

ROLDA Inc

Financial Statements

For the Year Ended 30 June 2020

ROLDA Inc

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For the Year Ended 30 June 2020

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Committees' Report

For the Year Ended 30 June 2020

The Committee presents its report on ROLDA Inc for the financial year ended 30 June 2020.

Committee members

The names of committee members throughout the year and at the date of this report are:

- Sarah Chambers
- Gemma Hebden
- Dana Costin
- Andy Vennells
- Caitlin Wheal
- Jackie Ross
- Leanne Young (appointed 01/04/2020)

Principal activities

The principal activity of the Association for the year ended 30 June 2020 was fundraising to support two dog shelters that provide humane solutions to the homeless dog problem in Romania.

Operating result

The profit of the Association for the financial year after providing for income tax amounted to \$ 39,247 (2019: loss of \$(75,571)).

Review of operations

A review of the operations of the Association during the financial year and the results of those operations show a profit of \$39,247. This has been achieved through a significant reduction in printing costs during the year. The association did not transfer any funds during the year to the Romanian dog shelters that it supports as it concentrates on returning the association to a positive net asset financial position. However, \$10,000 is being transferred to the shelters in January 2021, with further transfers planned for 2021, made possible by the progress made in this financial year in returning the association to a positive net asset financial position.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Signed in accordance with a resolution of the Committee:

Committee Member: 
Dana Costin

Committee Member: 
Sarah Chambers

Dated this 31st day of Jan 2021

Auditor's Independence Declaration to the committee members of ROLDA Inc

As lead auditor of ROLDA Inc for the financial year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profit Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Mark Taylor
Director

HALL CHADWICK QLD

Dated at Brisbane this 31st day of January 2021.

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2020

		2020	2019 (restated)
	Note	\$	\$
Other income	3	158,694	186,312
Accounting fees		(12,251)	(20,568)
Bank charges		(886)	(1,181)
Consulting and professional fees		(20,967)	(32,375)
Transfers to ROLDA Romania		-	(18,000)
Fees and permits		(1,300)	-
Postage	2	(28,250)	(56,530)
Printing and stationery		(55,280)	(130,051)
Subscriptions		(338)	-
Profit before income tax		39,422	(72,393)
Income tax expense	2	(174)	(3,178)
Profit for the year		39,248	(75,571)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		39,248	(75,571)

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 (restated) \$
ASSETS			
CURRENT ASSETS			
Cash at Bank	5	5,725	22,454
TOTAL CURRENT ASSETS		<u>5,725</u>	<u>22,454</u>
TOTAL ASSETS		<u>5,725</u>	<u>22,454</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade Creditors	6	36,669	89,468
Current tax liabilities	2	-	3,178
TOTAL CURRENT LIABILITIES		<u>36,669</u>	<u>92,646</u>
TOTAL LIABILITIES		<u>36,669</u>	<u>92,646</u>
NET ASSETS		<u>(30,944)</u>	<u>(70,192)</u>
EQUITY			
Retained earnings		<u>(30,944)</u>	<u>(70,192)</u>
TOTAL EQUITY		<u>(30,944)</u>	<u>(70,192)</u>

Statement of Changes in Equity
For the Year Ended 30 June 2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	(70,192)	(70,192)
Profit for the financial year	39,248	39,248
Balance at 30 June 2020	(30,944)	(30,944)

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	5,379	5,379
Loss for the financial year previously reported	(65,440)	(65,440)
Prior year adjustment to reflect income tax expense	2 (3,178)	(3,178)
Prior year adjustment to restate trade creditor balance	2 (6,953)	(6,953)
Balance at 30 June 2019	(70,192)	(70,192)

Statement of Cash Flows
For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	158,694	186,312
Payments to suppliers and employees	(172,072)	(199,973)
Income taxes paid	(3,351)	-
Net cash provided by/(used in) operating activities	8 <u>(16,729)</u>	<u>(13,661)</u>
Net increase/(decrease) in cash and cash equivalents held	(16,729)	(13,661)
Cash and cash equivalents at beginning of year	22,454	36,115
Cash and cash equivalents at end of financial year	5 <u>5,725</u>	<u>22,454</u>

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers ROLDA Inc as an individual entity. ROLDA Inc is a not-for-profit Association, registered and domiciled in Australia.

The principal activity of the Association for the year ended 30 June 2020 was fundraising to support two dog shelters that provide humane solutions to the homeless dog problem in Romania.

The functional and presentation currency of ROLDA Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, 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* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Association is entitled to it. Other income consists primarily of donations.

(b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(c) Goods and services tax (GST)

The association is not registered for GST. As a result, revenue, expenses and assets are recognised inclusive of the amount of goods and services tax (GST) as GST is not payable to, nor recoverable from, the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables.

(f) Going concern

The financial statements have been prepared on a going concern basis which contemplates that the Association will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2020, the association reported a profit after tax for the year of \$39,248 (2019: loss of \$75,571). In the same period, the association had operating cash outflows totalling \$16,729 (2019: outflows totalling \$13,661). At 30 June 2020, the association reported a deficiency in net assets of \$30,944 (2019: deficiency of \$70,192).

A review of the operations of the Association during the financial year and the results of those operations show a profit of \$39,248. This has been achieved through a significant reduction in printing costs during the year. The association did not transfer any funds during the year to the Romanian dog shelters that it supports as it concentrates on returning the association to a positive net asset financial position. The association did, however, continue to support the Romanian dog shelters through the continued reimbursement of consultancy costs that would otherwise be incurred directly by the Romanian association.

The Committee members are aware of the need to return the association to a positive net asset financial position. The association has adopted a marketing plan set towards an increase in its donor base with a view to increasing its donation income. The plan includes a house mailing programme, along with a continuation of cash inflows through pre-existing direct debit gift contributions. The association is also actively reviewing its costs, as evidenced by the reduction in printing costs during the year ended 30 June 2020. Operating costs in 2021 will include a cold mailing program that is required to replenish donor mailing files. The Committee will rely upon the support of its creditors during the next 12 months, and expects to reduce its debt position during the year as a result of the above financial initiatives.

Accessing new donors, and retaining existing donors, is always uncertain and this may give rise to a material uncertainty in regards to the ability to raise additional funds. After taking into account the various funding and cost-saving options available, the Directors have a reasonable expectation that the Association will be successful with future financial initiatives and, as a result, will have adequate resources to fund its future operational requirements. For these reasons they continue to adopt the going concern basis in preparing the financial report.

Should the association be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the association not be able to continue as a going concern.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(g) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2020. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

(h) Retrospective restatement

Retrospective adjustments have been made to reflect income tax expense relating to the 2019 financial year and to restate trade creditors to the year-end balance.

The aggregate effect of the restatement on the financial statements for the year ended 30 June 2020 is as follows:

	Previously stated \$	30 June 2019 Adjustments \$	Restated \$
Statement of Profit or Loss and Other Comprehensive Income			
Postage	49,577	6,953	56,530
Income Tax Expense	-	3,178	3,178
Statement of Financial Position			
Trade Creditors	82,515	6,953	89,468
Current Tax Liability	-	3,178	3,178

3 Revenue and Other Income

	2020 \$	2019 \$
Other Income		
- interest income	8	20
- donations	158,685	186,292
	<u>158,693</u>	<u>186,312</u>

4 Result for the Year

The result for the year includes the following specific expenses:

	2020 \$	2019 \$
Consulting and professional fees	20,967	32,375
Transfers to ROLDA Romania	-	18,000

The association did not transfer any funds during the year to the Romanian dog shelters that it supports as it concentrates on returning the association to a positive net asset financial position. The association did continue to support the Romanian dog shelters through the continued reimbursement of consultancy costs that would otherwise be incurred directly by the Romanian association.

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	5,725	22,454
	<u>5,725</u>	<u>22,454</u>

6 Trade and Other Payables

		2019
	2020	(restated)
	\$	\$
CURRENT		
Trade payables	2 36,669	89,468
	<u>36,669</u>	<u>89,468</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

7 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None).

8 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	\$	(restated) \$
Profit for the year	39,247	(75,571)
Cash flows excluded from profit attributable to operating activities		
Changes in assets and liabilities:		
- increase/(decrease) in trade and other payables	(52,798)	58,732
- increase/(decrease) in income taxes payable	(3,178)	3,178
Cashflows from operations	<u>(16,729)</u>	<u>(13,661)</u>

9 Statutory Information

The registered office and principal place of business of the association is:

ROLDA Inc
PO Box 5919
BRENDALE BC QLD 4500

Committee Members' Declaration



The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 3 to 10 satisfies the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* including:

1. complying with Accounting Standards as described in Note 2 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
2. presenting fairly the financial position of ROLDA Inc as at 30 June 2020 and its performance for the year ended on that date.

At the date of this statement, there are reasonable grounds to believe that ROLDA Inc will be able to pay its debts as and when they fall due with the continuing support of creditors.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

Committee member  Committee member 

Dated 31st Jan 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of ROLDA Inc

We have audited the financial report of ROLDA Inc (the Entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee members declaration.

In our opinion, the accompany financial report of ROLDA Inc, is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the financial position of the Entity as at 30 June 2020, and of its financial performance for the year then ended; and
- b) complying with Australian Accounting standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee members' financial reporting responsibilities under Division 60 of 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.

Emphasis of Matter – Going Concern

We draw your attention to Note 2(f) to the financial report, which describes the events or conditions that give rise to the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern and therefore the Entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The committee is responsible for the other information. The other information comprises the information included in the Entity's Committees' Report for the year ended 30 June 2020 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, 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 Management and Those Charged with Governance for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

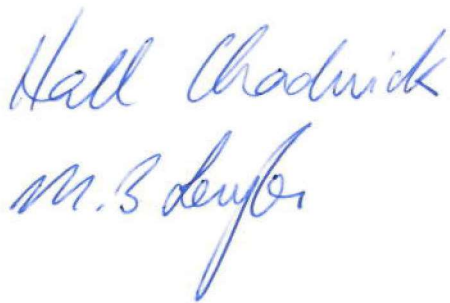
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one for resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Entity audit. We remain solely responsible for our audit opinion.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mark Taylor
Director

HALL CHADWICK QLD

Dated at Brisbane this 31st day of January 2021.
