

**Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation**  
(A company limited by guarantee)  
ABN: 58 159 647 499

**HAMLIN FISTULA ETHIOPIA (AUSTRALIA) LIMITED trading as  
CATHERINE HAMLIN FISTULA FOUNDATION**

ABN 58 159 647 499

Financial Statements for the Year Ended 30 June 2020

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**Responsible Entities' Report**

Your Responsible Entities present this report on Hamlin Fistula Ethiopia (Australia) Limited, trading as Catherine Hamlin Fistula Foundation, for the financial year ended 30 June 2020. This is the company's seventh annual report.

**Meeting of Responsible Entities**

During the financial year, eleven meetings of Responsible Entities were held. Attendances by each Responsible Entity were as follows:

Director	Responsible Entities' Meetings	
	Number eligible to attend	Number attended
Julie White	11	10
Philippa Ellis	11	11
Fergus Hanson	11	8
David Winterbottom	11	11
Alison Morgan	11	8
David Knox	11	9
Malcolm Hewitt	11	8
Sarah Ames	5	5

**Information on Patron**

*Elinor Catherine Hamlin AC*

AC, MBBS, FRCS, FRANZCOG, FRCOG

Australian obstetrician-gynaecologist Dr Catherine Hamlin was a pioneer in the treatment of obstetric fistula injuries. Catherine arrived in Ethiopia in 1959, co-founded Hamlin Fistula Ethiopia's Addis Ababa Fistula Hospital and went on to establish five more Hamlin fistula hospitals across Ethiopia, the Hamlin College of Midwives and Desta Mender – Hamlin's rehabilitation and reintegration centre for long-term patients with more complex injuries. Catherine's work continued uninterrupted for more than half a century, with more than 60,000 patients treated. Catherine's work was supported by thousands of Australian donors for which she was always grateful.

In March 2020, Catherine passed away at her home on the grounds of Hamlin Fistula Ethiopia's Addis Ababa Fistula Hospital. Ethiopian professionals – many trained by Catherine – have for some time been appointed to all major roles at Hamlin Fistula Ethiopia to ensure continuity well into the future. In Australia, the Catherine Hamlin Fistula Foundation will continue fundraising and supporting them to ensure Catherine's life's work to restore the dignity and health of women suffering a fistula injury will continue until fistula has been eradicated from Ethiopia.

**Responsible Entities details**

The following persons were Responsible Entities of Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation during or since the end of the financial year.

*Julie White*

BA

Appointment Date: 21/10/2015

Julie White has more than thirty years experience in the not for profit and corporate sectors. She currently holds a number of non-Executive Director roles and also consults to business and not for profits on social investment, strategy, governance and sustainability.

Role: Director & Chair (non-executive)

*Philippa Ellis*

BSc, BComm

Appointment Date: 21/3/2014

Philippa is an accomplished corporate executive with over 30 years' experience in the financial services sector. She has a deep understanding of business strategy and operations with particular expertise in corporate governance, corporate communications, investor relations and strategic marketing.

Role: Director & Honorary Treasurer (non-executive)

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**Responsible Entities' Report (cont'd)**

**Responsible Entities details (cont'd)**

*Fergus Hanson*

BA, MIL

Appointment Date: 14/5/2014

Fergus is the head of the International Cyber Policy Centre at the Australian Strategic Policy Institute. He has worked as a consultant to the United Nations International Labor Organisation, an Executive Vice President of the Global Fund to End Slavery and as a non resident fellow at the Brookings Institution. Previously he was a Director at the Lowy Institute and a diplomat. He is a Fulbright Professional Scholarship recipient.

Role: Director (non-executive)

*David Winterbottom*

Chartered Accountant

Appointment Date: 6/2/2017

David is a chartered accountant with over 30 years' experience as one of Australia's leading restructuring experts and led KordaMentha's Sydney office for 13 years between 2004 to 2017. Prior to that David was a Partner of worldwide accounting/advisory firms EY and Arthur Andersen. David is currently the Chief Financial Officer of Australia's largest charitable organisation, the Paul Ramsay Foundation. His focus at Hamlin, amongst normal director duties, is to ensure Hamlin's financial, business and risk practices are of a high standard.

Role: Director & Deputy Chair (non-executive), Chair of Audit, Finance & Risk Committee.

*Alison Morgan*

Doctor, MBBS, PhD

Appointment Date: 24/7/2017

Alison has over 30 years' experience in global health research and practice with a focus on maternal and newborn health and is currently a Senior Health Specialist at the World Bank Global Financing Facility. Prior to that she headed the Maternal, Sexual and Reproductive Health Unit at the Nossal Institute for Global Health, University of Melbourne. Alison has a PhD in health systems planning for maternal and newborn care. She has undertaken consultancies for WHO, UNICEF, DFAT (AusAID), and many international nongovernment organisations and private foundations and was a founding co-chair of the WHO advisory group Mother and Newborn Information for Tracking Outcomes and Results (MoNITOR). Alison is Dr Catherine Hamlin's niece. She first visited the Addis Ababa Fistula Hospital as a medical student in 1982, and her career has been significantly influenced by the example of her aunt.

Role: Director (non-executive)

*David Knox*

MB BS MRCOG FRANZCOG

Appointment Date: 10/12/18

David recently retired as a specialist obstetrician and gynaecologist after 35 years in practice in Orange NSW. As a nephew of Reg and Catherine Hamlin, he has had a longstanding interest in maternal health in Ethiopia since his elective term there as a student in 1973. He has made many visits to the fistula hospital since and has been a volunteer obstetrician in the Amhara region of Ethiopia since 2010 making visits from 1 to 2 months each year. He has also been a volunteer gynaecologic surgeon in the Solomon Islands. David has also served as a director of Hamlin Fistula Australia since 2012, and continues in that role.

Role: Director (non-executive)

## **Responsible Entities' Report (cont'd)**

### **Responsible Entities details (cont'd)**

*Malcolm Hewitt*

OBE MA(Oxon)

Appointment Date: 10/12/18

Malcolm has a long association with Hamlin Fistula Ethiopia. He is the current President of Hamlin Fistula UK Trust and has been a member for 16 years and was Chairman from 2011 to 2019. In his professional life he was the Head teacher of a large Secondary School in West Midlands becoming National President of the UK Secondary Heads Association in 1993 and he served as Chairman of the Board of Visitors at an Ope Prison for young offenders. He was awarded the OBE in 2000 for services to education.

Role: Director (non-executive)

*Sarah Ames*

Lawyer, J.D. MA

Appointment Date: 25/3/20

Sarah has been an active supporter in the U.S. since 2015 and has visited the Hamlin Fistula Hospital several times in the last few years. She was born and raised in Heidelberg, Germany and after going to law school in Hamburg, Germany and Tuscaloosa, Alabama, Sarah made her home in Chicago, Illinois. She is a partner at Quarles & Brady LLP, a national law firm in the U.S., and represents subsidiaries of foreign companies from Europe and New Zealand with regard to corporate, commercial employment and immigration matters. Sarah is an avid traveller who has been to the geographic North Pole twice to participate in marathons and who according to available records, was the first woman to run a marathon on each continent 3, 4 and 5 times. For her fifth time running around the globe, Sarah participated in an event that had her running 7 marathons on 7 continents in 7 days and raised donations for the Hamlin Fistula Hospital along the way.

Role: Director (non-executive)

### **Company Secretary**

Alex Roberts is a Chartered Accountant and the Chief Financial & Operations Officer. Alex has held senior positions with a number of professional firms and has a degree in commerce. Alex has been Company Secretary of Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation for seven years.

### **Principal Activities**

The company is dedicated to the eradication of obstetric fistula through provision of long term financial support for Hamlin Fistula Ethiopia and fistula prevention and treatment programs elsewhere in the world in partnership with Hamlin Fistula Ethiopia.

### **Short-term and Long-term Objectives**

#### **The company's short-term objectives are to:**

- Raise funds for the work of Hamlin Fistula Ethiopia.
- Increase awareness in Australia about the work of Hamlin Fistula Ethiopia.
- Raise funds to contribute to the building of the Terrewode Women's Community Hospital replicating the Hamlin model of care in Uganda, per partnership support agreement 2018-2020.

#### **The company's long-term objectives are to:**

- Provide significant financial support for the ongoing work of Hamlin Fistula Ethiopia's Addis Ababa Fistula Hospital, it's five regional centres, the Hamlin College of Midwives and Hamlin's Desta Mender rehabilitation and reintegration centre.
- Report on Hamlin Fistula Ethiopia's continued social impact on women in Ethiopia.
- Support broader adoption of the Hamlin model of care and ensure Drs Catherine and Reg Hamlin's legacy and the Hamlin model of care is protected into the future.

## **Responsible Entities' Report (cont'd)**

### **Strategies for achieving the objectives**

- Fundraising from individuals and institutions.
- Commercial retail sales program of fair-trade products from Africa which generate income and raise awareness.
- Communications and awareness raising about the work of Hamlin Fistula Ethiopia and Dr Catherine Hamlin.
- Best practice donor relationship management, record keeping and supporter privacy.
- Exemplary governance, transparent acquittal of donations and cost management.

### **COVID 19 Impacts & Events After Balance Date**

The Coronavirus (COVID-19), which was declared a pandemic by the World Health Organisation on 11 March 2020, has had a significant impact on the global and Australian economy. The Company responded quickly to the crisis and new Government restrictions by implementing working from home procedures with little impact on operations. The physical gift shop lease at Turramurra was early exited on 30 June 2020 in response to significant decline in sales at the gift shop and to reduce future costs in FY2021.

CHFF expects that COVID-19 may impact fundraising revenue in FY21.

Except for COVID-19 there has been no matter or circumstance, which has arisen since 30 June 2020 which has significantly affected or which may significantly affect the operations, in financial years subsequent to 30 June 2020, the results of those operations or the state of affairs, in financial years subsequent to 30 June 2020.

### **Members Guarantee**

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the company. At 30 June 2020, there were 14 members.


### **Auditor Independence Declaration**

A copy of the Auditors Independence Declaration for the year ended 30 June 2020 is included in page 5 of this financial report.

Signed in accordance with a resolution of responsible entities made pursuant to s. 60-40 of the *Australian Charities and Not-For-Profit Commission Act 2012*.



Julie White  
Responsible Entity



David Winterbottom  
Responsible Entity

Sydney, 29 October 2020

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**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE RESPONSIBLE ENTITIES' OF HAMLIN FISTULA ETHIOPIA (AUSTRALIA)  
LIMITED TRADING AS CATHERINE HAMLIN FISTULA FOUNDATION  
ABN: 58 159 647 499**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2020 there have been no contraventions of:

- i. the auditor's independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



M A ALEXANDER  
Partner

PITCHER PARTNERS  
Sydney

29 October 2020

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HAMLIN FISTULA ETHIOPIA (AUSTRALIA) LIMITED TRADING  
AS CATHERINE HAMLIN FISTULA FOUNDATION  
ABN: 58 159 647 499**

**Report on the Financial Report**

**Opinion**

We have audited the financial report of Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation ('the Company'), 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, notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the responsible entities' declaration.

In our opinion, the financial report of the Company 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 Company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical 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 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.

**Other Information**

The responsible entities' are responsible for the other information. The other information comprises the information included in the Responsible Entities' Report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HAMLIN FISTULA ETHIOPIA (AUSTRALIA) LIMITED TRADING  
AS CATHERINE HAMLIN FISTULA FOUNDATION  
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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 consistent 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 the Responsible Entities' for the Financial Report**

The responsible entities' of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the responsible entities' determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities' are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities' either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 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.

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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HAMLIN FISTULA ETHIOPIA (AUSTRALIA) LIMITED TRADING  
AS CATHERINE HAMLIN FISTULA FOUNDATION  
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- Conclude on the appropriateness of management's 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors, 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.

**Report on Other Legal and Regulatory Requirements**

**Opinion pursuant to the *Charitable Fundraising Act (NSW) 1991***

In our opinion:

- a) the financial report gives a true and fair view of the Company's financial result of fundraising appeal activities for the financial year ended 30 June 2020;
- b) the financial report has been properly drawn up, and the associated records have been properly kept for the year from 1 July 2019 to 30 June 2020, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- c) money received as a result of fundraising appeal activities conducted during the year from 1 July 2019 to 30 June 2020 has been properly accounted for and applied for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

**Opinion pursuant to the *Charitable Collections Act 2003 (ACT)***

In our opinion, the Company has complied, in all material respects, with the requirements of the *Charitable Collections Act 2003 (ACT)* for the year ended 30 June 2020.

**Opinion pursuant to the *Collections for Charities Act 2001 (TAS)***

In our opinion, the Company has complied, in all material respects, with the requirements of the *Collections for Charities Act 2001 (TAS)* for the year ended 30 June 2020.

**Opinion pursuant to the *Collections for Charitable Purposes Act 1939 (SA)***

In our opinion, the Company has complied, in all material respects, with the requirements of the *Charitable Purposes Act 1939 (SA)* for the year ended 30 June 2020.

**Opinion pursuant to the *Charitable Collections Act 1946 (WA)***

In our opinion, the Company has complied, in all material respects, with the requirements of the *Charitable Collections Act 1946 (WA)* for the year ended 30 June 2020.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HAMLIN FISTULA ETHIOPIA (AUSTRALIA) LIMITED TRADING  
AS CATHERINE HAMLIN FISTULA FOUNDATION  
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**Opinion pursuant to the *Collections Act 1966 (QLD)***

In our opinion, the Company has complied, in all material respects, with the requirements of the *Collections Act 1966 (QLD)* for the year ended 30 June 2020.

**Opinion pursuant to the *Fundraising Act 1998 (VIC)***

In our opinion, the Company has complied, in all material respects, with the requirements of the *Fundraising Act 1998 (VIC)* for the year ended 30 June 2020.



M A ALEXANDER  
Partner



PITCHER PARTNERS  
Sydney

29 October 2020


**Responsible Entities' Declaration**

In accordance with a resolution of the Responsible Entities of Hamlin Fistula Ethiopia (Australia) Limited, trading as Catherine Hamlin Fistula Foundation, the Responsible Entities of the company declare that:

- a) The financial statements and notes that are contained in pages 12 to 31, are in accordance with the *Australian Charities and Not-for-profit Commission Act 2012*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and
  
- b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Responsible Entities', being the board of directors pursuant to s.60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

  
Julie White  
Responsible Entity

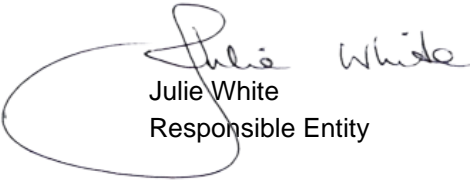
  
David Winterbottom  
Responsible Entity

Sydney, 29 October 2020

**Declaration in respect of Fundraising Appeals**

I, Julie White, Responsible Entity of the Hamlin Fistula Ethiopia (Australia) Limited, trading as Catherine Hamlin Fistula Foundation, declare that in my opinion:

- (a) the financial statements give a true and fair view of all income and expenditure of the company with respect to fundraising appeals for the year ended 30 June 2020; and
- (b) the statement of financial position gives a true and fair view of the state of affairs of the company with respect to fundraising appeals as at 30 June 2020; and
- (c) the provisions of the *Charitable Fundraising Act 1991 (NSW)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (d) the provisions of the *Charitable Collections Act 2003 (ACT)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (e) the provisions of the *Collections for Charities Act 2001 (TAS)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (f) the provisions of the *Charitable Purposes Act 1939 (SA)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (g) the provisions of the *Charitable Collections Act 1946 (WA)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (h) the provisions of the *Collections Act 1966 (QLD)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (i) the provisions of the *Fundraising Act 1998 (VIC)* and Regulations and the conditions attached to the authority to fundraise have been complied with for the year ended 30 June 2020; and
- (j) the internal controls of the company are appropriate and effective in accounting for all income received and applied from its fundraising appeals.

  
Julie White  
Responsible Entity

Sydney, 29 October 2020

**Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation**  
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**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2020**

	Note	2020 \$	2019 \$
<b>Revenue</b>			
Donations & Bequests		4,773,525	4,841,506
Investment income		43,059	62,760
Interest revenue		6,994	7,965
Commercial retail and auction sales		439,011	359,289
Australian Government JobKeeper Payment Scheme		78,000	-
Australian Government Cash Flow Boost Scheme		<u>100,000</u>	<u>-</u>
<b>Total Revenue</b>		<u>5,440,589</u>	<u>5,271,520</u>
<b>Expenditure</b>			
<b>International Programs</b>			
Hamlin Fistula Ethiopia – Program Remittances		2,873,734	3,497,591
Uganda Terrewode – Program Remittances		469,916	1,168,513
International Fistula Alliance (IFA) Ltd – Partner Contribution under former MOU (CHFF membership resigned 29/11/17)		<u>-</u>	<u>30,563</u>
		<u>3,343,650</u>	<u>4,696,667</u>
<b>Amortisation - lease asset</b>		<u>66,192</u>	<u>-</u>
<b>Depreciation</b>		<u>6,384</u>	<u>9,399</u>
<b>Employee Benefits Expense</b>			
Salaries		703,843	587,817
Superannuation		<u>63,682</u>	<u>54,012</u>
		<u>767,525</u>	<u>641,829</u>
<b>Other Expenses</b>			
Advertising and promotions		41,737	32,423
Interest and merchant costs		58,782	62,258
Commercial retail and auction costs	5	224,716	201,178
Other operating expenses		195,420	155,376
Postage and printing expense		158,480	163,607
Professional services	6	169,602	34,157
Rental expense	7	66,170	121,565
Travel expenses		<u>8,707</u>	<u>14,629</u>
		<u>923,614</u>	<u>785,193</u>
<b>Total Expenditure</b>		<u>5,107,365</u>	<u>6,133,088</u>
<b>Surplus / (Deficit) for the year</b>		<u>333,224</u>	<u>(861,568)</u>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Net realised & unrealised (loss) / gain on equity instruments at fair value through other comprehensive income		<u>(22,321)</u>	<u>15,610</u>
<b>Total comprehensive income for the year</b>		<u>310,903</u>	<u>(845,958)</u>

The accompanying notes form part of the financial report.

**Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation**  
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**Statement of Financial Position  
as at 30 June 2020**

	Note	2020 \$	2019 \$
<b>Current Assets</b>			
Cash and cash equivalents	8	2,068,536	1,388,712
Financial assets	9	663,958	1,068,179
Inventories on hand	10	148,902	37,495
Other assets	11	<u>175,712</u>	<u>81,777</u>
<b>Total Current Assets</b>		<u>3,057,108</u>	<u>2,576,163</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	12	17,382	18,756
Other assets	13	18,411	31,648
Lease assets	16	<u>102,873</u>	<u>-</u>
<b>Total Non-Current Assets</b>		<u>138,666</u>	<u>50,404</u>
<b>Total Assets</b>		<u>3,195,774</u>	<u>2,626,567</u>
<b>Current Liabilities</b>			
Trade and other payables	14	162,144	33,867
Employee provisions	15(a)	42,125	30,465
Lease liability	17(a)	<u>67,021</u>	<u>-</u>
<b>Total Current Liabilities</b>		<u>271,290</u>	<u>64,332</u>
<b>Non-Current Liabilities</b>			
Borrowings	18	212,100	205,923
Employee provisions	15(b)	6,792	2,933
Lease liability	17(a)	<u>41,310</u>	<u>-</u>
<b>Total Non-Current Liabilities</b>		<u>260,202</u>	<u>208,856</u>
<b>Total Liabilities</b>		<u>531,492</u>	<u>273,188</u>
<b>Net Assets</b>		<u>2,664,282</u>	<u>2,353,379</u>
<b>Equity</b>			
Retained earnings	19	2,668,834	2,337,769
Reserves		<u>(4,552)</u>	<u>15,610</u>
<b>Total Equity</b>		<u>2,664,282</u>	<u>2,353,379</u>

The accompanying notes form part of the financial report.

**Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation**  
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**Statement of Changes In Equity**  
**For the Year Ended 30 June 2020**

	<b>Retained Surplus</b>	<b>Financial Asset Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 30 June 2018</b>	3,199,337	-	3,199,337
Deficit for the year	(861,568)	-	(861,568)
Other Comprehensive income for the year	-	15,610	15,610
Total Comprehensive income for the 2019 year	<u>(861,568)</u>	<u>15,610</u>	<u>(845,958)</u>
<b>Balance at 30 June 2019</b>	<u>2,337,769</u>	<u>15,610</u>	<u>2,353,379</u>
Surplus for the year	333,224	-	333,224
Other comprehensive income for the year	-	(22,321)	(22,321)
Transfer of realised losses from financial asset reserve	<u>(2,159)</u>	<u>2,159</u>	<u>-</u>
Total Comprehensive income for the 2020 year	<u>331,065</u>	<u>(20,162)</u>	<u>310,903</u>
<b>Balance at 30 June 2020</b>	<u>2,668,834</u>	<u>(4,552)</u>	<u>2,664,282</u>

The accompanying notes form part of the financial report.

**Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation**  
(A company limited by guarantee)  
ABN: 58 159 647 499

**Statement of Cash Flows**  
**For the Year Ended 30 June 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from customers and donors	5,193,186	5,194,717
Receipts from the Australian Government	101,000	-
Payments to suppliers and employees	(1,751,297)	(1,411,101)
Interest received	52,579	69,941
Interest paid	(4,023)	-
Payments to/on behalf of Hamlin Fistula Ethiopia	(2,873,734)	(3,497,591)
Payments to/on behalf of Terrewode Uganda	(365,255)	(1,088,545)
Payments to IFA for Terrewode Uganda project management	-	(110,531)
	-	(110,531)
Net cash provided by / (used in) operating activities	<u>352,456</u>	<u>(843,110)</u>
<b>Cash Flows From Investing Activities</b>		
Sale of property, plant and equipment	341	-
Purchase of property, plant and equipment	(7,376)	(4,718)
Proceeds from investments	381,900	390,869
	<u>374,865</u>	<u>386,151</u>
Net cash provided by investing activities	<u>374,865</u>	<u>386,151</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from lease rental bond	13,237	-
Payment for the principal portion of the lease liabilities	(60,734)	-
	<u>(47,497)</u>	<u>-</u>
Net cash (used in) financing activities	<u>(47,497)</u>	<u>-</u>
<b>Net increase / (decrease) in cash held</b>	<u>679,824</u>	<u>(456,959)</u>
<b>Cash and cash equivalents at beginning of the year</b>	<u>1,388,712</u>	<u>1,845,671</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>2,068,536</u>	<u>1,388,712</u>

The accompanying notes form part of the financial report.



**Notes to the Financial Statements**  
**For the Year Ended 30 June 2020**

**1. General information and statement of compliance**

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profit Commission Act 2012*. The company is a not-for-profit entity for the purposes of preparing the financial statements.

The financial statements for the year ended 30 June 2020 were approved and authorised for issue by the Board of Responsible Entities on 29 October 2020.

**2. Summary of Accounting Policies**

Hamlin Fistula Ethiopia (Australia) Limited trading as Catherine Hamlin Fistula Foundation is a company limited by guarantee, and domiciled in Australia. The nature of the operations and principal activities of the company are described in the Responsible Entities Report.

The significant accounting policies that have been used in the preparation of these financial statements are summarised below

The financial statements have been prepared using the measurement bases specified by Australia Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

**2.1 Revenue**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australian Tax Office.

**Donations and Bequests**

Donations and bequests collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation or bequest can be measured reliably.

**Commercial Retail & Auction Sales**

Revenue from sale of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

**Investment income**

Investment income comprises interest. Interest income is recognised as it accrues, using the effective interest method.

**In-kind donations**

Merchandise donated for sale are included at the fair value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**2. Summary of Accounting Policies (Cont'd)**

**2.1 Revenue (Cont'd)**

**Government Grants**

Australian Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met. Government grants include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme and Cash Flow Boost Scheme, which provide temporary subsidies to eligible businesses significantly affected by coronavirus (COVID 19).

**2.2 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**2.3 Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value. For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

**2.4 Financial Assets**

*Recognition / derecognition*

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date).

Investments are derecognised when the right to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

*Classification of financial assets*

Financial assets recognised by the Company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9. Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the company's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**2. Summary of Accounting Policies (Cont'd)**

**2.4 Financial Assets (Cont'd)**

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Financial assets at amortised cost*

Term deposits are classified (and measured) at amortised cost on the basis that:

- (a) they are held within a business model whose objective is achieved by the company holding the financial asset to collect contractual cash flows; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Impairment of financial assets*

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**2. Summary of Accounting Policies (Cont'd)**

**2.5 Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**2.6 Inventories**

Inventories comprise goods for resale. Inventories may be purchased or received by way of donation.

**Commercial Retail Costs**

Inventories of goods purchased for resale are valued at the lower of cost and net realisable value. The cost of bringing each item to its present location and condition is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Donated goods are initially recognised at their current replacement cost at date of acquisition.

**2.7 Property, Plant and Equipment**

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

*Depreciation*

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Computers	25%
Office Furniture and Equipment	5-20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is derecognised.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**2. Summary of Accounting Policies (Cont'd)**

**2.8 Impairment**

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use of assets not held primarily to generate cash, this represents depreciated current replacement cost, as the Company is a not-for-profit organisation.

**2.9 Accounts payable**

Accounts payables and other payables represent liabilities for goods and services provided to the Company before the end of the Period that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

**2.10 Employee benefits**

Employee benefits comprise wages and salaries, annual leave, long service leave, contributions to superannuation plans and non-accumulating sick leave.

Liabilities for annual leave in respect of employees' services up to the reporting date that are expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in the provision for annual leave and are measured at the amounts expected to be paid when the liabilities are settled and amounts expected to be settled after 12 months from the end of the reporting period are discounted. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on notional government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

**2.11 Taxation**

**Income tax**

The Company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**2. Summary of Accounting Policies (Cont'd)**

**2.11 Taxation (Cont'd)**

**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 Tax Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Tax Office is included as part of receivables or payables.

Cash flow is included in the statement of cash flow on a gross basis. The GST component of cash flow arising from investing and financing activities that is recoverable from or payable to the Australian Tax Office is classified as operating cash flow.

**2.12 Lease assets**

A lease asset is recognised at the commencement date of a lease. The lease asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Lease assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the lease asset at the end of the lease term, the depreciation is over its estimated useful life. Lease assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

**2.13 Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**2. Summary of Accounting Policies (Cont'd)**

**2.14 Critical judgements and estimates in applying accounting policies**

**Lease term**

The lease term is a significant component in the measurement of both the lease asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

**Incremental borrowing rate**

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the lease asset, with similar terms, security and economic environment.

**3. New or Amended Accounting Standards and Interpretations Adopted**

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards and Interpretations that are not yet mandatory have not been early adopted. The following new accounting standards have been adopted this year:

- AASB 15: Revenue from Contracts with Customers
- AASB 1058: Income for Not-for-Profit Entities
- AASB 16: Leases

***AASB 15 Revenue from Contracts with Customers***

AASB 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. AASB 15 supersedes a number of current revenue standards, including AASB 118 Revenue, AASB 111 Construction Contracts and associated Interpretations.

The Company has adopted AASB 15 for the year ended 30 June 2020. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**3. New or Amended Accounting Standards and Interpretations Adopted (Cont'd)**

***AASB 1058 – Income for Not-for-Profit Entities***

The Company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives.

For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions to owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately.

The Company has completed its analysis of the impacts of adoption and have concluded that there is no material change to the presentation, recognition, and measurement of revenue as a result of the transition to AASB 15 and AASB1058.

***AASB 16 – Leases***

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, lease assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the lease assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.



**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**3. New or Amended Accounting Standards and Interpretations Adopted (Cont'd)**

**AASB 16 - Leases (Cont'd)**

*Practical expedients applied:*

The following practical expedients have been applied on transition to AASB 16:

- Contracts which had previously been assessed as not containing leases under AASB 117 and associated Accounting Interpretations were not re-assessed on transition to AASB 16
- The lease liability has been discounted using the incremental borrowing rate at 1 July 2019
- The lease asset at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by any prepaid or accrued lease payments
- Hindsight was used when determining the lease term where the contract contains options to extend or terminate the lease.

*Measurement of lease liabilities:*

	<b>2019</b>
	<b>\$</b>
Operating Lease commitments disclosed at 30 June 2019	242,792
Less: Impact of discounting using incremental borrowing rate of 3% at the date of initial application	(9,119)
Less: Short term leases not recognised under AASB16	<u>(64,608)</u>
Lease Liability recognised as at 1 July 2019	<u>169,065</u>
Of which are:	
Current lease liability	60,734
Non-current lease liability	<u>108,331</u>

*Measurement of lease assets:*

The lease assets recognised for property leases were measured on a retrospective basis as if new rules had always been applied.

The adjustment recognised in the statement of financial position on 1 July 2019:

- Lease asset increased by \$169,065
- Lease liability increased by \$169,065

There was no effect on retained earnings on 1 July 2019.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>4. Charitable Fundraising and Donations Disclosures</b>		
<b>a) Details of aggregate Fundraising activities and costs</b>		
Gross proceeds from fundraising activities	4,773,525	4,841,506
Less: Total cost of fundraising activities	<u>(680,657)</u>	<u>(563,010)</u>
 Net surplus from fundraising activities	 <u>4,092,868</u>	 <u>4,278,496</u>
 <b>b) Fundraising activities during the year</b>		
Fundraising conducted during the financial year was through appeals, regular giving, community fundraising and trust and foundation applications.		
 <b>c) Statement showing how funds were applied for charitable purposes</b>		
Fundraising Income	4,773,525	4,841,506
Other Income	<u>156,847</u>	<u>89,363</u>
	<u>4,930,372</u>	<u>4,930,869</u>
Applied to charitable purposes in the following manner:		
Expenditure on Administration and Accountability	572,842	532,760
Expenditure on Fundraising activities	680,656	563,010
Expenditure on International Programs*	<u>3,343,650</u>	<u>4,696,667</u>
	<u>4,597,148</u>	<u>5,792,437</u>
 Surplus / (Deficit) for the year	 <u>333,224</u>	 <u>(861,568)</u>
 *Note post 30 June 2020 a further \$1,000,000 was sent to Hamlin Fistula Ethiopia		
 <b>d) Financial Ratios</b>		
% of Total cost of fundraising activities / gross proceeds from fundraising activities	14%	12%
% of Net surplus from fundraising activities / gross proceeds from fundraising activities	86%	88%
% of International Program Costs / Total Expenditure	73%	81%
% of International Program Costs / Total Income Received	68%	95%

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>5. Surplus for the Year</b>		
Current year surplus includes the following specific expenses:		
Commercial retail and auction costs	<u>224,716</u>	<u>201,178</u>
Interest expense on loan	6,177	6,122
Interest expense on lease liability	<u>4,023</u>	<u>-</u>
	<u>10,200</u>	<u>6,122</u>
<b>6. Professional Services</b>		
Audit, Accounting and Legal Fees	29,385	17,452
Consultancy Fees	<u>140,217</u>	<u>16,705</u>
	<u>169,602</u>	<u>34,157</u>
<b>7. Rental expense</b>		
Rental expense relating to operating leases	-	121,565
Expense relating to leases of 12 months or less	<u>66,170</u>	<u>-</u>
	<u>66,170</u>	<u>121,565</u>
<b>8. Cash – Current</b>		
Cash at Bank	2,067,701	1,386,219
Cash on Hand	<u>835</u>	<u>2,493</u>
	<u>2,068,536</u>	<u>1,388,712</u>
<b>9. Financial Assets</b>		
Financial assets at fair value through other comprehensive income – Listed securities	663,958	811,779
Financial assets measured at amortised cost – Term deposits	<u>-</u>	<u>256,400</u>
	<u>663,958</u>	<u>1,068,179</u>
<b>10. Inventories on hand</b>		
Inventory – At cost	<u>148,902</u>	<u>37,495</u>

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

	<b>2020</b>	<b>2019</b>	
	<b>\$</b>	<b>\$</b>	
<b>11. Other Current Assets</b>			
Sundry debtors	116,121	22,297	
Prepayments	50,492	45,000	
Other	9,099	14,480	
	175,712	81,777	
<b>12. Property plant and equipment</b>			
<b>(a) Office furniture and equipment</b>			
At Cost	14,424	23,675	
Less Accumulated Depreciation	(7,605)	(12,692)	
	6,819	10,983	
<b>(b) Computer equipment</b>			
At Cost	45,719	45,186	
Less Accumulated Depreciation	(35,156)	(37,413)	
	10,563	7,773	
<b>Total property plant and equipment</b>	17,382	18,756	
<b>Movements in carrying amounts</b>			
	<b>Office Furniture and Equipment</b>	<b>Computer Equipment</b>	<b>Total</b>
<b>Balance at 1 July 2019</b>	10,983	7,773	18,756
Additions	-	7,376	7,376
Disposals	(2,149)	(217)	(2,366)
Depreciation	(2,015)	(4,369)	(6,384)
<b>Balance at 30 June 2020</b>	6,819	10,563	17,382
<b>13. Other Non Current Assets</b>			
Rental Bonds		18,411	31,648
<b>14. Accounts Payable and Other Payables</b>			
Accounts payable - Uganda Terrewode		104,661	-
Accounts payable - Other		38,159	12,253
Other current payables		19,324	21,614
		162,144	33,867

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

	2020	2019
	\$	\$
<b>15. Employee Provisions</b>		
<b>a) Current</b>		
Annual leave	<u>42,125</u>	<u>30,465</u>

The current portion for this provision includes the total amount accrued for annual leave entitlement that have vested due to employees having completed the required period of service. The company does not expect the full amount of annual leave classified as current liabilities to be settled within 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**Movements in Annual Leave Provision**

Carrying amount at the start of the year	30,465	19,092
Provisions raised during the year	54,571	43,807
Leave taken	<u>(42,911)</u>	<u>(32,434)</u>
Carrying amount at the end of the year	<u>42,125</u>	<u>30,465</u>

**Employee Provisions**

**b) Non – Current**

Long Service Leave	<u>6,792</u>	<u>2,933</u>
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**Provision for Long term Employee Benefits**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 2.10 to these financial statements.

**Movements in Long Service Leave Provision**

Carrying amount at the start of the year	2,933	1,273
Provisions raised during the year	3,859	1,660
Leave taken	<u>-</u>	<u>-</u>
Carrying amount at the end of the year	<u>6,792</u>	<u>2,933</u>

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**16. Lease Asset**

The Company has one lease over the Suite at Pymont including one car space that expires on the 19 January 2022.

Movements in the carrying amount of leased asset between the beginning and the end of the financial year:

	<b>Building</b>	<b>Total</b>
	\$	\$
Balance at 1 July 2019	169,065	169,015
Amortisation charge	<u>(66,192)</u>	<u>(66,192)</u>
	<u>102,873</u>	<u>102,873</u>

**2020**

\$

**17 Lease Liability**

Current	67,021	
Non-Current	<u>41,310</u>	
	<u>108,331</u>	

**(a) Lease Cash Outflows**

Total cash outflows for the year in relation to leases was \$130,927.

**(b) Operating Lease Commitments**

**2019**

\$

The minimum property lease payments which the Company is committed to make are -

Payments due		
- not later than 12 months		120,709
- later than 12 months but not later than five years		122,083
- later than five years		<u>-</u>
		<u>242,792</u>

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>18. Borrowings</b>		
Unsecured liabilities:		
Loans from Hamlin Fistula International Foundation *	<u>212,100</u>	<u>205,923</u>

\*HFIF is an endowment fund based in Switzerland, which was established to invest funds on behalf of HFE with a view to funding the needs of the fistula hospital with the interest earned on these investments. In order to assist Hamlin Fistula Ethiopia (Australia) Limited during its start up period, HFIF extended to the company a \$250,000 line of credit with a 10-year payment term on 3% interest per annum. As at 30 June 2020, \$212,100 of this line of credit has been drawn down.

**19. Retained Earnings**

Retained Earnings	<u>2,668,834</u>	<u>2,337,769</u>
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Funds held in Australia have been raised primarily for Hamlin Fistula Ethiopia. These funds remain in Australia until called upon by Hamlin Fistula Ethiopia. The purpose of this reserve is to provide Hamlin Fistula Ethiopia with a stable and predictable cash flow and assurance of operating funds for the current year and into the future.

Additionally, in accordance with 2018-2020 partnership agreement, CHFF supported expansion of the Hamlin Model of Care to Uganda. Retained earnings includes commitments from some donors who've chosen to support this project.

**20. Related Parties and Related Party Transactions**

**a) Directors Compensation**

The directors act in an honorary capacity and do not receive any remuneration for their services.

**b) Key Management Personnel Compensation**

Persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, are considered key management personnel.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Key management personnel compensation:		
Short term benefits	270,078	279,611
Post-employment benefits	<u>25,657</u>	<u>26,563</u>
	<u>295,735</u>	<u>306,174</u>

**Notes to the Financial Statements (continued)**  
**For the Year Ended 30 June 2020**

**21. Contractual Commitments**

Catherine Hamlin Fistula Foundation committed to raise funds under a partnership agreement 2018-2020 to contribute to the building and operationalisation of the Terrewode Women’s Community Hospital – replicating the Hamlin Model of Care. This will be a specialist obstetric fistula and childbirth injury hospital which will replicate the Hamlin Model of Care in Uganda. Construction commenced in March 2018. The hospital is now operational. This partnership concludes in 2020.

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
The minimum payments which the Company is committed to make are -		
Payments due		
- not later than 12 months (2020 - \$US25,202) (2019 - US\$324,202)	36,579	461,608
- later than 12 months but not later than five years (2019 - US\$26,000)	-	37,020
- later than five years	-	-
	36,579	498,628

**22. COVID 19 Impacts & Events After Balance Date**

The Coronavirus (COVID-19), which was declared a pandemic by the World Health Organisation on 11 March 2020, has had a significant impact on the global and Australian economy. The Company responded quickly to the crisis and new Government restrictions by implementing working from home procedures with little impact on operations. The physical gift shop lease at Turrumurra was early exited on 30 June 2020 in response to significant decline in sales at the gift shop and to reduce future costs in FY2021. We are expecting that COVID-19 may impact fundraising revenue in FY21.

Except for COVID-19 there has been no matter or circumstance, which has arisen since 30 June 2020 which has significantly affected or which may significantly affect the operations, in financial years subsequent to 30 June 2020, the results of those operations or the state of affairs, in financial years subsequent to 30 June 2020.