

OUR RAINBOW HOUSE INC.

FINANCIAL STATEMENTS

for the year ended 30 June 2019

Anthony Tang

B.Com FCA FCPA CTA
Registered Tax Agent
ABN 11 359 354 959



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF OUR RAINBOW HOUSE INC.

Scope

I have audited the Financial Report of Our Rainbow House Inc. for the year ended 30 June 2019 comprising the Statements of Income & Expenditure, Statement of Financial Position and Notes to and forming part of the Financial Statements.

The Committee is responsible for the Financial Report and the information contained therein. I have conducted an independent audit of the Financial Report in order to express an opinion on it to the members of the Association.

The Financial Report has been prepared for distribution to the members of the Association for the purpose of fulfilling the Committee's accountability requirements. I disclaim any assumption of responsibility for any reliance on this Financial Report to any person other than the members, or for any purpose other than that for which it was prepared.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the Financial Report is free of material misstatement. The procedures included examination on a test basis of evidence supporting the amounts and other disclosures in the Financial Report.

Qualification

As in the case of most small not-for-profit organisations, it is impractical for Our Rainbow House Inc. to have in place an effective internal control system over income receipts for donation, sponsorship and other fundraising activities until their initial entry in the accounting records. This fact has limited my audit of income receipts as reported in the Financial Report.

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

Audit Opinion

In my opinion, the Financial Report of Our Rainbow House Inc. subject to the above audit qualification is properly drawn up so as to give a true and fair view of its financial position as at 30 June 2019 and of its performance for the year ended on that date.

To the best of my knowledge and belief, there are no mortgages, charges or securities over any property of the Association as at 30 June 2019.

A handwritten signature in black ink, appearing to read 'Anthony Tang', written over a horizontal line.

Anthony Tang
03 December 2019

Our Rainbow House Inc.

Statement of Income and Expenditure for the year ended 30 June 2019

	2019 \$	2018 \$
<u>Income</u>		
Donations	39,725.33	49,258.84
Fundraising	126,551.80	13,732.60
Interest received	53.15	90.14
Membership Fee	550.00	500.00
Sponsorship	84,856.08	72,388.04
<u>Total Income</u>	251,736.36	135,969.62
<u>Expenses</u>		
Advertising & promotion	147.67	905.13
Audit fees	1,385.18	1,047.25
Bank charges & fees - overseas	2,613.40	2,074.01
Cleaning	661.27	1,062.50
Computer expenses	910.89	5,244.97
Depreciation (Note 3)	1,512.00	2,189.00
Foreign Currency Losses	3,145.43	2,802.29
Freight & cartage	1,855.92	2,410.45
Fundraising expenses	62,591.14	2,149.92
Insurance	6,254.46	4,431.42
Meeting expenses	277.10	-
Memberships & Subscriptions	2,162.25	1,865.60
Newsletters	206.54	-
Office amenities	802.15	880.05
Printing & stationery	1,867.00	2,454.86
Sundry expenses	430.92	268.53
Superannuation	3,377.83	3,405.76
Telephone / Internet	146.30	-
Travel expenses	-	1,560.93
Wages	38,184.16	38,222.50
<u>Total Expenses</u>	128,531.61	72,975.17
<u>Surplus Income for year</u>	123,204.75	62,994.45
<u>Zambian Expenses</u>	(90,963.06)	(85,561.88)
<u>Net (Deficit) / Surplus for year</u>	32,241.69	(22,567.43)

Our Rainbow House Inc.
(Chainda Community School / Centre - Zambia)

Statement of Expenditure
for the year ended 30 June 2019

	2019	2018
	\$	\$
<u>Expenses</u>		
Bank Fees	375.23	399.66
Electricity / Water	388.04	729.99
Freight & Shipping	33.37	52.64
Government Fees & Charges	147.20	454.52
High School Expenses	15,178.39	-
Insurance	1,054.57	707.65
Meeting Expenses	963.59	400.68
Motor Vehicle Expenses	1,631.96	2,486.51
Office Expenses	698.27	1,241.38
OVC Expenses	995.89	1,317.18
Repairs & Maintenance	545.93	2,310.82
School Costs	12,509.66	21,102.23
School Improvements / Maintenance	60.75	1,011.93
School Resources	5,816.53	3,969.08
Staff Care & Amenties	991.72	507.08
Student Family Support	2,637.91	2,768.69
Student Resources / Transport	226.26	6,119.19
Sundry Expenses	395.15	2,676.44
Telephone / Internet	914.45	1,181.76
Wages - Coaches	2,655.70	387.26
Wages - Cook	2,972.31	2,863.37
Wages - Guards	11,710.51	10,409.34
Wages - NAPSA	2,256.56	3,026.63
Wages - Payroll Tax	1,791.90	423.35
Wages - Project Officer	10,189.55	5,742.51
Wages - School Nurse / Teacher	13,212.70	12,791.78
Water & Waste Removal	608.96	480.21
Total Zambian Expenses	\$ 90,963.06	\$ 85,561.88

Our Rainbow House Inc.
Statement of Financial Position
as at 30 June 2019

	2019	2018
	\$	\$
Assets		
Current Assets		
Cash on Hand (Australia)	110.95	200.00
Cash on Hand (Zambia)	430.50	555.80
Australian Working Account	40,374.83	4,756.55
Emerald Handmade with Love	5,584.79	3,590.86
ORH IBD Account	8,383.89	11,910.60
RAWCS Account	6,602.88	20,854.64
Sponsorship Account	-	4,248.07
Trybooking.com	3,653.55	106.69
Zambia Working Account	1,091.07	384.84
ZANACO	9,896.79	2,059.62
Sundry Debtors	20,511.67	-
Float	300.00	-
Prepayments (Car Raffle 2018)	-	864.71
Total Current Assets	96,940.92	49,532.38
Non-current Assets (Note 3)		
Laptop (TYV)	803.15	803.15
Laptop (Volunteers)	7,262.00	7,262.00
Canon Printer	49.00	-
HP Officejet Printer / Projector	812.00	812.00
ORH banner	275.00	275.00
Sewing Machine & Overlocker	200.00	200.00
Motor Vehicles (Zambia)	17,673.40	17,673.40
Furniture & Equipment (Zambia New Centre)	3,001.59	3,001.59
	30,076.14	30,027.14
Less: Accumulated depreciation	(26,009.00)	(24,497.00)
Total Non-current Assets	4,067.14	5,530.14
Total Assets	101,008.06	55,062.52
Liabilities		
Current Liabilities		
Deferred Income (Car Raffle 2018)	-	1,680.00
Sundry Creditors	16,765.05	-
Superannuation	46.35	772.63
Tax Payable	1,019.27	1,668.88
NAPSA (Zambia)	222.52	227.83
	18,053.19	4,349.34
Total Liabilities	18,053.19	4,349.34
Total Net Assets	82,954.87	50,713.18
Represented by:-		
Members' Funds		
Accumulated balance at beginning of year	50,713.18	73,280.61
Surplus / (Deficit) for the year - Australia	123,204.75	62,994.45
Surplus / (Deficit) for the year - Zambia	(90,963.06)	(85,561.88)
Accumulated balance at end of year	82,954.87	50,713.18

Our Rainbow House Inc.

Depreciation schedule for the year ended 30 June 2019

	Date	Opening Cost \$	Opening WDV \$	Disposal Date	Disposal Proceeds \$	Addition Date	Addition Cost \$	Depreciation Value \$	T	Rate	Deprec \$	Closing WDV \$	Accum Deprec \$
Plant & Equipment													
Laptop (TYV)	11.11.2010	803.15	0.00					803.15	P	25%	0.00	0.00	803.15
Laptop (Volunteers)	02.03.2011	1500.00	0.00					1500.00	P	25%	0.00	0.00	1500.00
Our Rainbow House banner	02.08.2011	275.00	84.00					275.00	P	10%	28.00	56.00	219.00
Laptop (Volunteers)	20.05.2014	1186.00	0.00					1186.00	P	25%	0.00	0.00	1186.00
2 Desktop Computers	18.03.2015	4576.00	489.00					489.00	D	50%	245.00	244.00	4332.00
Sewing Machine+Overlocker	18.10.2016	200.00	166.00					200.00	P	10%	20.00	146.00	54.00
Furniture & Equipment -													
New Centre (Zambia)	30.06.2011												
Fridge	ZMK 1,630,000 @4933.88	330.37	0.00					330.37	P	30%	0.00	0.00	330.37
Ministove	ZMK 370,000 @4933.88	75.00	0.00					75.00	P	30%	0.00	0.00	75.00
Laser Printer	ZMK 1,430,000 @4933.88	289.83	0.00					289.83	P	25%	0.00	0.00	289.83
Bunk beds	ZMK 1,050,000 @4933.88	212.81	130.50					212.81	P	5%	11.00	119.50	93.31
Outdoor seat	ZMK 4,500,000 @4933.88	912.06	567.30					912.06	P	5%	46.00	521.30	390.76
	ZMK 8,980,000 sub-total =												
HP Officejet Printer/Projector	24.03.2016	812.00	426.00					426.00	D	25%	107.00	319.00	493.00
Opening cost	2632.07												
Opening WDV	1123.80												
HP Desktop Computer	16.03.2018	1181.52	1094.52					1094.52	D	25%	274.00	820.52	361.00
Canon Printer						11.10.2018	49.00	49.00	D	25%	9.00	40.00	9.00
Motor Vehicle													
Prada vehicle	11.04.2011	10173.43	712.43					712.43	D	30%	214.00	498.43	9675.00
Suzuki motor vehicle	29.07.2014	7499.97	1859.97					1859.97	D	30%	558.00	1301.97	6198.00
Total		30027.14	5529.72		0.00		49.00				1512.00	4066.72	26009.42

Our Rainbow House Inc.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2019

STATEMENT OF ACCOUNTING POLICIES

The following Notes are to assist in the understanding of the significant accounting policies that have been adopted in the presentation of the Financial Statements of Our Rainbow House Inc. for the year ended 30 June 2019.

Note 1 –

Historical Cost

The Financial Statements have been prepared in accordance with the “historical cost convention” and except where indicated do not reflect current valuations of non-monetary assets. These are reported at cost price less depreciation – see also Note 3 below.

Note 2 -

Basis of Accounting

The Financial Statements are prepared on an accrual basis which means that amounts owed but not received at 30 June 2019 (Sundry Debtors) and amounts owed but not paid at 30 June 2019 (Sundry Creditors) have been included where they relate to the financial year being reported.

Note 3 -

Fixed Assets

Fixed assets are included at cost (or valuation) and are all depreciated over their estimated useful lives, commencing from the time the asset is held ready for use. Depreciation is an expense that reflects the use made of the asset.

Our Rainbow House Inc.

Statement by Members of the Committee

for the year ended 30 June 2019

The Committee has determined that the association is not a reporting entity and that the special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

We, the undersigned, being executive members of Our Rainbow House Inc., do declare that to the best of our knowledge and belief, all books and records of Our Rainbow House Inc., have been correctly kept and all monies received have been properly banked and recorded in the books of account of the Association. Furthermore, we state that all payments made by the Association have been duly authorised by the committee.

At the date of this statement, we are not aware of any circumstances that would render any amount stated in the Financial Statements as misleading.

No member of the Committee has received or become entitled to receive any benefit from the Association.

In the opinion of the Committee, the Statement of Income and Expenditure, Statement of Financial Position and Notes to the Financial Statements:

1. Presents fairly the financial position of Our Rainbow House Inc. as at 30 June 2019 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association 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:

.....
A. RAY - Director

.....
M. COLLINS – Acting Secretary

.....
D. ARMSTRONG - Treasurer

Signed at Emerald – / / 2019

Independent Auditor's Verification Statement

To the Members of

Our Rainbow House Inc.

Independence

In preparing to make my statement of verification I have complied with the independence requirements of Australian professional ethical pronouncements.

Verification Statement

I have sighted the association's financial records and the financial records show that the association has bookkeeping processes in place to adequately record the association's income and expenditure and dealings with its assets and liabilities.



Name of Auditor: Anthony Tang

Qualifications: B.Com FCA FCPA CTA

Address: 56 Winton Crescent, Murarrie, Qld 4172

Dated this 3rd day of December 2019