



INTERPLAST AUSTRALIA & NEW ZEALAND

A.B.N. 59 006 155 193

Annual Financial Report

For the year ended 30 June 2017

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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 2017. In order 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	2016/17 Board meetings	
			Eligible to Attended	Attended
Keith Mutimer (<i>Chair from Nov 2016</i>)	November 2015	-	7	6
David Inglis (<i>Chair to Nov 2016</i>)	November 2013	November 2016	3	3
Dr Michael McGlynn OAM	November 2016	-	5	4
Mr John Georgakis	November 2013	-	7	5
Mr Brian Guest	November 2013	-	7	7
Professor Mark Ashton	November 2013	November 2016	3	2
Ms Andrea Coote	August 2015	-	7	5
Ms Marie Dorrington	November 2015	-	7	7
Dr Rowan Gillies	August 2015	-	6	3
Associate Professor Michael Leung	November 2015	-	7	4
Ms Hayley Morris	August 2015	-	7	5
Mr Paul Sundberg	November 2013	-	7	6
Dr Philip Ragg	November 2016	-	5	4

Principal Activities

The principal activities of Interplast in the course of 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 as a result 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 81 activities (FY16: 66) in 26 locations (FY16: 24) across 17 countries and performed:

- 14 surgical activities
 - incorporating practical teaching and training of surgical registrars and other medical staff;
- 54 training-mentoring-professional development activities with local country medical staff within the Asia Pacific region;
- 8 planning assessment activities to strengthen future programming; and
- 5 institutional support activities.

From these 81 activities, the entity reached at least 1,665 people (FY16 1,348) and performed 853 operations (FY16 1,003). A total of 94 Surgeons and Anesthetists and 75 Nurses & Allied Health professionals from across Australia & New Zealand undertook volunteer placements of 1049 days (FY16: 861 days) and 899.5 days (FY16 621 days) respectively. Of the 94 surgeons and anesthetists, 9 participated in multiple activities. Likewise, with the 75 nurses and allied health professionals, 6 participated in more than one program activity.

In addition, 1922 training opportunities were provided (FY16: 1,481) for local trainees – these comprised;

- 7 training placements outside of local trainees home countries of more than two weeks in duration;
- 346 opportunities to attend short-term practical workshops either in home countries or overseas;
- 614 training opportunities in-theatre or on-ward;
- 944 training opportunities through participation in lectures or presentations; and
- 11 opportunities to attend overseas conferences (outside local trainees home countries).

Information on Directors

Mr David Inglis

President (retired November 2016)

Qualifications

Bachelor of Arts, Bachelor of Laws

Experience

Appointed Vice President 1993, appointed President 2009.

Mr Keith Mutimer	President (appointed November 2016)
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
Experience	Appointed Vice President 2015
Mr John Georgakis	Treasurer & Vice President
Qualifications	Bachelor of Business (Accounting), Chartered Accountant.
Experience	Appointed Treasurer 2010, Appointed Vice President 2015
Dr Michael McGlynn OAM	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 2006
Mr Brian Guest	Secretary
Qualifications	Company Management, Company Director
Experience	Appointed to the Board 2010, Appointed Secretary 2014
Professor Mark Ashton	Director (retired November 2016)
Qualifications	Doctorate of Medicine, Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons.
Ms Andrea Coote	Director
Qualifications	Bachelor of Arts
Ms Marie Dorrington	Director
Qualifications	Bachelor of Arts, Diploma of Education, Diploma of Teaching.
Dr Rowan Gillies	Director
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Bachelor of Science, Fellow Royal Australasian College of Surgeons
Associate Professor Michael Leung	Director (appointed June 2015)
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
Ms Hayley Morris	Director
Qualifications	Bachelor of Arts (Communications)
Dr Philip Ragg	Director
Qualifications	Bachelor of Medicine, Bachelor of surgery, Fellow Royal Australian College of Surgeons, Fellow Australian and New Zealand College of Anesthetists
Mr Paul Sundberg	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 2017, the total amount that members of the company are liable to contribute if the company is wound up \$700 (2016: \$700).

Review of Operations

The net surplus amounted to \$151,544 (2016: \$82,901).

Dividends

Payment of dividends is prohibited under our current Constitution.

Director's Remuneration

No fees were paid or are payable to the Directors. (2016: \$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 insuring 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

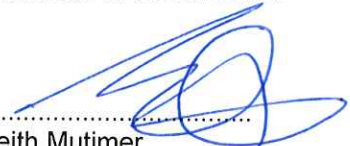
There has not been any matter or circumstance, other than that referred to in the Financial Statements or notes thereto, that has arisen since the end of the Financial Year, that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or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

Auditor's Independence Declaration

The Auditor's independence declaration is included on page 6.

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

10 October 2017:

**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 2017 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.

A handwritten signature in blue ink that reads 'William Buck'.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in blue ink that reads 'J.C. Luckins'.

J.C. Luckins
Director

Dated this 10th day of October, 2017

**CHARTERED ACCOUNTANTS
& ADVISORS**

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Melbourne VIC 3000

Telephone: +61 3 9824 8555

williambuck.com

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 2017, 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 2017 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.

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.

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

- Identify and assess the risks of material misstatement of the financial report, 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.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.



William Buck Audit (Vic) Pty Ltd

ABN: 59 116 151 136



J.C. Luckins

Director

Melbourne, 10th October 2017

DIRECTORS' DECLARATION

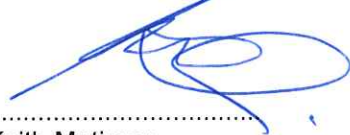
The Directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors declare that that in the Director's opinion:

1. The financial statements and notes, as set out on pages 11 to 24, 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 2017 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

10 October, 2017

Statement of comprehensive income

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
REVENUE			
Donations & Gifts - Monetary		1,028,882	1,117,178
Donations & Gifts - Non Monetary		139,051	74,955
Bequests & Legacies		160,436	5,649
Grants			
- Government - Department of Foreign Affairs & Trade		658,868	448,301
- Government - RACS		19,632	94,976
- Other Australian		686,135	494,065
- Overseas		88,786	184,829
Interest		74,291	74,926
Other Income		8,607	385
Total revenue		2,864,688	2,495,264
EXPENDITURE			
<i>International aid and development programs expenditure</i>			
International Programs			
- Funds to international programs	11	1,341,150	1,037,061
- Program Support costs		267,228	324,881
Community education		149,691	107,127
Fundraising Costs			
- Public		486,559	282,910
- Government, Multilateral and Private		50,628	69,999
Accountability and administration		287,780	520,807
Non-Monetary Expenditure		60,145	69,578
Total international aid and development expenditure		2,643,181	2,412,363
Domestic programs		69,963	-
Total domestic program expenditure		69,963	-
Total Expenditure		2,713,144	2,412,363
Excess of revenue over expenditure		151,544	82,901
Other comprehensive income		-	-
Total comprehensive income		151,544	82,901

The accompanying notes form part of these financial statements.

Statement of financial position

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
Current assets			
Cash and cash equivalents		3,057,005	3,001,492
Trade and other receivables		86,053	74,909
Prepayments		27,818	88,767
Inventories		5,007	20,167
Total current assets		3,175,883	3,185,335
Non-current assets			
Property and equipment	5	111,498	71,059
Total non-current assets		111,498	71,059
TOTAL ASSETS		3,287,381	3,256,394
LIABILITIES			
Current liabilities			
Trade and other payables	6	138,114	96,125
Deferred income		620,001	783,981
Provisions	7	60,690	64,133
Total current liabilities		818,805	944,239
Non-Current Liabilities			
Provisions	7	17,569	12,692
Total non-current assets		17,569	12,692
TOTAL LIABILITIES		836,374	956,931
NET ASSETS		2,451,007	2,299,463
EQUITY			
General Reserve	12	500,000	500,000
Capacity Reserve	12	80,000	-
Accumulated Funds	8	1,871,007	1,799,463
TOTAL EQUITY		2,451,007	2,299,463

The accompanying notes form part of these financial statements.

Statement of changes in equity
For the year ended 30 June 2017

	\$	\$	\$	\$
	Retained Earnings	General Reserve	Capacity Reserve	Total
Balance at 1 July 2015	1,716,562	500,000	-	2,216,562
Surplus/(Deficit) for the year	82,901	-	-	82,901
Balance at 30 June 2016	1,799,463	500,000	-	2,299,463
Surplus/(Deficit) for the year	151,544	-	-	151,544
Reserve Transfer	(80,000)	-	80,000	-
Balance at 30 June 2017	1,871,007	500,000	80,000	2,451,007

The accompanying notes form part of these financial statements.

Statement of cash flows
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash Flows from operating activities			
Receipts from contributions		1,279,395	1,510,114
Donations		1,189,319	1,122,827
Interest Received		74,291	74,926
Other Income		8,607	385
Payments to suppliers & employees		(2,472,897)	(2,339,804)
Net cash provided by (used in) operating activities		78,715	368,448
Cash Flows from Investing Activities			
Payment for property, plant & equipment		(23,202)	-
Net cash provided by (used in) financing activities		-	-
Net increase (decrease) in cash held		55,513	368,448
Cash at beginning of year		3,001,492	2,633,044
Cash at end of year	3	3,057,005	3,001,492

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2017

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 10 October 2017 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 16 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 are 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 2017. 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 are charged as expenses when incurred.

Notes to the financial statements

For the year ended 30 June 2017

(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) Trade and Other Payable
Trade and other 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:

- i. 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
Trade receivables and other receivables are recorded as amounts due.

(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 2017

(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) 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.

(b) Inventories

Donated inventories at the end of the reporting period are recognised at replacement cost determined by reference to the current market price.

(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. The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial statements of the Company.

2 Related Party Transactions

There were no monetary transactions with related parties during the Financial Year. (2016; \$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 2017

	2017 \$	2016 \$
3 Notes to the Cash Flow Statement		
Reconciliation of Cash		
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:		
Foreign currency on hand	160	-
Westpac Bank	3,056,499	3,001,492
PayPal	346	-
	3,057,005	3,001,492
Reconciliation of profit from ordinary activities to net cash flows from operating activities		
Surplus from ordinary activities	151,544	82,901
Non-cash flows in operating surplus		
Depreciation	48,385	48,007
Charges to provisions	1,434	(4,812)
Stock Write-off	11,761	
Changes in assets and liabilities, net of the effects of purchase and disposals		
Decrease (Increase) in Assets	(65,621)	-
Increase (Decrease) in Contributions for Future Programs	(163,981)	193,214
Increase (Decrease) in Trade Creditors	41,990	48,056
Decrease (Increase) in Accounts Receivables	(11,144)	19,774
Decrease (Increase) in Prepayments	60,949	(16,947)
Decrease (Increase) in Inventory	3,399	(1,745)
Cash flows from operations	78,715	368,448
4 Remuneration of Auditors		
Auditing the Financial Report – William Buck	16,500	16,500
	16,500	16,500

Notes to the financial statements

For the year ended 30 June 2017

	2017 \$	2016 \$
5 Property Plant and Equipment		
Surgical equipment		
At cost	655,908	590,197
Accumulated depreciation	(568,120)	(528,296)
Net carrying amount	87,788	61,901
Computer and electrical equipment		
At cost	115,790	92,680
Accumulated depreciation	(92,080)	(83,522)
Net carrying amount	23,710	9,158
Total net carrying amount	111,498	71,059
6 Trade and other payables		
Trade payables	82,497	17,549
Accrued Expenses	37,186	63,587
Other Creditors	18,431	14,989
	138,114	96,125
7 Provisions		
(a) Current		
Annual leave	40,824	39,777
Long Service leave	11,240	24,356
Leave in Lieu	8,626	-
Total Current provisions	60,690	64,133
(b) Non current		
Long Service leave	17,569	12,692
8 Accumulated Funds		
Balance at beginning of Financial Year	1,799,463	1,716,562
Surplus for year	151,544	82,901
Transfer to Capacity Reserve	(80,000)	-
Balance at end of Financial Year	1,871,007	1,799,463

Notes to the financial statements

For the year ended 30 June 2017

	2017 \$	2016 \$
9 Capital and Leasing Commitments		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable – minimum lease payments		
- not later than 12 months	23,402	15,783
- later than 12 months but not later than 5 years	39,665	63,182
- greater than 5 years	-	-
	63,067	78,965

Operating lease commitments include non-cancellable three year operating lease, commencing 1 January 2016 for office rental and a two year Fibre Internet service commencing 1 May 2017.

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:

Financial Assets		
Cash and cash equivalents	3,057,005	3,001,492
Receivables	86,053	74,909
Total Financial Assets	3,143,058	3,076,401
Financial Liabilities		
Trade and other payables	138,114	96,125
Total Financial Liabilities	138,114	96,125

Notes to the financial statements

For the year ended 30 June 2017

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 counter-party 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 counter-parties 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 %	2017 \$
Cash at bank	0.00%	490,643
Deposits at call	2.40% to 2.70%	<u>2,566,362</u>
		<u>3,057,005</u>
	Interest Rate %	2016 \$
Cash at bank	0.00% to 2.75 %	608,297
Deposits at call	3.05%	<u>2,393,195</u>
		<u>3,001,492</u>

Notes to the financial statements

For the year ended 30 June 2017

	2017 \$	2016 \$
11 Program Expenditure by Country		
Pacific & Papua New Guinea		
Fiji	145,888	97,939
Kiribati	62,496	27,808
Samoa	51,689	64,914
Solomon Islands	18,591	70,917
Tonga	46,369	29,890
Vanuatu	38,341	31,501
Papua New Guinea	161,141	102,910
	524,515	425,879
Asia		
Bangladesh	10,002	32,879
Bhutan	126,413	91,216
Indonesia	-	12,445
Laos	114,307	110,192
Mongolia	74,724	41,731
Myanmar	116,038	137,899
Nepal	86,282	31,064
Philippines	172,103	128,981
Sri Lanka	68,694	19,812
Vietnam	48,072	4,963
	816,635	611,182
Total Program Expenditure by Country	1,341,150	1,037,061

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.

Capacity Reserve

The Capacity Reserve represents the funds that are designated for building internal Infrastructure.

13 Contingent Assets and Liabilities

The directors have determined that no other contingent asset or liability exists at the end of the reporting period.

14 Events after the reporting date

No matter or circumstances has arisen since 30 June 2017 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.

Notes to the financial statements

For the year ended 30 June 2017

15 Additional Company information

Interplast Australia and New Zealand is a Company limited by Guarantee, incorporated and operating in Australia.

Principal Place of Business	Principal Registered Office
Royal Australasian College of Surgeons College of Surgeons Gardens 250-290 Spring Street Telephone: (03) 9249 1231	Minter Ellison Solicitors Level 23 Rialto Towers Melbourne Vic 3000

16 Information to be furnished under the ACFID Code of Conduct

SUMMARY OF CASH MOVEMENTS For the Financial year ended 30th June 2017

	Cash Available at Beginning of Financial Year	Cash Raised During Financial Year	Cash Disbursed During Financial Year	Cash Available at End of Financial Year
Funds held for future programs	400,014	1,010,248	(1,209,739)	200,523
Funds held for future programs - Rotary	383,967	269,147	(233,636)	419,478
Total for other purposes	2,217,511	1,272,217	(1,052,724)	2,437,006
TOTAL	3,001,492	2,551,612	(2,496,099)	3,057,005

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 2017.

	2017	2016
	\$	\$
96 Specialists for a total of 917.5 days – Medical Officer 4	584,448	488,991
81 Nurses – Allied Health specialists for a total of 803 days – APS Level 5	240,614	169,503
Actual Total Value of Volunteer Services	825,062	658,494

Notes to the financial statements

For the year ended 30 June 2017

17 Comparative Year Adjustment

The revenue lines in the FY17 "Statement of comprehensive income" have been expanded to separately recognise revenue from non-government grants. Previously, non-government grant revenue was categorised under "Donations & Gifts - Monetary". As a result, the following adjustment to comparative figures has been made;

- Donations and Gifts – Monetary decreased by \$326,354
- Grants – Other Australian increased by \$326,354

This change also effects the 2016 Statement of cash flows. The changes are as follows:

- Receipts from contributions - increased by \$966,729
- Other Income – increased \$385
- Donations - decreased by \$967,114

These adjustments have had no impact on the result or net asset position reported in the prior year, and the impact of these reclassifications was not material to the financial report.

