

2020

---

# FINANCIAL REPORT LITEHAUS INTERNATIONAL

---




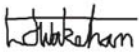
**LiteHaus**  
INTERNATIONAL  
DIGITISING DREAMS



## Introduction & Verification Statement

This financial report is an accurate record of all financial business relating to LiteHaus International Inc. between the dates of 1<sup>st</sup> January 2020 (commencement of new financial year) to 31<sup>st</sup> December 2020 (end of financial year).

Given that total revenue for this period exceeded \$100,000, we, as Chairman and Treasurer, deemed the organisation to be Level 1 in accordance with the financial reporting guidelines for incorporated associations of the Office of Fair Trading Queensland. We, as Chairman and Treasurer of LiteHaus International Inc. for this period, verify that all figures presented in this report are accurate and true and submit this to a suitable person to audit.

CHAIRMAN	Nathan Groenhout		5 <sup>th</sup> January 2021
TREASURER	Luke Wakeham		5 <sup>th</sup> January 2021

# Consolidated Statement of Profit and Loss

For the year ended 31 December 2020

Account	2020	2019	2018
<b>Cash Income</b>			
Community - Donations from Community Associations	4,000.00	563.80	-
Community - Miscellaneous	-	1,966.20	-
Community - Non-Fundraiser Individual Donations	7,694.70	4,529.47	3,417.36
Community - Online Fundraisers	20,197.40	-	-
Community - Recycling Program	2,321.20	3,470.65	2,643.50
Community - Sale of Refurbished Equipment	5,818.60	-	-
Community - Weekly Raffles	2,490.75	5,104.95	3,209.85
Corporate - Donations	58,640.00	11,700.00	519.80
Corporate - Grants	1,454.94	5,000.00	-
<b>Total Cash Income</b>	<b>102,617.59</b>	<b>32,335.07</b>	<b>9,790.51</b>
<b>Other Income</b>			
In-Kind Income Digital Equipment	39,183.00	4,915.41	4,064.95
In-Kind Income Corporate Donations	1,800.00	-	-
In-Kind Income Operational Equipment	59.00	-	-
In-Kind Income Other	1,400.00	3,156.86	921.25
In-Kind Income Professional Services	280.00	1,791.00	530.00
In-Kind Income Transport & Logistics Support	40.00	2,293.83	-
Interest Received – Cash Management Account 66715	4.58	-	-
Reimbursals	1,601.00	-	-
<b>Total In-Kind Income</b>	<b>44,367.58</b>	<b>12,157.10</b>	<b>5,516.20</b>
<b>Gross Profit</b>	<b>146,985.17</b>	<b>44,492.17</b>	<b>15,306.71</b>
<b>Operating Expenses</b>			
Operations - Advancement Travel (Accommodation)	408.97	-	-
Operations - Advancement Travel (Flights/Transport)	2,467.58	684.56	-
Operations - Banking Account Fees	120.60	120.00	95.20
Operations - Conferences & Events Fees	-	2,850.00	-
Operations - Events Hosting	1,221.91	25.00	25.00
Operations - Facilities & General Equipment	1,542.26	-	-
Operations - Fundraising Outlays	6,158.00	1,296.70	720.00
Operations - General Logistics	17.55	-	-
Operations - General Marketing	1,758.08	1,190.21	255.54
Operations - Incorporation Requirements	457.60	472.50	-
Operations - IT	1,267.40	814.31	318.98
Operations - Miscellaneous	102.96	953.45	248.75
Operations - Public Liability Insurance	621.50	-	-
Operations - Telecommunications	1,052.96	-	-
Programs - Digital Devices	23,705.13	8,472.94	3,342.99
Programs - Domestic Shipping	3,208.27	-	-
Programs - Implementation Travel (Accommodation)	931.08	-	-
Programs - Implementation Travel (Flights/Transport)	1,900.61	9,235.54	2,079.32
Programs - International Shipping	152.50	743.01	1,187.14
Programs - Miscellaneous	407.81	3,176.94	1,391.51
Programs - Other Programs Equipment	678.39	508.50	1,829.34
Programs - Program-Specific Marketing	844.87	352.00	-
Programs - Vehicles & Fuel	2,713.88	766.04	131.54
<b>Total Operating Expenses</b>	<b>51,739.91</b>	<b>31,661.70</b>	<b>11,625.31</b>
<b>In-Kind Project Inventory Losses</b>	<b>16,200.00</b>	<b>7,686.49</b>	<b>-</b>
<b>Gross Expenses / Losses</b>	<b>67,939.91</b>	<b>39,348.19</b>	<b>11,625.31</b>
<b>Net Profit</b>	<b>79,045.26</b>	<b>5,143.98</b>	<b>3,681.40</b>

# Consolidated Statement of Financial Position

As at 31 December 2020

Account	2020	2019
<b>Assets</b>		
<b>Bank</b>		
Cash Management Account	52,501.80	5.00
Cheque Account	1,951.84	1,965.38
<b>Total Bank</b>	<b>54,453.64</b>	<b>1,970.38</b>
<b>Fixed Assets</b>		
Fixed Asset Marketing Merchandise	730.00	-
Fixed Asset Office & Yard Equipment	1,510.00	480.00
Fixed Asset Personnel Digital Equipment	600.00	-
Project Inventory Digital Equipment	23,375.00	6,375.00
Project Inventory Other Project Equipment	1,850.00	-
<b>Total Fixed Assets</b>	<b>28,065.00</b>	<b>6,855.00</b>
<b>Total Assets</b>	<b>82,518.64</b>	<b>8,825.38</b>
<b>Equity</b>		
Current Year Earnings	79,045.26	5,143.98
Manual Adjustments	(5,352.00)	-
Retained Earnings	8,825.38	3,681.40
<b>Total Equity</b>	<b>82,518.64</b>	<b>8,825.38</b>

## The LiteHaus International Incorporated

### Notes To and Forming Part of the Accounts

#### 1. *Statement of Significant Accounting Policies*

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act, Queensland, 1981. The committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act, Queensland, 1981 and the following Australian Accounting Standards:

AASB 1018	Statement of Financial Performance
AAS 3	Accounting for Income Tax
AAS 5	Materiality
AAS 8	Events Occurring After Reporting Date
AAS 17	Accounting for Leases

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The following specific accounting policies, which are consistent with the previous period, unless otherwise stated, have been adopted in the preparation of this financial report.

#### **(a) *Acquisition and Depreciation of fixed assets***

An Asset Register has not been provided to support the Fixed Asset value in the Statement of Financial Position.

Therefore, no depreciation has been calculated.

#### **(b) *Grant Income***

Grant income is accounted for on an as receipted basis and/or when the entity obtains control over the grant. Grant income has been used accordingly to carry out the day to day operations of the association. Where the grant monies are provided to meet a specific project and the expenditure applicable to the project is budgeted to be incurred beyond year end, the amount unexpended at year end is maintained in the bank account.

#### **(c) *Investments***

Investments are brought to account at cost. Interest revenues are recognised as they are received.

#### **(d) *In Kind Donations & In Kind Losses***

The Founder & CEO has kept a manual record of all In Kind Donations Received in and out of the organisation and has manually calculated the value of each asset item that has been received and subsequently donated out of the organisation. The income value (donations in) and the expense value (of assets donated out) have been shown in the Statement of Financial Performance.

The net value in this record as at the 31<sup>st</sup> December 2020 should reflect the Fixed Asset value in the Statement of Financial Position.

**(e) Cash**

For the purpose of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis.

**(f) Income Tax**

The Association is exempt from income tax as an Australian Charity and Not for Profit Organisation under Section 11-5 of the Income Tax Assessment Act (1997). Accordingly, no provision for Income Tax has been raised in the financial statements.

**(g) Basis of Accounting**

The accounts have been prepared on the cash basis of accounting including the historical cost convention and going concern assumption and do not take into account changing money values, or except where stated, current valuations of non-current assets. The accounting policies have been consistently applied unless otherwise stated.

**(h) Employee Entitlements**

There are no and have not been any employees of the organisation.

**(i) Comparative Figures**

Comparative figures where necessary have been adjusted to conform with changes in presentation in 2020.

**(j) Leased Assets**

There are no items under Lease.

**(k) Liabilities**

The Association does not have any liabilities by way of mortgages, charges or securities of any description.

**(l) Revaluation of Assets**

There is no general requirement to revalue property assets. Plant and equipment assets are generally not subject to revaluation.

**(m) Goods and Services Tax Registration (GST)**

The Association is not registered nor required to be registered for Goods and Services Tax.

**2. Industry Segments**

The Association operates predominantly within the Charitable sector wholly within Australia.

### 3. *Economic Dependency*

The funding of the Association depends on the continued support of various business houses and large corporations for their Corporate Donations and in kind support.

The organisation relies on the donations and support in order to be able to on forward that support and learning opportunities as well as inspiring the minds of thousands of children across Papua New Guinea and beyond.

### 4. *Related Party Information*

The committee members listed below each held office for the whole year except where stated below:-

Jack Growden	Chairperson	(1 <sup>st</sup> January 2020 – 27 <sup>th</sup> November 2020)
Nathan Groenhout	Chairperson	(28 <sup>th</sup> November 2020 – 31 <sup>st</sup> December 2020)
Hollie Wakeham	Secretary	(1 <sup>st</sup> January 2020 – 24 <sup>th</sup> July 2020)
Verena Coombe	Secretary	(25 <sup>th</sup> July 2020 – 25 <sup>th</sup> September 2020)
Levana (Rachael) Vaname	Secretary	(26 <sup>th</sup> September 2020 – 31 <sup>st</sup> December 2020)
Anne Growden	Treasurer	(1 <sup>st</sup> January 2020 – 24 <sup>th</sup> July 2020)
Verena Coombe	Treasurer	(25 <sup>th</sup> July 2020 – 25 <sup>th</sup> September 2020)
Luke Wakeham	Treasurer	(26 <sup>th</sup> September 2020 – 31 <sup>st</sup> December 2020)

#### **Non-Executive Directors:**

Pala Leka, Verena Coombe, Luke Wakeham (1<sup>st</sup> January 2020 – 24<sup>th</sup> July 2020)

Luke Wakeham, Nathan Groenhout, Ashley Finn, Louise Vella Cox  
(25<sup>th</sup> July 2020 – 25<sup>th</sup> September 2020)

Nathan Groenhout, Ashley Finn,  
Louise Vella Cox (26<sup>th</sup> September 2020 – 27<sup>th</sup> November 2020)

Ashley Finn, Jack Growden,  
Louise Vella Cox (28<sup>th</sup> November 2020 – 31<sup>st</sup> December 2020)

## Independent Auditor's Report

### To the members of LiteHaus International Incorporated

We have audited the accompanying financial report<sup>1</sup>, being a special purpose financial report, of LiteHaus International Incorporated, which comprises the Statement of Financial Position as at 31 December, the Statement of Comprehensive Income for the year then ended, Statement of Changes in Equity, notes comprising a summary of significant accounting policies and other explanatory information and the Committee Members<sup>2</sup> assertion statement.<sup>3</sup>

#### ***Committee Members' responsibility for the financial report***

The Committee Members are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of the [constitution]<sup>4</sup> and is appropriate to meet the needs of the members. The Committee Members' responsibility also includes such internal control as the Committee Members determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error. No opinion is expressed as to whether the cash basis of accounting as adopted is appropriate to the requirements of the members.

Our audit has been performed in order to express an opinion about the effectiveness of the internal controls in mitigating the risk of material misstatement in the Association's financial statements or any other statements being audited.

The Financial Report has been prepared for distribution to the Members for the purpose of fulfilling the financial reporting requirements of the Associations' Incorporation Act, Queensland, 1981. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, by any person other than the Members or for any purpose other than that for which the report was prepared.

#### ***Auditor's responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian auditing standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a fair presentation, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee Members as well as evaluating the overall presentation of the financial report.

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

---

<sup>1</sup> Identify the individual components of the financial report. Refer to Appendix E for example Note 1 to the special purpose financial report.

<sup>2</sup> Insert the relevant persons, e.g. Committee, Members.

<sup>3</sup> Or other appropriate term.

<sup>4</sup> Refer to Appendix E for example Note 1 to the special purpose financial report.



### ***Independence<sup>5</sup>***

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

### ***Inherent Limitations***

Because of the inherent limitations in any internal control structure it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that we have audited operate, has not been audited and no opinion is expressed as to its effectiveness.

An audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and tests performed are on a sample basis.

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

The audit opinion expressed in this report has been formed on the above basis.

### ***Audit Opinion***

1. As is common with organizations of this type and the nature of its operations, it is not practicable for the Association to establish accounting control over all sources of receipts prior to banking. Accordingly, it is not possible for our examination to include audit procedures to confirm that all revenue has been received, which extend beyond the amounts of such revenue items recorded in the accounting records of the Association, other than in relation to monies received in the form of Government grants and monies that are received or directly deposited into the bank accounts.

No receipts were presented for audit for the cash deposits made into the bank account that were a result of the monies raised at weekly raffle events.

The majority of the income received by the organisation was received and directly credited to the bank account by the donor parties.

2. No documentary evidence was provided to support any of the payments made by the Association during the audit period.

A significant portion of expenses were paid using the Visa card so that the payee details were noted on the bank statements.

However, no approval or ratification by the committee members has been sighted to verify that the expenses paid for were in fact approved or passed for payment by the executive members of the Association.

3. The value placed on the fixed Assets in the Statement of Financial Position has not been verified and the Association is currently in the process of reconciling the Asset Register to ensure that a continual value can be accessed at all times, reconciling the assets and equipment on hand.
4. The value placed on the In Kind Donations (Income) & In Kind Losses (Donations Paid/Expenses) that has been declared in the Statement of Financial Performance has been calculated by the CEO of the Association based on a manual spreadsheet which assigns values to the equipment that has been donated (received) and equipment that has been donated (paid out) to outside parties.

---

<sup>5</sup> Insert if an independence declaration is to be provided.


5. No minutes of meetings have been presented as part of the audit process.
6. Overall, we believe that the Association maintained sufficient internal controls and other relevant accounting procedures in relation to the preparation of the financial statements and were suitably designed and operated effectively, in all material respects, to ensure that the financial statements for the year ended 31<sup>st</sup> December 2020 are or have been presented without material misstatements.

**Opinion<sup>6</sup>**

In our opinion, the financial report presents fairly, in all material respects and gives a true and fair view of<sup>7</sup> the financial position of LiteHaus International Incorporated as at 31<sup>st</sup> December 2020 and of its financial performance and its cash flows for the year then ended on that date and complies with Australian accounting standards to the extent described in Note 1.

**Basis of accounting and restriction on distribution**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee Members' reporting responsibilities under the [constitution]<sup>8</sup>. As a result, the financial report may not be suitable for another purpose.



.....  
**Robert M Carey B Bus, CPA**  
**Director**  
**This 31<sup>st</sup> day of March 2021**

<sup>6</sup> If the auditor's report is qualified, include details of the qualification under the heading 'Basis for qualified opinion' at this point. The 'Opinion' heading should then be changed to 'Qualified opinion'. (Refer to Appendix D for sample wording).

<sup>7</sup> The opinion would *normally* refer to presents fairly when the entity is a non-Corporations Act entity.

<sup>8</sup> Insert reference to appropriate mandate.