

# **(Not-for-Profit) Association Report**

Heart to Hati

ABN 36 498 036 010

For the year ended 30 June 2020

Prepared by Saarathi Accountants & Advisors

# Contents

- 3** Committee's Report
- 5** Income and Expenditure Statement
- 6** Assets and Liabilities Statement
- 7** Notes to the Financial Statements
- 11** True and Fair Position
- 12** Compilation Report

# Committee's Report

## Heart to Hati

### For the year ended 30 June 2020

#### Committee's Report

Your committee members submit the financial report of Heart to Hati 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:

Committee Member	Position	Date Started	Date Ended
Guzin Inanir	President	25/10/2019	
Ati Hanafia	Vice President	25/10/2019	
Selcan Kurnali	Secretary/Treasurer	25/10/2019	
Sevda Tankir	Member/Treasurer	25/10/2019	
Elif Inanir	Treasurer	25/10/2019	
Cigdem Kobak	Member	25/10/2019	12/02/2020
Ebru Sahin	Member	25/10/2019	12/02/2020
Irem Duran	Member	25/10/2019	12/02/2020
Selma Sezer	Member	25/10/2019	12/02/2020
Kafiye Dinler	Member	25/10/2019	
Zahrah Zakariah	Member	25/10/2019	

#### Principal Activities

The principle activity of the association is to provide financial and material aids for those in need and in crisis situation in Australia and overseas.

#### Significant Changes

There has been no significant changes in the association during the year.

#### Operating Result

The surplus after providing for income tax for the financial year amounted to \$39,228.

#### Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to

continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:

---

Guzin Inanir (President)

Date     /     /

---

Elif Inanir (Treasurer)

Date     /     /

# Income and Expenditure Statement

## Heart to Hati

For the year ended 30 June 2020

	2020	2019
<b>Income</b>		
Event Collections	60,107	-
Individual Collections	24,699	-
Sponsorship Collections	7,025	-
<b>Total Income</b>	<b>91,830</b>	<b>-</b>
<b>Gross Surplus</b>	<b>91,830</b>	<b>-</b>
<b>Other Income</b>		
Interest Income	9	-
<b>Total Other Income</b>	<b>9</b>	<b>-</b>
<b>Expenditure</b>		
Bank Fees	24	-
Event Expenses	7,202	-
Overseas Donations	45,385	-
<b>Total Expenditure</b>	<b>52,611</b>	<b>-</b>
<b>Current Year Surplus/ (Deficit) Before Income Tax Adjustments</b>	<b>39,228</b>	<b>-</b>
<b>Current Year Surplus/(Deficit) Before Income Tax</b>	<b>39,228</b>	<b>-</b>
<b>Net Current Year Surplus After Income Tax</b>	<b>39,228</b>	<b>-</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Assets and Liabilities Statement

## Heart to Hati As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents		39,228	-
<b>Total Current Assets</b>		<b>39,228</b>	<b>-</b>
<b>Total Assets</b>		<b>39,228</b>	<b>-</b>
<b>Net Assets</b>		<b>39,228</b>	<b>-</b>
<b>Member's Funds</b>			
Capital Reserve		39,228	-
<b>Total Member's Funds</b>		<b>39,228</b>	<b>-</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Notes to the Financial Statements

## Heart to Hati

### For the year ended 30 June 2020

#### 1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act Victoria. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

#### Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

#### Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

#### Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been 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 to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

#### Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

#### Provisions

Provisions are recognised when the association 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

---

These notes should be read in conjunction with the attached compilation report.

## Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

## Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. 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.

## Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

## Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

## Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

---

These notes should be read in conjunction with the attached compilation report.



## Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

## Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

	2020	2019
<b>2. Cash on Hand</b>		
Heart To Hati Inc. Main	39,228	-
<b>Total Cash on Hand</b>	<b>39,228</b>	<b>-</b>
	2020	2019
<b>3. Trade and Other Receivables</b>		
	2020	2019
<b>Members Loan Accounts</b>		
	2020	2019
<b>4. Financial Assets</b>		
	2020	2019
<b>5. Land and Buildings</b>		
	2020	2019
<b>6. Plant and Equipment, Motor Vehicles</b>		
	2020	2019
<b>7. Intangibles</b>		
	2020	2019
<b>8. Trade and Other Payables</b>		
	2020	2019
<b>9. Tax Payable</b>		
	2020	2019
<b>10. Deferred Income</b>		
	2020	2019
<b>11. Provisions</b>		
	2020	2019
<b>12. Employee Entitlements</b>		

These notes should be read in conjunction with the attached compilation report.

---

**13. Loans**

---

---

These notes should be read in conjunction with the attached compilation report.

# True and Fair Position

## Heart to Hati

### For the year ended 30 June 2020

#### Annual Statements Give True and Fair View of Financial Position and Performance of the Association

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 1 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 10:

1. Presents a true and fair view of the financial position of Heart to Hati as at 30 June 2020 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Heart to Hati will be able to pay its debts as and when they fall due.

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

Treasurer: \_\_\_\_\_

Elif Inanir

Dated:    /    /

# Compilation Report

## Heart to Hati

### For the year ended 30 June 2020

Compilation report to Heart to Hati.

We have compiled the accompanying special purpose financial statements of Heart to Hati, which comprise the asset and liabilities statement as at 30 June 2020, income and expenditure statement, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

#### The Responsibility of the Committee Member's

The committee of Heart to Hati are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

#### Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

#### Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

---

Keshab Sapkota CPA

Saarathi Accountants & Advisors

745 High Street, Preston VIC 3072

Dated: / /