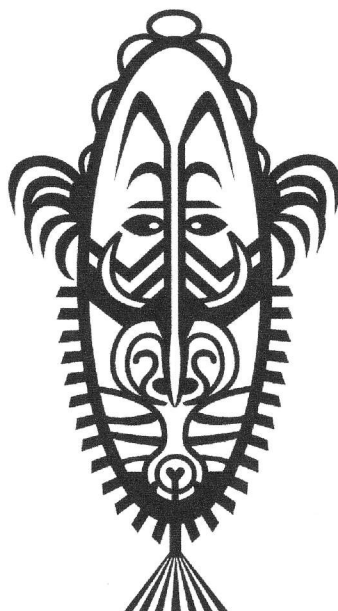


**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

ABN: 35 027 362 171



FINANCIAL STATEMENTS

31 DECEMBER 2018

PAPUA NEW GUINEA ASSOCIATION OF AUSTRALIA INC.

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE PAPUA NEW GUINEA ASSOCIATION OF AUSTRALIA INC.**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of the Papua New Guinea Association of Australia Inc., which comprises the statement of financial position as at 31 December 2018, and the statement of income and expenditure for the year then ended, a summary of significant accounting policies, other explanatory notes and the Committee's declaration as set out on pages 2 to 9.

The Responsibility of the Committee for the Financial Report

The Committee of the Association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the constitution and are appropriate to meet the needs of the members. The Committee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of the Association, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting obligations under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

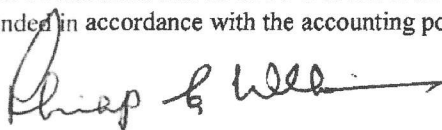
Independence

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

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Papua New Guinea Association of Australia Inc. as of 31 December 2018 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

P.C. Williams
Registered Company Auditor #3261
Partner



1/4/2019
Chatswood, NSW, 2067.



PAPUA NEW GUINEA ASSOCIATION OF AUSTRALIA Inc.

(Formerly the Retired Officers' Association of Papua New Guinea, Inc.)
Incorporated in New South Wales - ABN 35 027 362 171

STATEMENT BY THE COMMITTEE

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:-

- (i) the accompanying financial statements, as set out on pages 3 to 9, of the Papua New Guinea Association of Australia Inc. present a true and fair view of the financial position for the year ended 31 December, 2018, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Papua New Guinea Association of Australia Inc. 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:

President..... *Andrea Williams*
Andrea Williams
Treasurer..... *Doug Wood*
Doug Wood

Dated this First day of April, 2019.

**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Statement of Income and Expenditure
For the year ended 31 December 2018**

INCOME

	Note	2018 \$	2017 \$
INCOME			
Advertising		254	520
Book Sales		4,550	22,517
Donations – Gideon Kakabin	8	43,262	-
DVD sales	2	851	995
Functions	3	10,812	23,656
Interest		3,866	3,418
Membership	4	<u>38,394</u>	<u>36,865</u>
TOTAL INCOME		<u>101,989</u>	<u>87,971</u>
EXPENDITURE			
Administration	5	23,973	8,926
Book Production		3,490	17,953
DVD Costs		-	1,034
Email Fraud		-	6,900
Expenses – Gideon Kakabin	8	43,262	-
Functions	3	9,952	23,902
Una Voce	6	<u>37,347</u>	<u>37,059</u>
		<u>118,024</u>	<u>95,774</u>
TOTAL EXPENDITURE			
(LOSS) for the year		(16,035)	(7,803)
Less: Income tax credit		<u>939</u>	<u>264</u>
Operating (loss) for the year		<u>\$(15,096)</u>	<u>\$(7,539)</u>

This statement is to be read in conjunction with the notes attached

**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Statement of Financial Position
For the year ended 31 December 2018**

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	8	154,269	172,689
Inventories	9	<u>15,635</u>	<u>9,250</u>
Total Current Assets		<u>169,904</u>	<u>181,939</u>
TOTAL ASSETS		<u>169,904</u>	<u>181,939</u>
CURRENT LIABILITIES			
Other creditor	8	12,605	5,000
Provision for income tax	7	(939)	(264)
Subscriptions in advance	10	21,163	23,426
Trade creditors		<u>1,650</u>	<u>1,704</u>
Total Current Liabilities		<u>34,479</u>	<u>29,866</u>
NON-CURRENT LIABILITIES			
Subscriptions in advance	10	<u>7,498</u>	<u>9,050</u>
Total Non-Current Liabilities		<u>7,498</u>	<u>9,050</u>
TOTAL LIABILITIES		<u>41,977</u>	<u>38,916</u>
NET ASSETS		<u>\$127,927</u>	<u>\$143,023</u>
MEMBERS' FUNDS			
General Reserve		27,267	27,267
Historical Preservation Reserve		13,243	13,243
Rabaul & Montevideo Maru Reserve	8 (b)	81,010	80,942
Retained earnings		<u>6,407</u>	<u>21,571</u>
TOTAL MEMBERS' FUNDS		<u>\$127,927</u>	<u>\$143,023</u>

This statement is to be read in conjunction with the notes attached

**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Statement of Changes in Equity
For the year ended 31 December 2018**

	General Reserve	Historical Pres. Rve	RMvM Reserve	Retained Earnings	Total
Balance – 1 January 2017	27,267	13,243	79,380	30,672	150,562
Operating (loss)/profit for 2017	-	-	<u>1,562</u>	<u>(9,101)</u>	<u>(7,539)</u>
Balance - 31 Dec. 2017	27,267	13,243	80,942	21,571	143,023
Operating (loss)/profit for 2018	-	-	<u>68</u>	<u>(15,164)</u>	<u>(15,096)</u>
Balance – 31 Dec. 2018	<u>27,267</u>	<u>13,243</u>	<u>81,010</u>	<u>6,407</u>	<u>127,927</u>

**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Statement of Cashflows
For the year ended 31 December 2018**

	Note	2018	2017
			\$
Cash inflows/(outflows) from operating activities			
Book and DVD sales		5,463	28,279
Subscriptions		34,579	36,749
Function receipts	3	10,812	23,656
Interest received		3,866	3,418
Donations GK net	8	12,605	-
Email fraud		-	(6,900)
Function expenses	3	(9,952)	(23,902)
Payments to suppliers		(75,080)	(63,096)
Income tax paid	7	<u>(713)</u>	<u>(713)</u>
Net (outflow) for the year		(18,420)	(2,509)
Cash – 1 January 2018		<u>172,689</u>	<u>175,198</u>
Cash – 31 December 2018	8	<u>\$154,269</u>	<u>\$172,689</u>

**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Notes to the Financial Statements
for the year ended 31 December 2018**

Note 1 - Statement of Significant Accounting Policies

The financial statements contained in this report have been prepared in accordance with the requirements of the Associations Incorporation Act 2009 and the limited range of accounting standards applicable to a non-reporting entity.

The financial statements contained in this report have been prepared on an accrual basis and are based on historic costs and do not take into account changing money values.

	2018	2017
	\$	\$
Note 2 - Sales of DVDs		
Kiap – Story Behind the Medal	370	555
Walk Into Paradise/other	<u>481</u>	<u>440</u>
	851	995
Less:		
- Royalties WIP	-	(54)
- Cost of goods sold	<u>-</u>	<u>(980)</u>
	<u>851</u>	<u>(39)</u>
Note 3 – Functions		
75 th Anniversary RMVM Canberra (Income)	-	11,185
75 th Anniversary RMVM Canberra (Expenses)	<u>-</u>	<u>(10,803)</u>
Surplus	<u>-</u>	<u>382</u>
Xmas lunch – Income	7,992	7,834
Xmas lunch – Expenses	<u>(6,748)</u>	<u>(8,092)</u>
Surplus	<u>1,244</u>	<u>(258)</u>
Other – Income	2,820	4,637
Other – Expenses	<u>(3,204)</u>	<u>(5,007)</u>
(Loss)	<u>(384)</u>	<u>(370)</u>
Total function income	10,812	23,656
Total function expenses	<u>(9,952)</u>	<u>(23,902)</u>
Surplus (Loss) for the year	<u>860</u>	<u>(246)</u>

**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Notes to the Financial Statements
for the year ended 31 December 2018**

	2018	2017
	\$	\$
Note 4 - Membership Subscriptions		
Brought Forward re 2017 (note 10)	23,426	21,217
Collected in year	<u>14,968</u>	<u>15,649</u>
	<u>38,394</u>	<u>36,866</u>
Note 5 - Administration		
Annual Return	79	80
Audit	550	550
Bank charges	19	392
Bookkeeping	4,400	3,300
HWP support	632	-
Postage and Office Supplies	1,108	(1,646)
Insurance - Offices & Directors	1,287	1,287
Insurance - Public Liability	864	864
Storage	3,756	2,850
Subscriptions	755	480
Website	<u>10,523</u>	<u>769</u>
	<u>23,973</u>	<u>8,926</u>
Note 6 - Una Voce		
Printing costs	29,117	28,203
Postage	<u>8,230</u>	<u>8,856</u>
	<u>37,347</u>	<u>37,059</u>
Note 7 - Income Tax		
Book sales - non-members 10%	455	456
DVD sales - non-members 25%	851	(10)
Interest	<u>3,866</u>	<u>3,418</u>
Total Income	5,172	3,864
Less Deduction 25% Admin expenses	<u>(5,993)</u>	<u>(2,232)</u>
Taxable income	<u>(821)</u>	<u>1,632</u>
Tax at 27.5%	(226)	449
Less instalment paid	<u>(713)</u>	<u>(713)</u>
Payable (Refundable)	<u>(939)</u>	<u>(264)</u>

*\$540 included
in tax return
(???)*



**PAPUA NEW GUINEA ASSOCIATION
OF AUSTRALIA INC.**

**Notes to the Financial Statements
for the year ended 31 December 2018 (continued)**

	2018	2017
Note 8 - Cash & Cash Equivalents	\$	\$
Cash at bank – CBA	10,079	25,017
Cash at bank - RMvM A/C	12,675	69
CBA - Term Deposit (16 June 19)	50,575	65,560
CBA – RMvM Term Deposit (26 June 19)	<u>80,940</u>	<u>82,042</u>
	<u>154,269</u>	<u>172,689</u>

- a) The donations received for the Gideon Kakabin appeal totalling \$43,262 were separately accounted for in/out of the RMvM Commonwealth Bank account. At year end the surplus received over costs incurred of \$12,605 has been disclosed as an “Other Creditor” as further payments will be made during future years at the discretion of the Committee. The other creditor of \$5,000 at 31 December 2017 related to the Helpin Wantok Project which was successfully completed early in 2018 at a cost of \$632 to the Association (note 5).
- b) The Rabaul & Montevideo Maru Reserve of \$81,010 is supported by the Commonwealth Bank account of \$12,675 less the Gideon Kakabin surplus of \$12,605 plus the term deposit of \$80,940.

Note 9 – Inventory

Book- When War Came (186)	5,580	1,610
Kiap DVDs (201) <i>236</i>	2,360	2,010
Other DVDs (1243)	6,215	5,630
Tote bags (185)	<u>1,480</u>	<u>-</u>
	<u>15,635</u>	<u>9,250</u>

Note 10 – Subscriptions in Advance

Current – 2019	21,163	23,426
Non-Current – 2020 to 2022	<u>7,498</u>	<u>9,050</u>
	<u>28,661</u>	<u>32,476</u>

<i>2 yrs ahead</i>	2020	\$ 5,529.27
<i>3 " "</i>	2021	\$ 1,879.26
<i>4 " "</i>	2022	\$ 90.00
		<u>\$ 7,498.53</u>