



PARTNERING ACROSS NATIONS

ANNUAL REPORT 2021/22

Australian Churches of Christ
Global Mission Partners

Australian Churches of Christ Global Mission Partners Ltd

ABN: 30 455 408 814

Financial Statements

For the Year Ended 30 June 2022

Australian Churches of Christ Global Mission Partners Ltd

ABN: 30 455 408 814

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Australian Churches of Christ Global Mission Partners Ltd

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Directors' Report For the Year Ended 30 June 2022

The Directors present their report together with the financial report of the Company, being Australian Churches of Christ Global Mission Partners Ltd, for the financial year ended 30 June 2022.

Directors

The names of directors in office since the start of the financial year to the date of this report unless otherwise stated are:

Barrie Yesberg
Mark Riessen
John Gilmore
Gordon Buxton
Symon Pratt
Vandana Thavare
Janet Woodlock
Claire Egan
Naomi Beames (appointed 9 December 2021)
Roger Bawden (resigned 9 December 2021)

Principal activities

The principal activity of Australian Churches of Christ Global Mission Partners Ltd during the financial year was serving the Churches of Christ congregations' commitment to Global Mission and enabling the local church's participation in God's mission in the world.

No significant changes in the nature of the Company's activity occurred during the financial year.

Operating result

The deficit of the Company for the financial year amounted to \$2,987,605 (2021: \$1,234,395). It is important to appreciate that this loss, and the loss from the previous year, is due to invoices received by GMP for the cost of Redress being provided as a result of applications for redress in relation to the past operations of children's homes by the Australian Churches of Christ Indigenous Ministries. This is explained in more detail in the GMP Annual Report.

The Directors note the comment from the Auditors about the impact of this on the continuing operations of GMP. The Directors are confident in the ongoing viability of GMP as we have sufficient non-current assets that can be liquidated, at short notice, to ensure GMP's viability. In addition, as noted in the report the proceeds, from the sale of a property are due to be received before the end of December and this will further strengthen GMP's Balance Sheet.

The Directors remain confident in the ability of GMP to meet the invoices for Redress based on the clear and committed support of the State Conferences of Churches of Christ in Australia who accept that this outstanding obligation is one that GMP holds on behalf of Churches of Christ as a whole and is not reflective of the operations of GMP itself.

An interest-free payment plan has been entered into with the National Redress Scheme. State Conferences of Churches of Christ will fund the cost of the Redress obligations that resulted in the loss to IMA of \$2,842,255. The Directors appreciate this commitment from Churches of Christ as a whole. The IMA Balance Sheet will remain in deficit for the coming several years until the payment plan is completed.

The deficit in COCOA is due to a number of planned factors, including giving received in the previous year being expended in the 2021-2022 financial year and planned use of reserves in the work of GMP.

Benefits as a result of contracts

During the financial year, there were no benefits received, or entitled to be received, as a result of a contract between an officer, a firm of which the officer is a member, or a body corporate of which the officer has a substantial financial interest and the Company.

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Directors' Report For the Year Ended 30 June 2022

Payments and other benefits

No payments or benefits of a pecuniary value were received by any officers of the Company during the financial year, other than as a salary at normal commercial terms.

Signed in accordance with a resolution of the Directors:

Director 
Barrie Yesberg

Director 
John Gilmore

Dated 11/11/2022

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF AUSTRALIAN CHURCHES OF CHRIST GLOBAL
MISSION PARTNERS LTD**

In accordance with the requirements of subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I declare that, to the best of my knowledge and belief, during the audit of Australian Churches of Christ Global Mission Partners Ltd for the year ended 30 June 2022 there have been no contraventions of the independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.

**MOORE AUSTRALIA AUDIT (SA/NT) PTY LTD****STEPEHN CAMILLERI**
Director**Adelaide, South Australia**
Dated: 11 November 2022

Australian Churches of Christ Global Mission Partners Ltd

ABN: 30 455 408 814

Statement of Income and Expenditure For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$ Restated Note 1(q)
Income			
Donations and gifts			
– Monetary	3	1,751,734	2,725,055
Bequests and legacies		346,720	602,743
Grants			
– Department of Foreign Affairs and Trade		150,000	150,000
Investment income	3	223,538	143,576
Other revenue	3	42,384	846,624
Total income		2,514,376	4,467,998
Expenses			
International programs			
– Funds to international programs		(1,298,016)	(1,123,399)
– International emergency relief		(156,086)	(35,843)
– Program support/management costs		(215,187)	(197,769)
– Community education		(223,559)	(274,735)
– Fundraising costs - public		(262,101)	(226,622)
– Accountability and administration		(242,826)	(550,787)
Domestic programs expenditure			
– Funds to domestic programs		(167,696)	(114,464)
– Program support/management costs		(245,719)	(292,057)
– Community education		(49,363)	(73,608)
– Fundraising costs - public		(52,448)	(55,172)
– Accountability and administration		(2,588,980)	(2,757,937)
Total expenses	4	(5,501,981)	(5,702,393)
Surplus / (deficit) for the year		(2,987,605)	(1,234,395)

The accompanying notes form part of these financial statements.

Australian Churches of Christ Global Mission Partners Ltd

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Statement of Comprehensive Income For the Year Ended 30 June 2022

	2022	2021
	\$	\$
Surplus / (deficit) for the year	(2,987,605)	(1,234,395)
Other comprehensive income		
Items that will not be subsequently reclassified to profit or loss		
Fair value gain / (loss) on financial assets	(508,878)	835,727
Total comprehensive income / (loss) for the year	<u>(3,496,483)</u>	<u>(398,668)</u>

The accompanying notes form part of these financial statements.

Australian Churches of Christ Global Mission Partners Ltd

ABN: 30 455 408 814

Statement of Financial Position As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	5	609,289	1,455,052
Trade and other receivables	6	103,846	64,655
Other financial assets	7	44,670	17,102
Total current assets		757,805	1,536,809
Non current assets			
Other financial assets	7	4,462,296	5,408,609
Property, plant and equipment	8	1,036,063	1,047,456
Intangible assets	9	6,425	10,940
Total non current assets		5,504,784	6,467,005
Total assets		6,262,589	8,003,814
Liabilities			
Current liabilities			
Trade and other payables	10	1,205,146	1,520,773
Employee benefits	11	258,238	227,072
Contract liabilities	12	176,400	-
Total current liabilities		1,639,784	1,747,845
Non current liabilities			
Trade and other payables	10	2,480,503	617,184
Total non current liabilities		2,480,503	617,184
Total liabilities		4,120,287	2,365,029
Net assets		2,142,302	5,638,785
Equity			
Specified project reserves and trust funds		6,445,222	7,454,707
Asset revaluation reserve		1,361,310	1,870,188
Accumulated surplus		(5,664,230)	(3,686,110)
Total equity		2,142,302	5,638,785

The accompanying notes form part of these financial statements.

Australian Churches of Christ Global Mission Partners Ltd

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Statement of Changes in Equity For the Year Ended 30 June 2022

		Asset		
	Accumulated	Revaluation	Specified	Total
Note	Surplus	Reserve	Reserves	\$
	\$	\$	\$	\$
Balance at 30 June 2020	(1,361,884)	1,015,256	6,520,943	6,174,315
Prior year adjustment	(136,862)	19,205	(19,205)	(136,862)
Restated balance at 1 July 2020	(1,498,746)	1,034,461	6,501,738	6,037,453
Deficit for the year	(1,234,395)	-	-	(1,234,395)
Fair value gain on financial assets - comprehensive income	-	835,727	-	835,727
Net amount transferred to / from reserves	(952,969)	-	952,969	-
Balance at 30 June 2021	(3,686,110)	1,870,188	7,454,707	5,638,785
Deficit for the year	(2,987,605)	-	-	(2,987,605)
Fair value loss on financial assets - comprehensive income	-	(508,878)	-	(508,878)
Net amount transferred to / from reserves	1,009,485	-	(1,009,485)	-
Balance at 30 June 2022	(5,664,230)	1,361,310	6,445,222	2,142,302

The accompanying notes form part of these financial statements.

Australian Churches of Christ Global Mission Partners Ltd

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Statement of Cash Flows For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from donations and gifts		1,712,543	2,804,774
Receipts from trusts, legacies and gifts		346,720	602,743
Receipts from grants		165,000	165,000
Payments to suppliers and employees		(3,952,178)	(4,428,035)
Other receipts		231,164	891,404
Net cash flows provided by / (used in) operating activities		(1,496,751)	35,886
Cash flows from investing activities			
Payments for property, plant and equipment		(4,023)	(6,641)
Payments for investments		(825,603)	(815,939)
Proceeds from investments		1,257,076	1,436,339
Investment income		223,538	143,576
Net cash flows provided by investing activities		650,988	757,335
Net increase / (decrease) in cash and cash equivalents held		(845,763)	793,221
Cash and cash equivalents at beginning of year		1,455,052	661,831
Cash and cash equivalents at end of financial year	5	609,289	1,455,052

The accompanying notes form part of these financial statements.

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

The financial statements cover Australian Churches of Christ Global Mission Partners Ltd as an individual entity. Australian Churches of Christ Global Mission Partners Ltd ('the Company') is a not-for-profit Company, registered and domiciled in Australia.

Comparatives are consistent with prior years, unless otherwise stated.

The financial statements were authorised for issue on the date of signing the attached Directors' Declaration.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The Director's have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. The 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-profits Commission Act 2012*. 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 requirements of Australian Accounting Standards *AASB 101: Presentation of Financial Statements*, *AASB 107: Cash Flow Statements*, *AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors* *AASB 1048: Interpretation of Standards* and *AASB 1054: Australian Additional Disclosures*. The recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, other than the following:

- Fair value measurement on financial assets at fair value have been recognised in other comprehensive income rather than through profit or loss as required under *AASB 9: Financial Instruments*.
- The requirements in *AASB 10: Consolidated Financial Statements* and *AASB 128: Investments in Associates and Joint Ventures* as the Company does not have any interests in other entities and therefore does not have any subsidiaries, associates or joint ventures.
- Buildings are not depreciated in accordance with *AASB 116: Property, Plant and Equipment*.

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. The amounts presented in the financial statements are in Australian Dollars and have been rounded to the nearest dollar.

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.

Going concern

The financial report has been prepared on a going concern basis.

As at 30 June 2022, current liabilities exceeded current assets by \$881,979 and for the year ended 30 June 2022 the Company recorded a loss of \$2,987,605 and net cash outflows of \$845,763. This would indicate uncertainty in relation to the Company's ability to continue as a going concern, however, as disclosed in Note 19, the Company will receive donation income for the value of \$4,200,000 as a result of a property sale. Further, the Company holds \$4,462,296 of Other Financial Assets disclosed as non-current assets that could be realised should they be required to meet current liabilities. Therefore, the Board is of the opinion that the presentation of the financial report on a going concern basis remains appropriate.

(b) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(b) Revenue recognition

Grant revenue

Grant revenue is recognised in profit or loss when the Company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Donations and gifts

Donations and gifts are recognised as revenue when received or a right to receive payment is established.

Interest revenue

Interest revenue is recognised on a time proportionate basis taking into account the effective interest rates applicable to the financial assets.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Income tax

The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and 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.

(e) Current and non-current classification of assets and liabilities

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(f) Financial assets

Financial assets are recognised when the Company commits itself to the purchase of the asset (i.e. trade date accounting is adopted)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Revaluation increments and decrements of financial assets revalued throughout the year are taken to the asset revaluation reserve through other comprehensive income.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full.

Expected credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(f) Financial assets (cont)

Impairment of trade receivables have been determined using the simplified approach which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debtor and of allocating interest expense in profit or loss over the relevant period.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments which are readily convertible to known amounts of cash and which are not subject to risk of change in value.

(h) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially measured in accordance with the revenue policy and subsequently measured at amortised cost using the effective interest method.

(i) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Land and buildings

Land and buildings are shown at deemed cost and are not depreciated.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(i) Property, plant and equipment (cont)

Depreciation

Plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Fixtures and fittings	33%
Motor vehicles	25%
Office equipment	33%
Leasehold improvements	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(j) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

(k) Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

(l) Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of an instrument. Financial liabilities are initially measured at fair value plus transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(l) Financial liabilities (cont)

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(o) Employee benefits

Short term employee benefits

Short term employee benefits are benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for wages and salaries are recognised as part of current accounts payable and other payables in the statement of financial position and the annual leave is recognised as a provision in the statement of financial position.

(o) Employee benefits

Long term employee benefits

Provision is made for employees' annual leave and long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Long term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Company's obligations for long term employee benefits are presented as non current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, in which case the obligations are presented as current provisions.

Defined contribution superannuation expense

Contribution to defined contribution superannuation plans are expensed in the period they are incurred.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(p) Leases

As leases are short term they are recognised as an expense in profit or loss and no lease liability or right of use asset is recognised.

(q) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Adjustments are as follows:

	2021 Previous Balance \$	Effect of change \$	Change Note	2021 As presented \$
Adjustment made to the statement of profit and loss and other comprehensive income				
Income				
Donations and gifts - monetary - specified	1,234,905	255,057	(ii)	1,489,962
Other revenue	838,936	7,688	(iii)	846,624
Expenses				
Accountability and administration	(3,308,798)	74	(i)	(3,308,724)
Investment Income	155,676	(12,100)	(iv)	143,576
Profit / (loss) for the year	<u>(1,485,114)</u>	<u>250,719</u>		<u>(1,234,395)</u>
Comprehensive income				
Fair value gain / (loss) on financial assets	-	835,727	(v)	835,727
Net amount transferred to / from reserves	(690,225)	690,225	(vi)	-
Profit / (loss) on sale of shares	(12,100)	12,100	(iv)	-
Total comprehensive income / (loss) for the year	<u>(2,187,439)</u>	<u>1,788,771</u>		<u>(398,668)</u>
Adjustment made to the statement of financial position				
Current liabilities				
Other payables	(72,889)	(108,952)	(i)	(181,841)
Provision for annual leave	(109,246)	(11,800)	(i)	(121,046)
Provision for long service leave	(104,991)	(1,035)	(i)	(106,026)
Net Assets	<u>5,760,572</u>	<u>(121,787)</u>		<u>5,638,785</u>

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (cont)

(q) Comparative figures (cont)

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Adjustments are as follows:

	2021 Previous Balance	Effect of change	Change	2021 As presented
Adjustment made to the statement of changes in equity				
Loss for the year	(2,187,439)	953,044	(vii)	(1,234,395)
Adjustments to accumulated surplus	240,058	(1,193,027)	(vii)	(952,969)
Adjustments to specified reserves	697,912	255,057	(ii)	952,969
Net impact on retained earnings and reserves				
Accumulated surplus	3,309,265	376,845	(i), (ii), (iii), (vii)	3,686,110
Asset revaluation reserve	(1,850,983)	(19,205)	(i)	(1,870,188)
Specified reserves	(7,218,854)	(235,853)	(i), (ii)	(7,454,707)
Total Equity	(5,760,572)	121,787		(5,638,785)

- (i) Accrued wages and on-costs on employee provisions were not previously recognised as a year end liability. These have been recognised in the current year as an increase to other payables and employee provisions and retrospectively adjusted to the prior year as noted above and the opening accumulated surplus balance for \$136,862 as disclosed in the statement of changes in equity.

Opening asset revaluation reserve and specified reserves have been adjusted to correct a transfer that was carried forward from prior years for \$19,205.

- (ii) A donation for \$255,057 was received in the prior year from the sale of a property in Fiji and was incorrectly recorded directly into accumulated surplus. This has been adjusted to be recognised as donation revenue in the prior year and then transferred to specified reserves.
- (iii) A receipt for \$7,688 was received in the prior year and was incorrectly recorded directly into accumulated surplus. This has been adjusted to be recognised as other revenue in the prior year.
- (iv) Profit / (loss) on sale of shares has been reclassified from other comprehensive income to investment income.
- (v) Previously, the fair value gains / (losses) on the financial assets were posted directly to reserve and not disclosed as part of other comprehensive income. These amounts are now classified through other comprehensive income and disclosed on the statement of profit or loss and other comprehensive income.
- (vi) Previously, the transfer to / from reserves was disclosed as part of other comprehensive income. This has now been amended to only be disclosed as a net transfer on the statement of changes in equity.
- (vii) Previously, the total comprehensive income was recognised in accumulated surplus in the statement of changes in equity. The profit / (loss) for the year should be recognised in accumulated surplus and the other comprehensive income should be recognised directly into the asset revaluation reserve. The disclosure was adjusted to recognise this change.

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Critical Accounting Estimates and Judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - fair value of financial assets

Investments in listed securities are measured at fair value using the closing quoted bid prices at the end of the reporting period.

Key estimates - revenue recognition

For many of the grant agreements, the determination of whether the Company has met sufficiently specific performance obligations was a significant judgment involving consideration of the terms and conditions of the grant agreement to determine whether revenue is recognised or taken up as a contract liability. Revenue is only recognised to the extent that it is highly probable that a significant reversal of the revenue will not occur.

Key estimates - provision for long service leave

The Company assesses that the recognition of all employees with greater than 5 years of service is indicative of the probability adjusted present value of the expected future payments for all employees not yet presently entitled.

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

	2022	2021
	\$	\$
3 Revenue and other income		
Donations and gifts - monetary		
— General	781,178	1,232,683
— Specified	796,037	1,489,862
— International emergency relief	174,519	2,510
Total donations and gifts - monetary	<u>1,751,734</u>	<u>2,725,055</u>
Investment income		
— Dividend, distribution and interest revenue	201,932	155,676
— Profit / (loss) on sale of investments	21,606	(12,100)
Total investment income	<u>223,538</u>	<u>143,576</u>
Other revenue:		
— miscellaneous revenue	42,384	224,803
— jobkeeper and cashflow boost	-	621,821
Total other revenue	<u>42,384</u>	<u>846,624</u>
4 Expenses		
The expenses include the following specific expenses:		
Salaries and Wages	1,213,237	1,304,069
Superannuation contributions	122,423	72,383
Depreciation expense	14,249	39,023
Amortisation expense	4,376	7,293
5 Cash and Cash Equivalents		
Cash at bank	569,915	1,270,693
Investment cash accounts	39,374	184,359
	<u>609,289</u>	<u>1,455,052</u>
6 Trade and Other Receivables		
Current		
Other receivables	51,209	32,370
Franking credits	52,637	32,285
	<u>103,846</u>	<u>64,655</u>
7 Other financial assets		
Current		
Loan receivable	44,670	17,102
	<u>44,670</u>	<u>17,102</u>
Non-current		
Investments at fair value through other comprehensive income	4,105,362	5,004,446
Loan receivable	356,934	404,163
	<u>4,462,296</u>	<u>5,408,609</u>

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

8 Plant and equipment	2022	2021
	\$	\$
Land and buildings		
At cost	1,005,668	1,005,668
Accumulated depreciation	-	-
	1,005,668	1,005,668
Fixtures & fittings		
At cost	20,820	20,820
Accumulated depreciation	(16,598)	(14,487)
	4,222	6,333
Motor vehicles		
At cost	28,398	28,398
Accumulated depreciation	(24,607)	(23,344)
	3,791	5,054
Office equipment		
At cost	69,310	77,782
Accumulated depreciation	(46,928)	(47,381)
	22,382	30,401
Leasehold improvements		
At cost	25,000	25,000
Accumulated depreciation	(25,000)	(25,000)
	-	-
Total plant and equipment	1,036,063	1,047,456

Movements in carrying amounts	Land and Buildings	Fixtures & Fittings	Motor Vehicles	Office Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$
Year Ended 30 June 2022						
Balance at the beginning of the year	1,005,668	6,333	5,054	30,401	-	1,047,456
Additions	-	-	-	4,023	-	4,023
Disposals - written down value	-	-	-	(1,167)	-	(1,167)
Depreciation expense	-	(2,111)	(1,263)	(10,875)	-	(14,249)
Balance at the end of the year	1,005,668	4,222	3,791	22,382	-	1,036,063

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Notes to the Financial Statements For the Year Ended 30 June 2022

	2022 \$	2021 \$	
9 Intangible assets			
Software & website at cost	68,149	68,655	
Accumulated amortisation and impairment	(61,724)	(57,715)	
Total intangible assets	6,425	10,940	
	Software & Website \$	Total \$	
Movements in carrying amounts			
Year Ended 30 June 2022			
Balance at the beginning of the year	10,940	10,940	
Additions	-	-	
Disposals - written down value	(139)	(139)	
Depreciation expense	(4,376)	(4,376)	
Balance at the end of the year	6,425	6,425	
	2022 \$	2021 \$	
10 Trade and other payables			
Current			
Trade payables	17,223	19,565	
Other payables	261,407	181,841	
Redress payable	926,516	1,319,367	
	1,205,146	1,520,773	
Non-current			
Non-interest bearing loan payables	82,543	82,543	
Redress payable	2,397,960	534,641	
	2,480,503	617,184	
11 Employee benefits			
Provision for annual leave	131,144	121,046	
Provision for long service leave	127,094	106,026	
	258,238	227,072	
	Annual Leave \$	Long Service Leave \$	Total \$
Movement in provisions			
Opening balance at 1 July 2021	121,046	106,026	227,072
Additional provisions raised during the year	79,366	21,068	100,434
Amounts charged / used	(69,268)	-	(69,268)
Balance at 30 June 2022	131,144	127,094	258,238

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

	2022	2021
	\$	\$
12 Contract Liabilities		
Deposit received	176,400	-
	<u>176,400</u>	<u>-</u>

13 Cash flow information

Reconciliation of result for the year to cashflows from operating activities		
Profit for the year	(3,496,483)	(398,668)
Gain on disposal of fixed assets	1,306	(11,975)
Depreciation expense	18,625	46,316
Gain on disposal of shares	(21,606)	12,100
Investment income	(223,538)	(143,576)
(Gain) / loss on fair value movement on investments	508,878	(835,727)
Changes in assets and liabilities:		
— (increase)/decrease in trade and other receivables	(39,191)	79,719
— increase/(decrease) in trade and other payables	1,547,692	1,270,994
— (increase)/decrease in employee benefits	31,166	16,703
— (increase)/decrease in contract liabilities	176,400	-
Cashflows from operations	<u>(1,496,751)</u>	<u>35,886</u>

14 Reserves

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model and financial assets at fair value.

The specified reserve records funds set aside for specific purposes of the Company.

15 Contingencies

The company had no contingent liabilities as at 30 June 2022 and 30 June 2021.

16 Key Management Personnel Disclosures

	2022	2021
	\$	\$
Aggregate remuneration paid to the key management personnel of the Company	<u>162,845</u>	<u>160,982</u>

17 Remuneration of auditors

Audit of the financial statements	12,200	13,600
Compilation of the financial statements	1,500	1,500
	<u>13,700</u>	<u>15,100</u>

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

18 Operating Segments

Segment information

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Directors in assessing performance and determining the allocation of resources.

(a) Accounting policies adopted

Unless stated below, all amounts reported to the Directors with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Company.

(b) Segment performance

	ICP		COCOA		IMA		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue								
Donations and gifts - monetary								
- General	268,394	286,997	419,356	769,158	93,428	176,528	781,178	1,232,683
- Specified	328,131	956,173	397,022	496,197	70,884	37,492	796,037	1,489,862
- International emergency relief	-	-	174,519	2,510	-	-	174,519	2,510
Bequests and legacies	210,539	175,815	102,632	403,851	33,549	23,077	346,720	602,743
Grants - DFAT	-	-	150,000	150,000	-	-	150,000	150,000
Investment income								
- Dividend, distribution and interest revenue	137,564	77,234	21,526	11,812	42,842	66,630	201,932	155,676
- Profit/(loss) on sale of shares	21,606	1,102	-	-	-	(13,202)	21,606	(12,100)
Other revenue	20,956	212,292	180	256,747	21,248	377,585	42,384	846,624
Total segment revenue	987,190	1,709,613	1,265,235	2,090,275	261,951	668,110	2,514,376	4,467,998
Expenditure								
International programs								
- Funds to international programs	622,814	529,585	675,202	593,814	-	-	1,298,016	1,123,399
- International emergency relief	-	-	156,086	35,843	-	-	156,086	35,843
Program support/management costs	64,680	61,974	150,507	135,795	245,719	292,057	460,906	489,826
Community education	85,848	106,370	137,711	168,365	49,363	73,608	272,922	348,343
Fundraising costs - public	110,491	86,197	151,610	140,425	52,448	55,172	314,549	281,794
Accountability and administration	88,333	321,206	154,493	229,581	2,588,980	2,757,937	2,831,806	3,308,724
Domestic programs expenditure	-	-	-	-	167,696	114,464	167,696	114,464
Total segment expenditure	972,166	1,105,332	1,425,609	1,303,823	3,104,206	3,293,238	5,501,981	5,702,393
Profit/(loss) for the year	15,024	604,281	(160,374)	786,452	(2,842,255)	(2,625,128)	(2,987,605)	(1,234,395)

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

18 Operating Segments (continued)

(b) Segment position

	ICP		COCOA		IMA		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS								
Cash and cash equivalents	661,766	688,719	565,111	538,730	(617,588)	227,603	609,289	1,455,052
Trade and other receivables	64,692	45,575	31,203	10,059	7,951	9,021	103,846	64,655
Other financial assets (current)	-	-	-	-	44,670	17,102	44,670	17,102
Other financial assets (non-current)	3,376,145	3,489,843	729,217	893,205	356,934	1,025,561	4,462,296	5,408,609
Property, plant and equipment	8,674	11,761	10,768	14,283	1,016,621	1,021,412	1,036,063	1,047,456
Intangible assets	1,743	3,098	4,165	6,867	517	975	6,425	10,940
TOTAL ASSETS	4,113,020	4,238,996	1,340,464	1,463,144	809,105	2,301,674	6,262,589	8,003,814
LIABILITIES								
Trade and other payables (current)	71,022	63,581	173,590	101,607	960,534	1,355,585	1,205,146	1,520,773
Employee benefits	58,129	56,859	110,826	95,375	89,283	74,838	258,238	227,072
Contract liabilities	176,400	-	-	-	-	-	176,400	-
Trade and other payables (non-current)	61,013	61,013	-	-	2,419,490	556,171	2,480,503	617,184
TOTAL LIABILITIES	366,564	181,453	284,416	196,982	3,469,307	1,986,594	4,120,287	2,365,029
NET ASSETS	3,746,456	4,057,543	1,056,048	1,266,162	(2,660,202)	315,080	2,142,302	5,638,785
EQUITY								
Accumulated surplus	(1,167,847)	(83,884)	(392,852)	(122,924)	(4,103,531)	(3,477,102)	(5,664,230)	(3,683,910)
Asset revaluation reserve	1,180,513	663,662	180,797	230,535	-	975,991	1,361,310	1,870,188
Specified project reserves and trust funds	3,733,790	3,477,765	1,268,103	1,158,551	1,443,329	2,816,191	6,445,222	7,452,507
TOTAL EQUITY	3,746,456	4,057,543	1,056,048	1,266,162	(2,660,202)	315,080	2,142,302	5,638,785

19 Events Occurring After the Reporting Date

The Company holds a property in Trust. A contract for the sale of the property was signed on 12 August 2021 by the Company as Trustee and on 11 August 2022 by the intending purchaser. Under the terms of the trust relationship, the proceeds of the sale will become a cash asset of the Company through the ICP segment upon settlement when ownership of the asset will be confirmed. Settlement is due on or before December 2022. The anticipated proceeds are \$4,200,000.

The Company received confirmation from the National Redress Scheme on 13 October 2022 of the total remaining liability to paid. The Company received additional invoices totalling \$534,564 after reporting date which will be repaid quarterly with the final payment to be made in April 2028.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Australian Churches of Christ Global Mission Partners Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

20 Members' Guarantee

The Company is incorporated under the *Corporations 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 \$2 each towards meeting any outstanding's and obligations of the Company. At 30 June 2022 the number of members was 6 (2021: 6).

21 Statutory Information

The registered office and principal place of business of the Company is:
Australian Churches of Christ Global Mission Partners Ltd
2 Danby Street
Torrensville SA 5031

Australian Churches of Christ Global Mission Partners Ltd

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Directors' Declaration

In the Directors' opinion:

- (a) 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.
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with a resolution of the Directors.

Director 
Barrie Yesberg

Director 
John Gilmore

Dated 11/11/2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN CHURCHES OF CHRIST GLOBAL MISSION PARTNERS LTD

Opinion

We have audited the financial report of Australian Churches of Christ Global Mission Partners Ltd ("the Company") which comprises the Statement of Financial Position as at 30 June 2022, the Statement of Income and Expenditure, Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, Notes to the Financial Statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, the accompanying financial report of Australian Churches of Christ Global Mission Partners Ltd is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance and its cash flows for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Australian Charities and Not-for-profits Commission Regulations 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 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. 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 Directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. 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

The Directors are responsible for the other information. The other information comprises the Directors' Report for the year ended 30 June 2022, 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN CHURCHES OF CHRIST GLOBAL MISSION PARTNERS LTD (CONT)

Other Information (cont)

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, 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.

Directors' Responsibility for the Financial Report

The Directors of Australian Churches of Christ Global Mission Partners Ltd are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view so that it is free from material misstatement, whether due to fraud or error.

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 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 on the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



MOORE AUSTRALIA AUDIT (SA/NT) PTY LTD



STEPHEN CAMILLERI
Director

Adelaide, South Australia
Dated: 11 November 2022



Australian Churches of Christ
Global Mission Partners Ltd.

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MEMBER