harry Chaim (fws Vice President)
Josh Anderson (fws Director)
Jacinta Bongiorno (fws Vice President)
Caroline McDaid (fws Treasurer)
Lisa Hong-Rose (fws Treasurer)
Wendy Wang (fws Secretary)
Robert Cork (fws Director)
Rebecca Ludbrook (fws Director)
Elizabeth Francis (fws Director)
Laura Simpson Reeves (fws Director)
Domenic Stangio (fws Director)

CORPORATE INFORMATION

foodwatershelter inc is an Association incorporated in NSW under the Association Incorporation Act 2009 NSW.

The registered office of fws is 1/249 Edgecliff Rd, Woollahra NSW 2025.

There were no paid employees of fws during the financial year.

PRINCIPAL ACTIVITIES

The principal activities of fws during the year were to promote and conduct fundraising activities to enable the organisation to build and manage eco-friendly children's villages with education, social and health facilities for children in developing countries.

No changes in the nature of the activities occurred during the year.

ORGANISATION'S OBJECTIVES

fws is a not-for-profit, non-denominational, non-governmental organisation that builds and manages eco-friendly villages with educational, social and health facilities for vulnerable women, their children and orphans in developing countries.

The objects of fws are to promote and provide:

- (a) nourishing meals to vulnerable women and children
- (b) access to clean water for vulnerable women and children and, where possible, the wider

community

(c) safe shelter for vulnerable women and children

(d) access to health facilities (including AIDS care) for vulnerable women and children

(e) environmental, health, business, social and educational programs that teach life skills to vulnerable women and children

(f) weekend education programs for the wider community

(g) all of the above with minimal impact on the local environment

STRATEGY FOR ACHIEVING SHORT- AND LONG-TERM OBJECTIVES

To achieve these objectives, fws adopted the following strategies:

- fws strives to attract and retain quality volunteers who are committed to supporting an organisation that works with underprivileged people in need. fws believes that attracting and retaining quality volunteers will assist with the success of fws in both the short and long term.
- Volunteers work in partnership with a range of community stakeholders and corporate sponsors, and this is evidenced by ongoing support of fws' projects and initiatives. fws ensures stakeholders and sponsors understand and are committed to the objectives of the organisation through ongoing education in order for the projects to succeed.
- Volunteers are committed to creating new and maintaining existing programs in support of the underprivileged people. Committed volunteers allow fws the ability to engage in continuous improvement.
- fws' volunteers strive to meet consistent standards of best practice and provide clear expectations of professional accountability, transparency and responsibility to all donors, sponsors, stakeholders and members. This is evidenced by fws' membership with the Australian Council for International Development that provides a clear Code of Ethics that ensures volunteers are operating in the best interests of the organisation's donors, clients, stakeholders and sponsors.

OPERATING AND FINANCIAL REVIEW

Operating revenue

The operating revenue before distribution to Kesho Leo Children's Village for the year ended 30 June 2016 was \$95,303 (2015: \$122,575).

Net operating result

The net operating profit/(loss) before distribution to Kesho Leo Children's Village for the year ended 30 June 2016 was (\$13,578) (2015: \$628).

Expenditure on Charitable Objectives

The expenditure on Charitable objectives for the year ended 30 June 2016 totalled \$nil (in 2015 it was \$nil) on property, plant, equipment and motor vehicles and \$nil (in 2015 it was \$nil) directly incurred in operating and staffing the Volunteer and Kesho Leo Children's Villages.

DIVIDENDS

fws is a not-for-profit organisation and is prevented by its constitution from paying dividends.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of fws, which occurred during the financial year, not otherwise disclosed in this Annual Financial Report.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Since the end of the financial year, the Directors have not become aware of any matter or circumstances not otherwise dealt with in the report or financial statements that has significantly, or may significantly affect the operations of fws, the results of those operations or the state of affairs of fws in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinions of the Directors, there are no likely changes in the operations of fws, which will adversely affect the results of fws in subsequent financial years.

ENVIRONMENTAL REGULATION AND PERFORMANCE

fws is not subject to any particular or significant environmental regulation.

DIRECTORS' BENEFITS

No Director of fws has, since the end of the previous financial year, received or become entitled to receive a benefit by reason of a contract made by fws with the Director or with a firm of which they are a member, or with an Association in which they have substantial financial interest except for those items disclosed in the notes of this Annual Financial Report.

The Directors had no interests in contracts or proposed contracts with fws during the course of the financial year other than noted in the statutory information of this report.

AUDITOR INDEPENDENCE DECLARATION

We have received an independence declaration from our auditor Hegde. A copy of this declaration can be found at page 7 of this financial report.

Signed in accordance with a resolution of the Board of Directors

Director Nicole Lucas
(name)

Signature N Lucas

Date 1/3/17

Director CAROLINE McDAID
(name)

Signature C McDavid

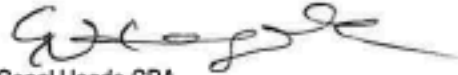
Date 3/2/17

Food Water Shelter Incorporated

ABN: 38 613 794 225

Auditors Independence declaration

I declare that to the best of my knowledge and belief, during the year ended 30 June 2016, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Gopal Hegde CPA

Membership Number: 9184660.

Dated: 24/02/2017

Sydney

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2016	Notes	2016	2015
REVENUE		\$	\$
Donation and Gifts			
- Monetary	3	92,833	115,722
- Non Monetary		-	-
Bequests & Legacies		-	-
Grants			
- AusAid		-	-
- Other Australian		-	-
- Other overseas		-	-
Investment Income		-	-
Other income	4	2,470	6,853
Revenue for International Political or Religious Adherence Promotion Programs		-	-
Total Revenue		95,303	122,575
EXPENDITURE			
<i>International Aid and Development Programs Expenditure</i>			
International Programs			
- Funds to International Programs		93,988	115,552
- Program support Costs		-	-
Community Education		-	-
Fundraising costs			
- Public		5,485	790
- Government, multilateral and private		-	-
Accountability and Administration	5	9,407	6,861
Non-monetary expenditure		-	-
<i>Total International Aid and Development Programs Expenditure</i>		108,881	123,203
Expenditure for International Political or Religious Proselytisation Programs Domestic Programs Expenditure (monetary & non-monetary)		-	-
Total Expenditure		108,881	123,203
Excess/(Shortfall) of revenue over Expenditure		(13,578)	(628)
Other comprehensive income		-	-
Total comprehensive income/(expense) for year		(13,578)	(628)

Statement of Financial Position

As at 30 June 2016

		2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	33,124	46,702
Trade other Receivables			-
Other		1,094	596
Total Current Assets		<u>34,218</u>	<u>47,298</u>
Non-current Assets			
Total Non-current Assets		—	—
TOTAL ASSETS		<u>34,218</u>	<u>47,298</u>
LIABILITIES			
Current Liabilities			
Trade and other payables		498	-
Other current liabilities	7	1,000	1,000
Total Current Liabilities		<u>1,498</u>	<u>1,000</u>
Non-current Liabilities			
Total Non-current Liabilities		—	—
TOTAL LIABILITIES		<u>1,498</u>	<u>1,000</u>
NET ASSETS		<u>32,720</u>	<u>46,298</u>
EQUITY			
Retained earnings		32,720	46,298
TOTAL EQUITY		<u>32,720</u>	<u>46,298</u>

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

	<u>For the year ended 30 June 2016</u>			Year ending 30 June 2015		
	Year ending 30 June 2016			Year ending 30 June 2015		
	Retained Earnings	Reserves	Total	Retained Earnings	Reserves	Total
Balance at 1 July	46,298	-	46,298	45,812	-	45,812
Adjustments or changes in equity	-	-	-	-	-	-
Surplus/(deficit) for the year	-13,578	-	-13,578	486	-	486
Balance as at 30 June	32,720	-	32,720	46,298	-	46,298

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the year ended 30 June 2016	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from donors, sponsors, members and functions		95,303	121,681
Payments to suppliers, transfers to Kesho Leo		<u>(108,881)</u>	<u>(128,103)</u>
Net cash flows from operating activities	6	<u>(13,578)</u>	<u>(6,422)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		-	-
Assets under Construction		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
		-	-
Net cash flow (used in)/from financing activities		-	-
Net increase (decrease) in cash and cash equivalents		(13,578)	(6,422)
Cash and cash equivalents at beginning of period		46,702	53,124
Cash and cash equivalents at end of period	6	<u>33,124</u>	<u>46,702</u>

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

1 General information and statement of compliance

The financial report includes the financial statements and notes of fws for the year ending 30 June 2016.

fws is an Association incorporated in NSW and under the Association Incorporation Act 2009 NSW). It was incorporated in NSW on 14 December 2005.

In the event of fws being wound up, a member's liability is limited to the amount, if any, unpaid by the member in respect of membership of the Organisation.

The nature of the operations and principal activities of fws are described in the Directors' report.

2 Summary of significant Accounts Policies

a) Basis of preparation

The financial report is a special purpose financial report, which has been prepared in accordance with the requirements of the Association Incorporation Act 2009 NSW and relevant Australian Accounting Standards. fws is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report, except for cash flow information, has been prepared on accruals basis and is based on historical cost basis.

(c) Property, plant and equipment

There are no property, plant and equipment to be measured and no impairment losses to be recognised.

(d) Grants

Grants shall be recognised as revenues once control over the assets comprising the grants (e.g. cash) are received. Granted assets (e.g. cash, equipment) received in the current reporting period are recognised as revenue in that period irrespective of whether they relate to the current or a future period.

(e) Trade and other receivables

Trade receivables, which generally have 30-day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Association will not be able to collect the debt.

2 Summary of significant Accounts Policies (cont)

(f) Impairment of assets

At each reporting date, fws assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, fws makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(g) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less and bank overdrafts. Bank overdrafts are shown within interest-bearing loans and borrowings in current liabilities on the balance sheet. There are currently no bank overdrafts.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to fws prior to the end of the financial year that are unpaid and arise when fws becomes obliged to make future payments in respect of the purchase of these goods and services.

(i) Provisions

Provisions are recognised when fws has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(i) Income tax

fws is exempt from income tax. It is auspiced under Rotary Australia – specifically under the RAWCS Eastern Region approval number 40/2006-7 – thereby gaining RAWCS' Deductible Gift Recipient (DGR) status. fws is an Income Tax Exempt Corporation (ITEC).

2 Summary of significant Accounts Policies (cont)

(j) Other taxes

fws was not registered for GST for the 2016 financial year. Revenues, expenses and assets are recognised inclusive of GST.

(k) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to fws and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Events Revenue

In some cases, revenue is received in respect of an event that falls into the following financial year. In such cases, the revenue (and any associated costs) is deferred and recognised as deferred income.

3. Revenue from Donations & Gifts (monetary)	2016	2015
General Donations	46,221	71,748
Families For Families	16,222	22,168
Fundraising Income	20,770	11,163
Mia Kwa Mia	<u>9620</u>	<u>10,643</u>
	<u>92,833</u>	<u>115,722</u>
4. Other Income	2016	2015
Shopping List Revenue	1,650	5,092
PDC Revenue	0	970
Membership Dues	200	290
Other	<u>620</u>	<u>501</u>
	<u>2,470</u>	<u>6,853</u>
5. Accountability & Administration Expenditure	2016	2015
Bank & Merchant Fees	3,215	1,215
Insurance	2,606	2,621
Travel & Accommodation	0	1,036
ACFID	1,819	<u>0</u>
Teleconference Expense	1,257	1,078
General Expenses	<u>510</u>	<u>596</u>
	<u>9,407</u>	<u>6,546</u>

6. Cash and cash equivalents	2016	2015
Cash at bank and in hand	34,218	46,702
Cash held in trust	-	-
	34,218	46,702

(a) Reconciliation of the net profit after tax to the net cash flows from operations

Operating profit (loss)	-13,578	486
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Non-cash items

Non-monetary transfer to Kesho Leo Children's Village	-	-
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Changes in assets and liabilities

(Increase)/decrease in trade and other receivables	-	-
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(Increase)/decrease in inventory	-	-
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(Increase)/decrease in prepayments and other debtors	-	-
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(Increase)/decrease in deferred income	-	-
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(Decrease)/increase in trade and other creditors	-	-596
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(Decrease)/increase in provisions	-1,498	-6,312
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Net cash flow from operating activities	-15,076	-6,422
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(b) Table of Cash Movements for Designated Purpose for the Year ended 30 June 2016

Cash available as at 1 July of 2015	46,702
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Cash Raised during financial year	95,303
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Cash disbursed during financial year	108,881
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Cash at end of financial year	33,124
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7. Other Current Liabilities	2016	2015
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Accrued Expenses	498	-
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Directors' Loans	1,000	1,000
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	1,498	1,000
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8. Auditors' remuneration

In the year ending 30 June 2016 audit services were provided by Gopal Hegde. During this period he audited the accounts of fws for the year ending 30 June 2016. He received no remuneration for statutory audit services to the Association.

The auditor of the accounts of fws for the year ending 30 June 2015 was Mamata Hegde.

9. Key management personnel**(a) Details of Key Management Personnel***(i) Directors:*

Nicole Lucas (fws President)
 Harry Chaim (fws Vice President)
 Josh Anderson (fws Director)
 Jacinta Bongiorno (fws Vice President)
 Caroline McDaid (fws Treasurer)
 Lisa Hong-Rose (fws Treasurer)
 Wendy Wang (fws Secretary)
 Robert Cork (fws Director)
 Rebecca Ludbrook (fws Director)
 Elizabeth Francis (fws Director)
 Laura Simpson Reeves (fws Director)
 Domenic Stangio (fws Director)

(ii) Other

Carol Stynes (fws Public Officer)

(b) Compensation of Key Management Personnel

Per articles of association, no member of the Management Committee shall be appointed to any salaried office of the Organisation or any office of the Organisation paid by fees and no remuneration or other benefit in money or money's worth shall be given by the Organisation to any member of the Management Committee except:

- (a) any remuneration to any officers or servants of the Organisation or other person in return for any services genuinely rendered to the Organisation, or
- (b) for the out-of-pocket expenses incurred in carrying out the duties of a member where the payments do not exceed an amount previously approved by the Management Committee.
- (c) Other transactions and balances with Key Management Personnel (KMP) and their related parties

Purchases

During the year, no purchases have been made by foodwatershelter inc from KMP and their related party.

Sales

During the year, no sales have been made by foodwatershelter inc to KMP and their related parties.

Events after balance sheet date

There were no other significant events after the balance date, which may affect fws' operations or results of those operations or fws' state of affairs.

10 Contingent Liabilities

fws has a contingent contractual commitment to construct buildings in Tanzania, East Africa.

11. Governing Body Declaration

In accordance with a resolution of the Directors of fws, we declare that:

- i. The financial statements and notes as set out on pages 8 to 17, are in accordance with the Association Incorporation Act 2009 NSW and comply with relevant Australian Accounting Standards as applicable;
- ii. Give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the association; and

In the Directors' opinion there are reasonable grounds to believe the signatory organisation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors:

Director's Name Nicole Lucas

Director's Position President

Signature *N Lucas*

Date and Place 1/3/17 Sydney

Director's Name CAROLINE McDAID

Director's Position TREASURER

Signature *C McDaid*

Date and Place 3/2/17 SYDNEY

Food Water Shelter Incorporated

ABN: 38 613 794 225

Independent Auditor's Report to the members of Food Water Shelter Incorporated

Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of Food Water Shelter, which comprises the statement of financial position as at 30 June 2016, the statement profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the governing body declaration.

Directors' Responsibility for the Financial Report

The directors of Food Water Shelter Incorporated are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 2, is appropriate to meet the requirements of the Associations Incorporation Act (NSW) 2009 and Australian Charities and Not-for-Profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

W. J. G. G. G.
CPA - M. No. 9184660
29/11/2016



Food Water Shelter Incorporated

ABN: 38 613 794 225

Independent Auditor's Report to the members of Food Water Shelter Incorporated.

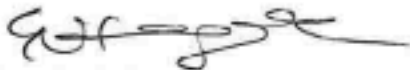
Opinion:

In our opinion, the financial report presents fairly, in all material respects, the financial position of Food Water Shelter as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Associations Incorporation Act (NSW) 2009 and Australian Charities and not for profit commission 2012.

Basis of Accounting:

Without modifying our opinion, we draw attention to the Note to the financial report which describes the basis of accounting. The financial report is prepared to assist Food Water Shelter to comply with the financial reporting provisions of Australian council for International development. As a result, the financial report may not be suitable for another purpose.



Gopal Hegde CPA
Membership Number: 9184880.
Dated: 24/02/2017
Sydney.