

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2014**

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

CONTENTS	<u>Page No</u>
Directors' Report	1 - 5
Auditor's Declaration of Independence	6
Independent Auditor's Report	7 - 9
Directors' Declaration	10
Statement of Income	11 - 12
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 27

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

DIRECTORS' REPORT

The Directors of Interplast Australia & New Zealand submit herewith the annual financial report for the financial year ended 30th June 2014. 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 Directors of the Company during or since the end of the financial year are:

Mr David Inglis (President)
Dr Michael McGlynn OAM
The Hon Dr Kay Patterson
Mr John Georgakis
Mr John Barnes
Professor Mark Ashton
Mr Ian Carlisle
Mr Brian Guest
Mr Keith Mutimer
Mr Michael Stillwell
Mr Paul Sundberg
Dr Ross Sutton (retired 12 November 2013)

Principal Activities

The principal activities of the Company in the course of the financial year were reconstructive surgery services and capacity building in developing countries within the Asia Pacific region.

Short-term and long-term objectives

The company'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;
- Strengthen local capacity to provide appropriate and quality health services to patients through the facilitation of training and professional development; and
- Supporting the delivery of surgical procedures and other medical and allied health services.

The company'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.

To achieve these objectives the company 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.
- Maintain and enhance relationships with, and contributions from our donor base.
- Work in partnership with a range of stakeholders, both domestically and internationally to implement activities consistent with local needs and contexts;
- 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

The company measures its performance through review of:

- The number of countries and geographical locations;
- The type and number of activities;

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

DIRECTORS' REPORT

- Number of volunteers placements; and
- The number of people reached and receiving treatment at no cost.

These benchmarks are used to assess whether the company's long and short term objectives are being achieved.

The company completed 51 activities in 27 locations across 16 countries and performed:

- 14 surgical activities which included practical teaching and training of surgical registrars and other medical staff;
- 29 training-mentoring-professional development activities with local country medical staff within the Asia Pacific region; and
- 8 planning assessment activities to help strengthen future programming.

From these 51 activities the entity reached at least 1,325 people and performed 704 operations. A total of 94 Surgeons and Anaesthetists and 53 Nurses & Allied Health professionals volunteered 715 days and 453 days respectively.

Information on Directors

Mr David Inglis	President
Qualifications	Bachelor of Arts, Bachelor of Laws
Experience	Appointed to the Board in 1984, appointed Vice President 1993, appointed President 2009.
Special Responsibilities	Chair of Board of Directors, Chair of Executive Committee
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 to the Board 1991, Appointed Vice President 2006
Special Responsibilities	Member of Executive Committee, Volunteer Country Coordinator (Phillippines)
The Hon Dr Kay Patterson	Vice President
Qualifications	Bachelor of Arts (Hons 1), Diploma of Education, Doctor of Philosophy, Member of the Australian Psychological Society, Graduate of the Australian Institute of Company Directors.
Experience	Appointed to the Board 2006, Appointed Vice President 2009
Special Responsibilities	Member of Executive Committee
Mr John Georgakis	Treasurer
Qualifications	Bachelor of Business (Accounting), Member of the Institute of Chartered Accountants.
Experience	Appointed to the Board 2010, Appointed Treasurer 2010
Special Responsibilities	Member of Executive Committee, Member of Audit & Risk Committee
Mr John Barnes	Secretary
Qualifications	Retired Real Estate Agent
Experience	Appointed to the Board 2002, Appointed Secretary 2005
Special Responsibilities	Member of Executive Committee, Member of Rotarians Committee

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

DIRECTORS' REPORT

Professor Mark Ashton	Director
Qualifications	Doctorate of Medicine, Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons.
Experience	Appointed to the Board 2009
Special Responsibilities	Chair of Surgical Committee
Mr Ian Carlisle	Director
Qualifications	Bachelor of Dental Science, Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons.
Experience	Appointed to the Board 2002
Special Responsibilities	Member of Surgical Committee, Volunteer Country Coordinator (Indonesia)
Mr Brian Guest	Director
Qualifications	Company Management, Company Director
Experience	Appointed to the Board 2010
Special Responsibilities	Chair of Rotarians Committee
Mr Keith Mutimer	Director
Qualifications	Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
Experience	Appointed to the Board 2011
Special Responsibilities	Chair of Audit & Risk Committee
Mr Michael Stillwell	Director
Qualifications	Master of Business Administration, Masters of Marketing, Diploma of Business, Fellow Australian Institute of Company Directors.
Experience	Appointed to the Board 2010
Special Responsibilities	Fundraising & Marketing Portfolio
Mr Paul Sundberg	Director
Qualifications	Bachelor of Economics (Honors), Chartered Accountant FCA
Experience	Appointed to the Board 2013
Special Responsibilities	Member of Audit & Risk Committee
Dr Ross Sutton	Director
Qualifications	Doctor of Philosophy (Medicine); Bachelor of Science; Master of Science; Management Certificate; Post Graduate Diploma Trop Med; Fellow Australian Institute of Management; Fellow Australian Society of Microbiology
Experience	Appointed to the Board 2007, retired 12 November 2013
Special Responsibilities	Chair of Planning & Evaluation Committee

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

DIRECTORS' REPORT

Directors' Meetings:

During the year, Interplast Australia & New Zealand held eight meetings of the Board. The attendees of the Directors at meetings of the board were:

	<u>Number eligible to attend</u>	<u>Number attended</u>
Mr David Inglis	8	7
Dr Michael McGlynn OAM	8	7
The Hon Dr Kay Patterson	8	8
Mr John Georgakis	8	6
Mr John Barnes	8	8
Professor Mark Ashton	8	4
Mr Ian Carlisle	8	6
Mr Brian Guest	8	6
Mr Keith Mutimer	8	8
Mr Michael Stillwell	8	6
Mr Paul Sundberg	8	6
Dr Ross Sutton (Retired 12 November 2013)	4	3

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 2014, the total amount that members of the company are liable to contribute if the company is wound up \$700 (2013: \$700).

Review of Operations

The net surplus amounted to \$16,058 (2013: \$13,455 deficit).

Dividends

Payment of dividends is prohibited under our current Constitution.

Director's Remuneration

No fees were paid or are payable to the Directors. (2013: \$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.

INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193

DIRECTORS' REPORT

Subsequent Events

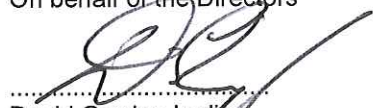
There has not been any matter or circumstance, other than that referred to in the Financial Statements or notes thereto, that has arisen since the end of the Financial Year, that has significantly affected, or may significantly affect the operations of the company, the results of those operations, or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



.....
David Gordon Inglis
Director



.....
The Hon Dr Kay Patterson
Director

21 October 2014

**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 2014 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.

William Buck

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

J.C. Luckins

J.C. Luckins
Director

Dated this 21st day of October, 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERPLAST AUSTRALIA & NEW ZEALAND

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Interplast Australia & New Zealand (the Company), which comprises the statement of financial position as at 30 June 2014, the statement of 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 directors' declaration. In addition, we have audited Interplast Australia & New Zealand's compliance with specific requirements of the *Charitable Collections Act 1946 (W.A)* for the year ended 30 June 2014.

Directors' Responsibility for the Financial Report and Compliance with the Charitable Collections Act 1946

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view, and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

The directors of the company are also responsible for the compliance with the *Charitable Collections Act 1946*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances; and compliance with requirements of the *Charitable Collections Act 1946*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report and the company's compliance with specific requirements of the *Charitable Collections Act 1946* 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 and whether the company has complied with specific requirements of the *Charitable Collections Act 1946*.

CHARTERED ACCOUNTANTS & ADVISORS

Melbourne Office
Level 20, 181 William Street
Melbourne VIC 3000

Hawthorn Office
Level 1, 465 Auburn Road
Hawthorn East VIC 3123

PO Box 185, Toorak VIC 3142
Telephone: +61 3 9824 8555
williambuck.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERPLAST AUSTRALIA & NEW ZEALAND (CONT)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and the company's compliance with specific requirements of the *Charitable Collections Act 1946*. 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, and the risks of non-compliance with specific requirements of the *Charitable Collections Act 1946*. In making those risk assessments, the auditor considers internal control relevant to the entity's compliance with the *Charitable Collections Act 1946* and 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 the directors, as well as evaluating the overall presentation of the financial report.

Inherent limitations

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the *Charitable Collections Act 1946* may occur and not be detected. An audit is not designed to detect all weaknesses in Interplast Australia & New Zealand's compliance with the *Charitable Collections Act 1946* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

Any projection of the evaluation of compliance with the *Charitable Collections Act 1946* to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion,

- a. the financial report of Interplast Australia & New Zealand is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1 and the Corporations Regulations 2001.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERPLAST AUSTRALIA & NEW ZEALAND (CONT)

- b. the financial report agrees to the underlying financial records of Interplast Australia & New Zealand, that have been maintained, in all material respects, in accordance with the *Charitable Collections Act 1946* and its regulations for the year ended 30 June 2014; and
- c. monies received by Interplast Australia & New Zealand, as a result of fundraising appeals conducted during the year ended 30 June 2014, have been accounted for and applied, in all material respects, in accordance with the *Charitable Collections Act 1946* and its regulations.

Basis of Accounting

Without modifying our opinion, 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 directors' financial reporting responsibilities under the Corporations Act 2001 and the specific requirements of the *Charitable Collections Act 1946 (W.A)*. As a result, the financial report may not be suitable for another purpose.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Interplast Australia & New Zealand for the year ended 30 June 2014 included on Interplast Australia & New Zealand's web site. The company's directors are responsible for the integrity of the Interplast Australia & New Zealand's web site. We have not been engaged to report on the integrity of the Interplast Australia & New Zealand's web site. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.



William Buck Audit (VIC) Pty Ltd

ABN 59 116 151 136



J.C. Luckins
Director

Dated this 21st day of October, 2014

INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193

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:

1. The financial statements and notes, as set out on pages 11 to 27, are in accordance with the *Australian Charities and Not for Profit Commission Act 2012* and:
 - a. comply with ACNC Commission Regulation 2012 and Australian Accounting Standards applicable to the company; and
 - b. give a true and fair view of the financial position of the company as at 30 June 2014 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.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors



.....
David Gordon Inglis
Director



.....
The Hon Dr Kay Patterson
Director

21 October 2014

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**STATEMENT OF INCOME
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	Note	2014 \$	2013 \$
<u>INCOME</u>			
Donations & Gifts		1,416,478	1,435,880
Donations & Gifts – Non Monetary		59,325	65,456
Grants		288,203	373,457
Other & Events Income		324,404	185,214
Interest		84,767	102,206
Sundry Income		16,566	35
Total Income		2,189,743	2,162,248
<u>LESS: EXPENDITURE</u>			
<u>Administration Expenditure</u>			
Salary & Related Costs		219,078	357,633
Travel Costs		16,713	19,718
Operating Costs		175,872	169,479
Total Administration Expenditure		411,663	546,830
<u>Fundraising Expenditure</u>			
Salary & Related Costs		290,540	167,651
Travel Costs		9,792	11,067
Operating Costs		21,901	22,428
Communications		57,787	76,954
Rotary Fundraising Costs		14,730	39,187
Corporate, Community & Events		104,000	60,302
Total Fundraising Expenditure		498,750	377,589
<u>Program Expenditure</u>			
<u>Pacific & Papua New Guinea</u>			
Fiji		98,368	181,550
Kiribati		39,592	40,783
Samoa		25,939	37,574
Solomon Islands		12,782	42,899
Tonga		23,322	27,763
Vanuatu		21,352	31,666
Papua New Guinea		157,173	171,986
		378,528	534,221

The accompanying notes form part of these financial statements.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**STATEMENT OF INCOME
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	Note	2014 \$	2013 \$
Asia			
Bangladesh		47,517	60,820
Cambodia		-	10,347
Indonesia		12,821	17,818
Laos		130,984	112,526
Myanmar		56,070	-
Nepal		49,261	32,045
Philippines		91,275	54,146
Sri Lanka		42,384	54,260
Vietnam		39,910	9,666
Mongolia		25,858	20,650
		496,080	372,278
Other Program Expenses			
General Program Expenses		-	2,853
Instruments		17,042	10,245
Patient Database		6,683	1,953
Past Program Expenses		11	1,883
Program Support Costs	1(m)	300,922	253,500
Program Depreciation		46,112	59,866
		370,770	330,300
Total International Program Expenditure		1,245,378	1,236,799
<u>Domestic Program Expenditure</u>			
Marshall Scholarship		-	13,485
Harold McComb Scholarship		1,000	1,000
Inventory Stock Take Write-off		16,894	-
Total Domestic Program Expenditure		17,894	14,485
Total Program Expenditure		1,263,272	1,251,284
Total Expenditure		2,173,685	2,175,703
NET SURPLUS/(DEFICIT)	11	16,058	(13,455)

The accompanying notes form part of these financial statements.

INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014

	Note	2014 \$	2013 \$
Surplus/(Deficit) for the year		16,058	(13,455)
Other comprehensive income:		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>16,058</u>	<u>(13,455)</u>
Total comprehensive income attributable to the entity		<u>16,058</u>	<u>(13,455)</u>

The accompanying notes form part of these financial statements.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2014**

	Note	2014 \$	2013 \$
Current Assets-			
Petty Cash		150	150
Cash on Hand - Foreign Currency		5	5
Receivables		118,568	257,588
Westpac Bank		2,477,875	2,352,963
Interest Receivable		-	7,000
Prepayments		64,363	21,425
Inventories		33,768	60,269
Total Current Assets		<u>2,694,729</u>	<u>2,699,400</u>
Non-Current Assets			
Surgical Equipment	5	109,306	155,388
Computer & Electrical Equipment	5	22,009	29,157
Total Non-Current Assets		<u>131,315</u>	<u>184,545</u>
Total Assets		<u>2,826,044</u>	<u>2,883,945</u>
Current Liabilities			
Bank Overdraft		53	53
Credit Card Visa		8,883	6,364
Creditors		42,236	42,318
Unearned Contributions		237,523	273,213
Provision for Future Programs		285,743	337,817
Provision for Annual Leave		42,252	37,700
Provision for Long Service Leave		16,502	8,856
Total Current Liabilities		<u>633,192</u>	<u>706,321</u>
Non-Current Liabilities			
Provision for Long Service Leave		2,674	3,504
Total Non-Current Assets		<u>2,674</u>	<u>3,504</u>
Total Liabilities		<u>635,866</u>	<u>709,825</u>
NET ASSETS		<u>2,190,178</u>	<u>2,174,120</u>
Equity			
General Reserve	9	500,000	500,000
Accumulated Funds	6	1,690,178	1,674,120
TOTAL EQUITY		<u>2,190,178</u>	<u>2,174,120</u>

The accompanying notes form part of these financial statements.

INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014

	\$	\$	\$
	Retained Earnings	General Reserve	Total
Balance at 1 July 2012	1,687,575	500,000	2,187,575
Surplus/(Deficit) for the year	(13,455)	-	(13,455)
Balance at 1 July 2013	1,674,120	500,000	2,174,120
Surplus/(Deficit) for the year	16,058	-	16,058
Balance at 30 June 2014	1,690,178	500,000	2,190,178

The accompanying notes form part of these financial statements.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	Note	2014 \$	2013 \$
Cash Flows from Operating Activities			
Receipts from contributions		339,459	271,982
Donations		1,816,773	1,598,709
Interest Received		91,767	104,706
Payments to suppliers & employees		<u>(2,117,327)</u>	<u>(2,061,072)</u>
Net cash provided by (used in) operating activities	3	<u>130,672</u>	<u>(85,675)</u>
Cash Flows from Investing Activities			
Payment for property, plant & equipment		(5,760)	-
Net cash provided by (used in) investing activities		<u>(5,760)</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		124,912	(85,675)
Cash at beginning of year		<u>2,353,065</u>	<u>2,438,740</u>
Cash at end of year	3	<u>2,477,977</u>	<u>2,353,065</u>

The accompanying notes form part of these financial statements.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

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 at 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 21 October 2014 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 11 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.

Fixed assets acquired in 2014 were depreciation at 33.3% for computers and all other equipment 20% per annum.
- (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 2014. 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.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

- (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/Unearned Contributions**
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 profit and loss.
- 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.
- (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.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

(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) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

In the 2014 financial year, Interplast has reclassified its administration, fundraising and program support costs to more accurately reflect the nature of our business. These changes align with common practice in the sector and will provide more accurate information and reporting to our stakeholders. The comparative information from 2013 financial year has been reclassified accordingly.

(n) 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.

(o) 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.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	2014	2013
	\$	\$
<hr/>		
2 Related Party Transactions		
There were no monetary transactions with related parties during the Financial Year. (2013; \$0).		
Interplast Australia & New Zealand has obtained legal, professional and surgical pro-bono services from members of the Board of Directors. No payment was made for these services.		
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:		
Petty Cash	150	150
Foreign currency on hand	5	5
Westpac Bank	2,477,875	2,352,963
Bank Overdraft	(53)	(53)
	2,477,977	2,353,065
Reconciliation of profit from ordinary activities to net cash flows from operating activities		
Surplus/(Deficit) from ordinary activities	16,058	(13,455)
Non-cash flows in operating surplus		
Depreciation	58,990	75,293
Charges to provisions	11,368	4,705
Non-cash net revenue and expenses	-	(25,000)
Changes in assets and liabilities, net of the effects of purchase and disposals		
Increase (Decrease) in deferred revenue	(35,690)	40,121
Increase (Decrease) in provision for future programs	(52,074)	(105,645)
Increase (Decrease) in trade creditors	2,437	(41,054)
Decrease (Increase) in Accounts Receivables	139,020	(164,351)
Decrease (Increase) in Prepayments	(42,938)	65,605
Decrease (Increase) in Interest Accrued Due	7,000	2,500
Decrease (Increase) in Inventory	26,501	75,606
Cash flows from operations	130,672	(85,675)

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	2014	2013
	\$	\$
<hr/>		
4 Remuneration of Auditors		
Auditing the Financial Report – William Buck	17,500	15,750
	17,500	15,750
5 Property Plant and Equipment		
Surgical equipment		
At cost	551,754	609,435
Accumulated depreciation	(442,448)	(454,047)
	109,306	155,388
Net carrying amount		
Computer and electrical equipment		
At cost	82,270	139,587
Accumulated depreciation	(60,261)	(110,430)
	22,009	29,157
Net carrying amount		
	131,315	184,545
6 Accumulated Funds		
Balance at beginning of Financial Year	1,674,120	1,687,575
(Deficit)/Surplus for year	16,058	(13,455)
	1,690,178	1,674,120
Balance at end of Financial Year		
7 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	24,494	23,317
- later than 12 months but not later than 5 years	12,428	81,608
- greater than 5 years	-	-
	36,922	104,925

The property lease commitments include a non-cancellable operating lease contracted for but not capitalised in the financial statements with a three-year term commencing on 1 January 2013. An option exists to renew the lease at the end of the three years for an additional term of three years.

The Company has no finance leases.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

2014 2013
\$ \$

8 Financial Risk Management

The company's financial instruments consist mainly of deposit 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	2,478,030	2,353,118
Receivables	118,568	264,588
Total Financial Assets	2,596,598	2,617,706
Financial Liabilities		
Bank overdraft	53	53
Trade and other payables	51,119	48,682
Total Financial Liabilities	51,172	48,735

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 are approved and reviewed 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.

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

8 Financial Risk Management (continued)

(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 %	2014 \$
Cash at bank	0.00% to 2.40%	40,174
Deposits at call	3.25%	2,125,435
		2,165,609
	Interest Rate %	2013 \$
Cash at bank	0.00% to 0.35%	164,653
Deposits at call	4.00%	2,188,257
		2,352,910

9 General Reserves

The general reserve records funds required to meet the committed administration and fund raising costs

10 Additional Company information

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

Principal Place of Business

Royal Australasian College of Surgeons
College of Surgeons Gardens
250-290 Spring Street
East Melbourne Vic 3002
Telephone: (03) 9249 1231

Principal Registered Office

Minter Ellison Solicitors
Level 23
Rialto Towers
525 Collins Street
Melbourne Vic 3000

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	2014	2013
	\$	\$
<hr/>		
11 Information to be furnished under the ACFID Code of Conduct		
INCOME STATEMENT		
For the year ended 30th June 2014		
REVENUE		
Donations and gifts – monetary	1,257,835	1,192,390
Donations and gifts - non-monetary	59,325	65,456
Legacies and bequests	33,208	37,350
Grants		
- DFAT (AusAID)	163,166	136,834
- Other Australian - RACS	125,037	236,623
- Other Australian	380,396	326,118
- Other Overseas	69,443	65,236
Investment Income	84,767	102,206
Other Income	16,566	35
Revenue for International Political or Religious Adherence Programs	-	-
	<hr/>	<hr/>
Total Revenue	2,189,743	2,162,248
EXPENSES		
International Aid and Development Programs Expenditure		
International projects		
- Funds to international projects	944,456	926,748
- Program support costs	300,922	325,259
Community education	93,201	83,455
Inventory Revaluation	16,894	-
Fundraising costs		
- Public	294,098	399,247
- Government, multilateral and private sector	49,376	-
- Community Supporter	62,075	-
Accountability and Administration	411,633	426,509
Non-monetary expenditure	-	-
Expenses for International Political or Religious Adherence Promotion Programs	-	-
Domestic Program Expenditure	1,000	14,485
	<hr/>	<hr/>
Total Expenses	2,173,655	2,175,703
Excess(Deficit) from continuing operations	16,058	(13,455)

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

	2014	2013
	\$	\$
11 Information to be furnished under the ACFID Code of Conduct (continued)		
BALANCE SHEET		
As at 30th June 2014		
ASSETS		
Current assets		
Cash and cash equivalents	2,478,030	2,353,118
Trade and other receivables	118,568	264,588
Inventories	33,768	60,269
Assets held for sale	-	-
Other financial assets	64,363	21,425
	2,694,729	2,699,400
Total current assets		
Non current assets		
Trade and other receivables	-	-
Other financial assets	-	-
Property, plant and equipment	131,315	184,545
Investment property	-	-
Intangibles	-	-
Other non-current assets	-	-
	131,315	184,545
Total non current assets		
	2,826,044	2,883,945
Total assets		
LIABILITIES		
Current liabilities		
Trade and other payables	51,119	48,682
Borrowings	53	53
Current tax liabilities	-	-
Other financial liabilities	-	-
Provisions	582,020	657,586
Other	-	-
	633,192	706,321
Total current liabilities		
Non current liabilities		
Borrowings	-	-
Other financial liabilities	-	-
Provisions	2,674	3,504
Other	-	-
	2,674	3,504
Total non current liabilities		
	635,866	709,825
Total liabilities		
	2,190,178	2,174,120
Net assets		

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

2014 **2013**
\$ **\$**

11 Information to be furnished under the ACFID Code of Conduct (continued)

BALANCE SHEET (continued)
As at 30th June 2014

EQUITY

Reserves	500,000	500,000
Funds available for future use	1,690,178	1,674,120
Total equity	2,190,178	2,174,120

SUMMARY OF CASH MOVEMENTS

For the Financial year ended 30th June 2014

	Cash Available at Beginning of Financial Year	Cash Raised During Financial Year	Cash Disbursed During Financial Year	Cash Available at End of Financial Year
DFAT (AusAID)- ANCP	13,166	150,000	(163,166)	-
DFAT (AusAID) - RACS	-	125,037	(125,037)	-
Rotary	337,817	420,144	(472,218)	285,744
Total for other purposes	2,002,082	1,552,818	(1,362,666)	2,192,233
TOTAL	2,353,065	2,247,999	(2,123,087)	2,477,977

**INTERPLAST AUSTRALIA
& NEW ZEALAND
A.B.N. 59 006 155 193**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2014**

11 Information to be furnished under the ACFID Code of Conduct (continued)

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.

Volunteers for the year ended 30 June 2014

86 Surgeons & Anaesthetists for a total of 476 days - Executive Level 2	313,446
50 Nurses & Allied Health Specialist for a total of 288 days - APS Level 4	<u>93,744</u>
Total Value of Volunteer Services	<u>407,190</u>