



Interplast[®]

Repairing bodies & rebuilding lives
in the Asia Pacific region

INTERPLAST AUSTRALIA & NEW ZEALAND

A.B.N. 59 006 155 193

Annual Financial Report

For the year ended 30 June 2021

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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 2021. 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	2020/21 Board meetings	
			Eligible to attend	Attended
Dr Michael McGlynn OAM (Chair)	November 2019	-	9	9
Mr Keith Mutimer (Chair)	November 2017	Retired November 2020	5	5
Mr Peter Caldwell	November 2018	-	9	9
Ms Marie Dorrington OAM	November 2018	-	9	9
Dr Kirstie MacGill	November 2018	-	9	9
Ms Amy McLeod	November 2018	-	9	9
Ms Hayley Morris	November 2018	-	9	8
Mr Paul Sundberg	November 2019	-	9	9
Dr Philip Ragg	November 2019	-	9	9
Ms Emma Skinner	November 2020	-	9	9
Mr John Dodd	November 2020	-	9	8
Ms Margaret Jackson AC	November 2020	-	9	8

Principal activities

The principal activities of Interplast during the financial year were to enable access to life-changing reconstructive surgery and related medical services in developing countries across the Asia Pacific region, through:

- supporting local partners to deliver clinical services;
- building of local medical, nursing and allied health capacity;
- supporting partner hospitals to improve their systems and processes; and
- enabling a number of initiatives to improve the capacity of national health systems.

The use of technology enabled us to continue delivery our strategic objectives remotely.

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 because of acquired or congenital medical conditions requiring plastic and reconstructive surgery;
- Deliver 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 hours contributed (reflecting that some individuals engage multiple times per year);
- The number of people reached and receiving treatment at no cost;
- The number of countries and geographical locations reached; and
- The number of local medical, nursing, and allied health professionals receiving training opportunities and the type of training opportunities support.

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

The significant health risks, and subsequent global travel restrictions resulting from the COVID-19 pandemic resulted in Interplast not delivering any activities which required the mobilisation of volunteer teams overseas, for the duration of the 2021 financial year.

In FY21, Interplast delivered 32 activities (FY20: 47) in 42 locations (FY20: 19) across 38 countries (these are countries where Interplast activities had reach in FY21).

FY21 programming included:

- 3 activities (FY20: 18) involving provision of direct support to local partners to continue treating patients with conditions requiring plastic and reconstructive and related medical services, resulting in 67 patients receiving ongoing care.
- 5 activities to support local partners to develop and improve their hospital-based systems and facilities, and to strengthen health systems.
- 7 planning, evaluation, and stakeholder engagement activities (FY20: 7) to monitor program delivery, evaluate impact and strengthen future programming.
- 17 activities to deliver training and mentoring to local partner clinicians.
- 96 live-streamed online education sessions, developing and delivering online education and mentoring for local medical professionals across the Asia Pacific (including those outside of Interplast's traditional local partner countries), resulting in 96 hours of online education delivered.
- 4 recorded online clinical instructional videos developed and distributed, targeted at local medical professionals across the Asia Pacific, which has resulted 70 minutes of education with 346 instances of viewing.
- 2 activities supporting training delivered by local faculty within their country.
- 2884 training opportunities were provided for local medical professionals.

Through delivering these 32 activities, a total of 39 surgeons and anaesthetists and 29 nurses, allied health professionals and nurse educators from across Australia & New Zealand were involved in the development and delivery of education and clinical support, equating to 56 days and 31 days respectively.

Information on Directors

Dr Michael McGlynn OAM

President

Qualifications

Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons, Harvard Business School

Experience

Appointed Vice President 2016

Ms Hayley Morris

Vice-President

Qualifications

Bachelor of Arts (Communications)

Experience

Appointed Vice-President 2020

Dr Kirstie MacGill

Vice-President

Qualifications

Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons, Diploma in Anatomy, Master of Surgical Education

Mr Peter Caldwell

Treasurer

Qualifications

Diploma of Business Studies (Accounting), Chartered Accountant FCPA

Experience

Appointed Treasurer November 2020

Ms Marie Dorrington OAM

Secretary

Qualifications

Bachelor of Arts, Diploma of Education, Diploma of Teaching

Experience

Appointed Secretary November 2020

Mr John Dodd

Director

Qualifications

Bachelor of Law and Economics

Ms Margret Jackson AC

Director

Qualifications

Bachelor of Economics, Master of Business Administration, Honorary Doctor of Laws, Fellow Institute of Chartered Accountants, Fellow Australian Institute of Company Directors

Ms Amy McLeod

Director

Qualifications

Bachelor of Laws, Bachelor of Commerce, Certificate in Governance Practice

Dr Philip Ragg

Director

Qualifications

Bachelor of Medicine, Bachelor of Surgery, Fellow Australian and New Zealand College of Anaesthetists

Mr Paul Sundberg

Director

Qualifications

Bachelor of Economics (Honors), Chartered Accountant FCA

Ms Emma Skinner

Director

Qualifications

Bachelor of Pharmacy

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 2021, the total amount that members of the company are liable to contribute if the company is wound up \$900 (2020: \$900).

Review of Operations

The net operating surplus amounted to \$1,338,704 (2020: Operating surplus of \$460,010).

Dividends

Payment of dividends is prohibited under our current Constitution.

Director's Remuneration

No fees were paid or are payable to the Directors. (2020: \$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



.....
Michael McGlynn
Director



.....
Peter Caldwell
Director

12 October 2021



**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 2021 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 Audit (Vic) Pty Ltd
ABN 59 116 151 136



J.C. Luckins
Director

Melbourne, 12 October 2021

ACCOUNTANTS & ADVISORS

Level 20, 181 William Street
Melbourne VIC 3000
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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 2021, 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 2021 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.

ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
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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.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our independent auditor's report.



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



J.C. Luckins
Director

Melbourne, 12 October 2021

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 in the Directors opinion:

1. The financial statements and notes, as set out on pages 10 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 2021 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



.....
Michael McGlynn
Director



.....
Peter Caldwell
Director

12 October, 2021

Statement of comprehensive income

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
REVENUE			
Donations & Gifts - Monetary	16	1,693,706	1,277,205
Donations & Gifts - Non Monetary		0	101,316
Bequests & Legacies		396,828	219,185
Grants			
- Government		405,766	765,445
- Other Australian		48,500	169,858
- Overseas		7,780	9,362
Interest		19,233	46,833
Other Income		358,984	129,259
Total revenue		2,930,797	2,718,463
EXPENDITURE			
<i>International aid and development programs expenditure</i>			
International Programs			
- Funds to international programs	11	444,111	937,821
- Program support costs		310,036	352,463
Community Education		43,681	133,129
Fundraising Costs			
- Public		276,919	410,846
- Government, Multilateral and Private		-	15,402
Accountability and Administration		479,243	349,376
Non-Monetary Expenditure		38,103	26,019
Total international aid and development expenditure		1,592,093	2,225,056
Domestic programs		-	33,397
Total expenditure		1,592,093	2,258,453
Excess of revenue over expenditure		1,338,704	460,010
Total comprehensive income		1,338,704	460,010

The accompanying notes form part of these financial statements.

Statement of financial position

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents		4,704,916	3,457,481
Receivables		9,232	4,119
Prepayments		1,228	34,293
Inventories		502	5,067
Total current assets		4,715,878	3,500,960
Non-current assets			
Property and equipment	5	77,704	129,714
Total non-current assets		77,704	129,714
TOTAL ASSETS		4,793,582	3,630,674
LIABILITIES			
Current liabilities			
Payables	6	95,176	72,308
Deferred income	18	41,110	346,613
Provisions	7	223,403	118,908
Total current liabilities		359,689	537,829
Non-current liabilities			
Provisions	7	7,923	5,579
Total non-current liabilities		7,923	5,579
TOTAL LIABILITIES		367,612	543,408
NET ASSETS		4,425,970	3,087,266
EQUITY			
General Reserve	12	1,200,000	1,200,000
Retained Earnings	8	3,225,970	1,887,266
TOTAL EQUITY		4,425,970	3,087,266

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2021

	\$	\$	\$
	Retained Earnings	General Reserve	Total
Balance at 1 July 2019	2,127,256	500,000	2,627,256
Comprehensive income for the year	460,010	-	460,010
Reserve Transfer	(700,000)	700,000	-
Balance at 30 June 2020	1,887,266	1,200,000	3,087,266
Comprehensive income for the year	1,338,704	-	1,338,704
Reserve Transfer	-	-	-
Balance at 30 June 2021	3,225,970	1,200,000	4,425,970

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from Government		507,650	1,151,158
Receipts in the Course of Operations (Except Govt grants)		2,141,701	1,686,859
Interest received		19,233	46,833
Other income		1,334	7,259
Payments to suppliers & employees		(1,422,483)	(2,204,498)
Net cash provided by (used in) operating activities		1,247,435	687,611
Cash flows from investing activities			
Payment for property, plant & equipment		-	(9,964)
Net cash provided by (used in) financing activities		-	-
Net increase (decrease) in cash held		1,247,435	677,647
Cash at beginning of year		3,457,481	2,779,834
Cash at end of year	3	4,704,916	3,457,481

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2021

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. These special purpose financial statements comply with all recognition and measurement requirements in Australian Accounting Standards

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 12th October 2021 by the directors of the company.

1.1 New and amended Accounting Standards that are effective for the current reporting period

The company has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2020. New and revised standards and amendments thereof and Interpretations effective for the current year that are relevant for the company include:

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

The company has adopted these amendments for the first time in the current year. The amendments make the definition of material in AASB 101 easier to understand and are not intended to alter the underlying concept of materiality in the Australian Accounting Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. 1 July 2020.

The threshold of materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

Impact of COVID-19

The onset of the COVID-19 pandemic has seen several support packages made available to Not-for-Profit organisations. Interplast has taken advantage of the government's COVID-19 support packages such as JobKeeper and Cashflow Boost (refer note 17) to enable the retention of staff and continued delivery of programs.

Notes to the financial statements

For the year ended 30 June 2021

1.3 Accounting Policies

(a) Revenue Recognition

To determine if a grant contract should be accounted for under AASB 1058 or AASB 15, Interplast has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing if the performance obligations are 'sufficiently specific', the company has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation (e.g. activity work plans) and holding discussions with relevant parties. Income recognition from grants received by Interplast has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

General donations and bequests that are not enforceable or do not contain sufficiently specific performance obligations are accounted for under AASB 1058 and 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 assets from various parties where the consideration to acquire the asset is significantly less than fair value, principally to enable a not-for-profit entity to further its objectives. 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 and expenses are stated net of the amount of goods and services tax (GST). Receivables and Payables are recognised inclusive of GST

(b) Volunteer Services

Interplast regularly receives volunteer services as part of its operations. Under AASB 1058, private sector not-for-profit entities have a policy option to account for donated services at fair value if the fair value can be reliably measured.

Whilst Interplast has assessed that the fair value of its volunteer services can be reliably measured, it has decided not to adopt the policy option to recognise volunteer services. Accordingly, no amounts are recognised in the financial statements for volunteer services. However, the value of volunteer services has been provided in the notes to the accounts (Refer to Note 19)

(c) Depreciation

Depreciation is provided on fixed assets and is calculated on a straight-line basis to write off the net cost of each fixed asset over its expected useful life. The useful life of assets assessed as being between 3 and 10 years.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments.

(e) 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 2021. Employee benefits payable later than one year have been measured at the

Notes to the financial statements

For the year ended 30 June 2021

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 and are charged as expenses when incurred.

(f) 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.

(g) Payables

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.

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- a) 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
- b) 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.

(i) Receivables

Receivables are recorded as amounts due to Interplast at the end of the reporting period.

Interplast has reviewed its Debtors and are satisfied that no provision for asset impairment needs to be raised.

(j) Inventories

Inventories are measured at the lower of cost or net realisable value.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

(k) Leases

The company has a short-term lease over office space at East Melbourne.

As the term of the lease is less than 12 months with no option of rollover, lease payments are recognised as an expense over the lease term.

Notes to the financial statements

For the year ended 30 June 2021

(l) **Financial Instruments**

Financial assets are classified, at initial recognition, at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss. 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) *Revenue Recognition*

Key judgements have been made around the recognition of income, as defined in note 1.3(a), as to whether income falls within the scope of AASB 1058 or AASB 15. Some areas of judgement include:

- Assessment of sufficiently specific
- Enforceability of contract

b) *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.

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 and revised Australian Accounting Standards in issue but not yet effective**

At the date of authorisation of the financial statements, Interplast Australia & New Zealand has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective.

Standard/Amendment	Effective for annual reporting periods beginning on or after
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and	1 January 2022

Notes to the financial statements

For the year ended 30 June 2021

<i>AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	1 January 2022
<i>AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments</i>	1 January 2022
<i>AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2023

2 Related Party Transactions

There were no monetary transactions with related parties during the Financial Year. (2020; \$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.

	2021	2020
	\$	\$

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:

Cash on hand	668	168
Foreign currency on hand	251	251
Westpac Bank	4,699,775	3,456,722
Other Cash	4,222	340
	4,704,916	3,457,481

Reconciliation of profit from ordinary activities to net cash flows from operating activities

Surplus/(Deficit) from ordinary activities	1,345,704	460,010
Non-cash flows in operating surplus		
Depreciation	52,010	32,639
Charges to provisions	106,839	17,830
Stock write-off	4,565	-
Changes in assets and liabilities, net of the effects of purchase and disposals		
Increase in Assets	-	(65,531)
Increase (Decrease) in contributions for future programs	(312,503)	131,567
Increase (Decrease) in Payables	22,868	(54,210)
Decrease (Increase) in Receivables	(5,113)	97,258
Decrease (Increase) in Prepayments	33,065	58,032
Decrease (Increase) in Inventory	-	52
Cash flows from operations	1,247,435	677,647

Notes to the financial statements

For the year ended 30 June 2021

	2021 \$	2020 \$
4 Remuneration of Auditors		
Auditing the Financial Report – William Buck	15,000	10,000
	15,000	10,000
5 Property Plant and Equipment		
Surgical equipment		
At cost	607,370	602,918
Accumulated depreciation	(533,094)	(497,719)
Net carrying amount	74,276	105,199
Computer and electrical equipment		
At cost	43,494	67,158
Accumulated depreciation	(40,066)	(42,643)
Net carrying amount	3,428	24,515
Total net carrying amount	77,704	129,714
6 Payables		
Payables	55,224	44,410
Accrued Expenses	37,015	22,655
Other Creditors	2,937	5,243
	95,176	72,308
7 Provisions		
(a) Provision for Employee Entitlements		
Annual leave	64,749	52,837
Long service leave	28,638	26,109
Leave in lieu	1,826	142
Other	38,961	-
	134,174	79,088
GST	-	590
Residual Grant funding	89,229	39,230
Total Current provisions	223,403	118,908
(b) Non-current		
Long service leave	7,923	5,579
	231,326	5,579

Notes to the financial statements

For the year ended 30 June 2021

	2021 \$	2020 \$
8 Retained Earnings		
Balance at beginning of Financial Year	1,887,266	2,127,256
Transfer to General Reserve	-	(700,000)
Surplus for year	1,345,704	460,010
Balance at end of Financial Year	3,232,970	1,887,266

9 Capital and Leasing Commitments

Lease Commitments

Non-cancellable lease contracted for but not capitalised in the financial statements

Payable – minimum lease payments
- Less than 12 months

21,469	20,636
21,469	20,636

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 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents
Receivables

4,704,915	3,457,481
9,232	4,119

Total Financial Assets

4,714,147	3,461,600
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Financial Liabilities

Trade and other payables

107,174	72,308
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Total Financial Liabilities

107,174	72,308
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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.

Notes to the financial statements

For the year ended 30 June 2021

The risk management policies and the risk register 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 counterparty 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 counterparties 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 %	2021 \$
Cash at bank	0.00 - 0.10%	431,414
Term Deposits	0.50% to 1.10%	4,273,501
		4,704,915
	Interest Rate %	2020 \$
Cash at bank	0.00%	802,984
Term Deposits	0.9% to 1.1%	2,654,497
		3,457,481

Notes to the financial statements

For the year ended 30 June 2021

	2021 \$	2020 \$
11 Program Expenditure by Country		
Pacific & Papua New Guinea		
Fiji	54,574	83,184
Kiribati	12,097	0
Samoa	10,414	53,757
Solomon Islands	12,316	81,896
Tonga	13,139	0
Vanuatu	10,140	15,494
Papua New Guinea	17,655	151,975
	130,335	386,306
Asia		
Bangladesh	38,861	25,379
Bhutan	32,007	100,533
Indonesia	9,936	9,436
Laos	10,425	94,665
Mongolia	59,989	91,555
Myanmar	22,274	59,279
Nepal	68,130	20,712
Philippines	15,640	753
Sri Lanka	39,627	52,286
Vietnam	9,745	-
	306,634	454,338
Cross Regional Asia & Pacific Programs	7,142	123,196
Total Program Expenditure	444,111	963,840
Less cost of donated supplies	-	(26,019)
Total Program Expenditure	444,111	937,821

12 Reserves

General Reserve

The general reserve has been established to meet the company's current financial obligations, operating commitments and includes a prudent margin for unforeseen events.

13 Contingent Assets and Liabilities

The directors are not aware of the existence of any contingent asset or liability at the end of the reporting period.

14 Events after the reporting date

No matter or circumstance has arisen since 30 June 2021 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 2021

15 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
250-290 Spring Street
East Melbourne Vic 3002
Telephone: (03) 9249 1231

Principal Registered Office

Minter Ellison Solicitors
Level 23
Rialto Towers
Melbourne Vic 3000

16 Restricted Assets

Total "Donations & Gifts – Monetary" includes \$1,116,434 (2020: \$528,457) of donations that are tied to future program expenditure (Restricted Assets). These donations are recognised as income immediately to comply with AASB accounting requirements. Restricted Asset Funds are not available to cover operational expenditure. Total net Restricted Assets at balance date was \$1,618,365.

	2021 \$	2020 \$
Restricted Assets Brought Forward	613,235	338,850
Donations received on a restricted basis	1,116,434	528,457
Programs funded from Restricted Assets during the year	(111,304)	(254,071)
Closing Balance - Net Restricted Assets	1,618,365	613,235

17 Government Revenue

Federal Govt – JobKeeper	307,650	72,000
ATO – Cashflow Boost	50,000	50,000
Department of Foreign Affairs & Trade - ANCP	150,000	942,538
Department of Foreign Affairs & Trade – Programs in The Pacific	-	86,620
Total Government Revenue	507,650	1,151,158

18 Funding Not Yet Recognised as Revenue

Government	35,110	290,645
Non-Government	6,000	56,000
Total	41,110	346,645

Notes to the financial statements

For the year ended 30 June 2021

19 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 2021.

	2021	2020
	\$	\$
38 Medical Specialists for a total of 56 days (2020: 39 Medical Specialists for a total of 266 days)	37,483	142,787
29 Allied Health Specialists, Nurse Educators and Nurses for a total of 30 days (2020: 43 Allied Health Specialists, Nurse Educators and Nurses for a total of 317 days)	12,037	103,325
Total Value of Volunteer Services	49,520	246,112