



**Interplast<sup>®</sup>**

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 2024**

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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 30 June 2024. 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	2023/2024 Board meetings	
			Eligible to attend	Attended
Mr Peter Caldwell	November 2021	November 2023	6	5
Mr John Dodd OAM	November 2020	-	9	7
Ms Marie Dorrington OAM	November 2021	-	9	9
Ms Margaret Jackson AC	November 2020	November 2023	6	5
Dr Kirstie MacGill	November 2021	-	9	9
Ms Amy McLeod	November 2021	October 2023	5	3
Dr Zachary Moaveni	November 2021	-	9	6
Ms Hayley Morris	November 2021	-	9	6
Dr Philip Ragg	November 2022	-	9	8
Ms Emma Skinner	November 2020	November 2023	6	5
Dr David Morgan	November 2022	-	9	9
Mr Frank Micallef	November 2022	-	9	9
Mr David Wilden	November 2022	-	9	9

**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, including by the provision of surgeons, anaesthesiologists and allied health professionals to deliver on the ground surgery and related services
- building of local medical, nursing and allied health capacity;
- supporting partner hospitals to improve their systems and processes; and
- supporting a number of initiatives to improve the capacity of national health systems.

Additionally, from November 2022, Interplast undertook specialist programming in the area of assistive technology and disability inclusion following the acquisition of programs previously delivered by Motivation Australia, a former NGO working in Pacific Island countries.

## **Long-term and short-term objectives**

Interplast's long term objectives are to:

- Improve the quality of life of people with acquired or congenital physical medical conditions that can be treated by plastic or reconstructive surgery, by providing more people in the Asia Pacific region with access to related quality health care; and
- Contribute to the development of sustainable health systems and capacity building of health professionals throughout the Asia Pacific region.

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;
- 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/and potential donors
- Ensure country program activities are implemented upon the request of partners; 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 and their outcomes Number of individual 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.

Compared to the previous COVID-19 impacted years, the relaxation of travel restrictions allowed Interplast to successfully execute a higher number of activities during the financial year 2024.

During FY24, Interplast delivered 25 separate programs across the Asia Pacific. This included mobilizing 15 teams to 8 different countries in the Asia Pacific, delivering patient care to 432 individual patients, including 330 consultations, 200 surgical procedures and 223 allied health treatments. In addition to this, Interplast delivered 1479 training opportunities, to at least 533 individuals across the Asia Pacific. In addition to the 15 mobilization activities, Interplast supported 10 programs focused on institutional support and health system strengthening across PNG, Fiji, Solomon Islands and Mongolia. In total, Interplast has worked with 16 hospitals and other service providing organizations.

**Subsequent Events**

Subsequent to the balance date, the CEO of Interplast Australia & New Zealand resigned, with the termination expected in October 2024.

No matters or circumstance have arisen since 30 June 2024 that have significantly impacted, or are likely to impact, the company's operations, results, or financial position in future years.

**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 2024.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
4 Office Volunteers for a total of 100 days (2023: \$0)	<b>20,963</b>	-
33 Medical Specialists for a total of 320 days (2023: 43 Medical Specialists for a total of 506 days)	<b>232,986</b>	394,956
32 Allied Health Specialists, Nurse Educators and Nurses for a total of 328 days (2023: 37 Allied Health Specialists, Nurse Educators and Nurses for a total of 458 days)	<b>135,142</b>	182,568
<b>Total Value of Volunteer Services</b>	<b>389,091</b>	<b>577,524</b>

**Information on Directors**

<b>Dr Kirstie MacGill</b> Qualifications Office Bearer	President Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons, Diploma in Anatomy, Master of Surgical Education Appointed Vice-President 2021. Appointed President 2024
<b>Ms Hayley Morris</b> Qualifications Officer Bearer	Vice-President Bachelor of Arts (Communications) Appointed Vice-President 2020
<b>Mr Peter Caldwell</b> Qualifications Office Bearer	Treasurer Diploma of Business Studies (Accounting), Chartered Accountant, FCPA Appointed Treasurer November 2020. (Retired November 2023)
<b>Ms Marie Dorrington OAM</b> Qualifications Officer Bearer	Secretary Bachelor of Arts, Diploma of Education, Diploma of Teaching Appointed Secretary November 2020
<b>Mr John Dodd OAM</b> Qualifications	Director Bachelor of Law and Economics
<b>Ms Margret Jackson AC</b> Qualifications	Director Bachelor of Economics, Master of Business Administration, Honorary Doctor of Laws, Fellow Chartered Accountants Australia and New Zealand, Fellow Australian Institute of Company Directors (Retired November 2023)
<b>Dr Zachary Moaveni</b> Qualifications	Director Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
<b>Ms Amy McLeod</b> Qualifications	Director Bachelor of Laws, Bachelor of Commerce, Certificate in Governance Practice (Retired October 2023)
<b>Dr Philip Ragg</b> Qualifications	Director Bachelor of Medicine, Bachelor of Surgery, Fellow Australian and New Zealand College of Anaesthetists
<b>Ms Emma Skinner</b> Qualifications	Director Bachelor of Pharmacy (Retired November 2023)
<b>Dr David Morgan</b> Qualifications	Director Bachelor of Medicine, Bachelor of Surgery, Fellow Royal Australasian College of Surgeons
<b>Mr Frank Micallef</b> Qualifications	Director Bachelor of Business (Accounting), Master of Accounting, Graduate Diploma (Education), FCPA, FAICD
<b>Mr David Wilden</b> Qualifications	Director Graduate Certificate in Public Sector Management, Masters of Business Administration

**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 2024, the total amount that members of the company are liable to contribute if the company is wound up \$900 (2023: \$900).

**Review of Operations**

The net operating deficit amounted to \$1,523,463 (2023: Operating deficit of \$277,706).

**Director's Remuneration**

No fees were paid or are payable to the Directors. (2023: \$0).

**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



.....  
Kirstie MacGill  
Director (Board President)



.....  
Frank Micallef  
Director (Chair, Audit & Risk Committee)

18<sup>th</sup> October 2024

**DECLARATION OF INDEPENDENCE BY ELIZABETH BLUNT TO THE DIRECTORS OF INTERPLAST AUSTRALIA & NEW ZEALAND**

As lead auditor of Interplast Australia & New Zealand for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



**BDO Audit Pty Ltd**

Elizabeth Blunt  
Director

Melbourne, 18 October 2024



## INDEPENDENT AUDITOR'S REPORT

To the members of Interplast Australia & New Zealand

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Interplast Australia & New Zealand (the registered entity), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the directors' declaration.

In our opinion the accompanying financial report of Interplast Australia & New Zealand, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

#### 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 registered entity 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 (including Independence Standards)* (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 registered entity'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.

#### Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of responsible entities for the Financial Report**

The responsible entities of the registered entity 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 ACNC Act. The responsible entities' responsibility also includes such internal control as the responsible entities 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.

In preparing the financial report, the responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Financial Report**

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 the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO Audit Pty Ltd**

A handwritten signature in blue ink, consisting of the letters 'EB' followed by a stylized flourish.

Elizabeth Blunt  
Director

Melbourne, 18 October 2024

### **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 23 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. the accounting policies described in Note 1 of the financial statements, providing a true and fair view of the financial position of the company as at 30 June 2024 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 2022*.

On behalf of the Directors



.....  
Kirstie MacGill  
Director (Board President)



.....  
Frank Micalle  
Director (Chair, Audit & Risk Committee)

18<sup>th</sup> October 2024

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>REVENUE</b>			
Donations & Gifts – Monetary		637,614	970,046
Donations & Gifts – Non Monetary		35,015	43,079
Bequests & Legacies		63,214	535,951
Grants			
- Government	15	277,847	319,002
- Other Australian		298,382	48,004
- Overseas		254,872	283,862
Interest		175,983	163,074
Other Income		5,521	9,821
<b>Total revenue</b>		<b>1,748,448</b>	<b>2,372,839</b>
<b>EXPENDITURE</b>			
<i>International aid and development programs expenditure</i>			
<b>International Programs</b>			
- Direct international program costs		1,432,225	1,312,882
- Program support costs		256,631	157,022
<b>Community Education</b>		<b>127,413</b>	<b>83,433</b>
<b>Fundraising Costs</b>			
- Public		591,169	485,413
- Govt, Multilateral and private		-	32,352
<b>Accountability and Administration</b>		<b>849,848</b>	<b>559,517</b>
<b>Non-Monetary Expenditure</b>		<b>14,625</b>	<b>19,926</b>
<b>Total international aid and development expenditure</b>		<b>3,271,911</b>	<b>2,650,545</b>
Domestic programs		-	-
<b>Total expenditure</b>	4	<b>3,271,911</b>	<b>2,650,545</b>
<b>Excess of expenditure over revenue / revenue over expenditure</b>		<b>(1,523,463)</b>	<b>(277,706)</b>
<b>Total comprehensive (loss) / income</b>		<b>(1,523,463)</b>	<b>(277,706)</b>

The accompanying notes form part of these financial statement

## Statement of financial position

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	4,030,240	4,641,279
Listed Investments received through bequest		72,587	65,036
Receivables		-	63,462
Prepayments		37,690	100,274
<b>Total current assets</b>		<b>4,140,517</b>	<b>4,870,051</b>
<b>Non-current assets</b>			
Right-of-use assets	7	610,924	-
Property and equipment	6	20,814	24,493
<b>Total non-current assets</b>		<b>631,738</b>	<b>24,493</b>
<b>TOTAL ASSETS</b>		<b>4,772,255</b>	<b>4,894,544</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	8	104,213	162,735
Lease liabilities	7	114,554	-
Deferred income	16	852,346	50,000
Provisions	9	179,506	143,212
<b>Total current liabilities</b>		<b>1,250,620</b>	<b>355,947</b>
<b>Non-current liabilities</b>			
Lease liabilities		510,960	-
Provisions	9	5,377	9,836
<b>Total non-current liabilities</b>		<b>516,337</b>	<b>9,836</b>
<b>TOTAL LIABILITIES</b>		<b>1,766,957</b>	<b>365,783</b>
<b>NET ASSETS</b>		<b>3,005,298</b>	<b>4,528,761</b>
<b>EQUITY</b>			
General Reserve	11	1,200,000	1,200,000
Donor Restricted Reserve	14	1,264,489	1,808,321
Retained Earnings	10	540,809	1,520,440
<b>TOTAL EQUITY</b>		<b>3,005,298</b>	<b>4,528,761</b>

The accompanying notes form part of these financial statements.

## **Statement of changes in equity**

**For the year ended 30 June 2024**

	<b>Retained Earnings \$</b>	<b>Donor Restricted Reserve \$</b>	<b>General Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2022</b>	<b>3,606,467</b>	-	<b>1,200,000</b>	<b>4,806,467</b>
Comprehensive income for the year	(277,706)	-	-	(277,706)
Reserve Transfer	(1,808,321)	1,808,321	-	-
<b>Balance at 30 June 2023</b>	<b>1,520,440</b>	<b>1,808,321</b>	<b>1,200,000</b>	<b>4,528,761</b>
Comprehensive income for the year	(1,523,463)	-	-	(1,523,463)
Reserve Transfer	543,832	(543,832)	-	-
<b>Balance at 30 June 2024</b>	<b>540,809</b>	<b>1,264,489</b>	<b>1,200,000</b>	<b>3,005,298</b>

The accompanying notes form part of these financial statements.

## Statement of cash flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from Government Grants		931,109	304,831
Receipts in the course of operations (Non Govt)		1,501,234	1,822,024
Interest received		175,983	163,073
Other income		-	9,821
Net GST received		49,249	53,899
Payments to suppliers & employees		<u>(3,256,488)</u>	<u>(2,815,357)</u>
<b>Net cash (used in)/ provided by operating activities</b>		<u>(598,913)</u>	<u>(461,709)</u>
<b>Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		<u>(12,125)</u>	-
<b>Net cash (used in)/ provided by investing activities</b>		<u>(12,125)</u>	-
<b>Cash flows from financing activities</b>			
		-	-
<b>Net (decrease)/increase in cash held</b>		(611,039)	(461,709)
Cash at beginning of year		<u>4,641,279</u>	<u>5,102,988</u>
<b>Cash at end of year</b>	3	<u>4,030,240</u>	<u>4,641,279</u>

The accompanying notes form part of these financial statements



# Notes to the financial statements

For the year ended 30 June 2024

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## 1 Material Accounting Policy Information

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 principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 1.1 Basis of Preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on a general purpose financial report of the entity.

These are special purpose financial statements that have been prepared for the purposes of complying with the *Australian Charities and Not-for-profits Commission Act 2012* requirements to prepare and distribute financial statements to the members of Interplast Australia & New Zealand. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Interplast Australia & New Zealand.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the *Australian Accounting Standards and Interpretations* issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1.2(m).

### 1.2 New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### 1.3 Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As presented in the financial statements, the entity incurred a loss before comprehensive income of \$1,523,463 and had net cash outflows from operating activities of \$598,913 for the year ended 30 June 2024.



## **Notes to the financial statements**

For the year ended 30 June 2024

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### **1.3 Going Concern (cont'd)**

The Directors believe that the entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- As at 30 June 2024 Interplast Australia & New Zealand had \$4,030,240 of cash and cash equivalents assets, classified as current assets;
- As at 30 June 2024 Interplast Australia & New Zealand had \$72,587 of other financial assets, which are readily convertible to cash;
- As at 30 June 2024 Interplast Australia & New Zealand had net assets of \$3,005,298; and
- For the financial year ended 30 June 2024 Interplast Australia & New Zealand had cash inflows from operations totalling \$2,657,575.

### **1.4 Accounting Policies**

#### **(a) Revenue Recognition**

##### *Grants*

To determine if a grant contract should be accounted for under AASB 1058 or AASB 15, Interplast Australia & New Zealand 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.

##### *Donations and Bequests*

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*

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.

#### **(b) Volunteer Services**

Interplast Australia & New Zealand 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 Australia & New Zealand 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 Directors' report.

#### **(c) Depreciation**

Depreciation is provided on fixed assets and is calculated on a straight-line basis to write off the net cost of each item of Surgical Equipment and Computer & Electrical Equipment over their expected useful lives as follows:

Surgical Equipment	5 - 13 years
Computer & Electrical Equipment	3 - 5 years



## **Notes to the financial statements**

**For the year ended 30 June 2024**

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**(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 2024. 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 measuring 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 corporate 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.

## **Notes to the financial statements**

**For the year ended 30 June 2024**

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**(i) Receivables**

Receivables are recorded as amounts due to Interplast Australia & New Zealand at the end of the reporting period.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, receivables have been grouped based on days overdue.

**(j) Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**(k) Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**(l) Financial Instruments**

Financial assets are classified, at initial recognition, at amortised cost 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 to 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.



## Notes to the financial statements

For the year ended 30 June 2024

### (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” performance obligations
- Enforceability of contract

Money receipts should not be recognised as income. Instead, they must be recorded as a liability until the company fulfils the related obligations.

##### b) *Employee benefits provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been estimated.

##### c) *Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

##### d) *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

## Notes to the financial statements

For the year ended 30 June 2024

### 2 Related Party Transactions

There were no payments to related parties during the Financial Year. (2023: \$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.

	2024	2023
	\$	\$
<b>3 Notes to the Cash Flow Statement</b>		
<b>Reconciliation of Cash</b>		
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	1,067	1,067
Cash at bank	4,029,173	4,640,212
	4,030,240	4,641,279

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

(Deficit)/Surplus from ordinary activities	(1,523,463)	(277,706)
Non-cash flows in operating surplus		
Depreciation	15,804	21,096
Lease	14,590	-
Unrealized gains on Investments received through bequest	(7,551)	(5,306)
Changes in assets and liabilities, net of the effects of purchase and disposals		
Decrease (Increase) in Assets	(12,125)	830
Increase (Decrease) in Deferred Income	802,346	(77,042)
Increase (Decrease) in Payables	(16,516)	(79,231)
Decrease (Increase) in Receivables	146,626	(22,975)
Decrease (Increase) in Prepayments	62,585	(47,428)
Decrease (Increase) in Inventory	-	1,561
Charges to provisions	31,834	24,492
Cash flows from operations	(611,039)	(461,709)

### 4 Expenses

Total expenditure includes the following specific expenses:

*Depreciation:*

Surgical equipment	14,625	19,926
Computer and electrical equipment	1,179	1,170
	15,804	21,096

*Superannuation expense:*

Defined contribution superannuation expense	152,803	116,813
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## Notes to the financial statements

For the year ended 30 June 2024

	2024 \$	2023 \$
<b>5 Remuneration of Auditors</b>		
Auditing the Financial Report – BDO	24,000	24,860
	<u>24,000</u>	<u>24,860</u>
<b>6 Property Plant and Equipment</b>		
<b>Surgical equipment</b>		
At cost	605,903	605,903
Accumulated depreciation	(596,035)	(581,410)
Net carrying amount	<u>9,868</u>	<u>24,493</u>
<b>Computer and electrical equipment</b>		
At cost	46,089	34,764
Accumulated depreciation	(35,143)	(34,764)
Net carrying amount	<u>10,946</u>	<u>-</u>
<b>Total net carrying amount</b>	<u><u>20,814</u></u>	<u><u>24,493</u></u>
<b>7 Lease</b>		
<b>(a) Right-of-use assets</b>		
ROU Asset	678,805	-
Accumulated depreciation ROU	(67,881)	-
Net carrying amount	<u>610,924</u>	<u>-</u>
<b>Lease liabilities</b>		
Current liabilities	114,554	-
Non Current liabilities	510,960	-
Net carrying amount	<u>625,514</u>	<u>-</u>
<b>(b) Lease Commitments</b>		
Non-cancellable lease contracted for but not capitalised in the financial statements		
Payable – minimum lease payments		
- Less than 12 months	152,390	5,368
- 1-5 years	533,366	-
- More than 5 years	-	-
	<u>685,756</u>	<u>5,368</u>

## Notes to the financial statements

For the year ended 30 June 2024

	2024 \$	2023 \$
<b>8 Payables</b>		
Payables	84,884	40,720
Accrued expenses	12,274	113,132
Other creditors	7,055	8,883
	<u>104,213</u>	<u>162,735</u>
<b>9 Provisions</b>		
<b>(a) Provision for Employee Entitlements</b>		
Annual leave	136,752	98,415
Long service leave	38,990	31,230
Leave in lieu	3,764	13,567
Total Current provisions	<u>179,506</u>	<u>143,212</u>
<b>(b) Non-current</b>		
Long service leave	<u>5,377</u>	<u>9,836</u>
	<u>184,883</u>	<u>153,048</u>
<b>10 Retained Earnings</b>		
Balance at beginning of Financial Year	1,520,440	3,606,467
Reserve Transfer	543,832	(1,808,321)
(Deficit)/Surplus for year	<u>(1,523,463)</u>	<u>(277,706)</u>
Balance at end of Financial Year	<u>540,809</u>	<u>1,520,440</u>

### 11 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.

### 12 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.

## Notes to the financial statements

For the year ended 30 June 2024

### 13 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 250-290 Spring Street East Melbourne Vic 3002 Telephone: (03) 9249 1231	Minter Ellison Solicitors Level 20, Collins Arch 447 Collins Street Melbourne Vic 3000

### 14 Restricted Assets

Total "Donations & Gifts – Monetary" includes \$357,253 (2023: \$1,167,397) 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 normally available to cover operational expenditure. Total Net Restricted Assets at 30 June 2024 was \$1,264,489 (2023: \$1,808,321).

	2024 \$	2023 \$
Restricted Assets Brought Forward	1,808,321	2,033,612
Donations received on a restricted basis	357,253	1,167,397
Programs funded from Restricted Assets during the year	(901,085)	(1,392,688)
<b>Closing Balance - Net Restricted Assets</b>	<b>1,264,489</b>	<b>1,808,321</b>

### 15 Government Revenue

Department of Foreign Affairs & Trade - ANCP	277,847	291,534
Department of Foreign Affairs & Trade – Programs in The Pacific	-	27,468
<b>Total Government Revenue</b>	<b>277,847</b>	<b>319,002</b>

### 16 Contract Liabilities

Government Grants	625,562	-
Non-Government Grants	226,784	50,000
<b>Funding not yet recognised</b>	<b>852,346</b>	<b>50,000</b>



## **Notes to the financial statements**

**For the year ended 30 June 2024**

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### **17 Events after the reporting date**

Subsequent to balance date, the CEO of Interplast Australia & New Zealand resigned with an anticipated termination date in October 2024.

No other matter or circumstance has arisen since 30 June 2024 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.