

# **Action on Poverty Limited**

**ABN: 42 002 568 005**

## **Financial Statements**

**For the Year Ended 30 June 2023**

## Action on Poverty Limited

ABN: 42 002 568 005

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For the Year Ended 30 June 2023

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## Action on Poverty Limited

ABN: 42 002 568 005

## Directors' Report 30 June 2023

The directors present their report on Action on Poverty Limited for the financial year ended 30 June 2023.

### Directors

The names of each person who has been a director during the year and to the date of this report are:

John Kell	Chair, Programs and Partnership Committee
Position	Director (Appointed 18/02/2015) Board Chair (23/11/2016)
Mr Tim Lovitt	Chair Fundraising and Communications Committee
Position	Director (Appointed 04/01/2018)
Mr Mukul Agarwal	
Position	Director (Appointed 19/06/2019)
Ms Alice Xu	Chair Audit, Governance and Risk Committee
Position	Director (Appointed 16/10/2019)
Dr Merrily Clancy	Fundraising and Communications Committee
Position	Director (Appointed 20/11/2019)
Mr Gile Dickenson-Jones	Program and Partnership Committee
Position	Director (Appointed 26/08/2021)
Ms Claire Mallinson	Program and Partnership Committee
Position	Director (Appointed 21/10/2021)
Rebekah Lam	
Position	Director (Appointed 17/08/2023)
Layusa Isa-Odidi	
Position	Director (Appointed 17/08/2023)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Principal activities

The Company's work aims to alleviate poverty in developing countries. The Company works in partnership with local organisations that are independent agencies employing local professionals. The Company takes a rights-based approach to poverty reduction and works towards addressing the underlying causes of poverty, not only the direct effects of it.

The Company takes a multi-sectoral approach to development because the issues that contribute to poverty are complex and interlinked. The company pays attention to providing education and access to information and to issues of social inclusion in its programs.

## **Action on Poverty Limited**

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## **Directors' Report**

**30 June 2023**

### **Principal activities**

The Company works with local communities to identify what their needs and aspirations are as well as to identify the existing assets and capacity. The key pillars that underpin the Company's programs are:

- Environmental management, and building resistance to the effects of climate change
- Governance, social accountability and inclusion
- Health
- Water and Sanitation

No significant changes in the nature of the Company's activity occurred during the financial year.

### **Vision**

For all people to transcend the injustice, indignity and inequality of entrenched poverty.

### **Mission**

To empower local changemakers to break the cycle of poverty in their communities.

### **Strategic Directions**

AOP empowers everyone to create a just and equal world. Our primary aim is to enable more effective international philanthropy that contributes to the Sustainable Development Goals.

All our programs must have positive impact on people and communities living in poverty, be cost effective and be responsible.

AOP's strategy will further develop our capabilities in each of these areas.

1. We seek to inspire more people to engage meaningfully in international development by being thought leaders active in the community, identifying people that can contribute and encouraging them to join us in addressing the causes of global poverty.
2. We will achieve greater impact on poverty by working with partners that can develop and implement programs that are evidence-based, measure impact, and who share, learn and experiment.
3. We will do all this in an efficient and sustainable manner by investing in our people, systems, governance and risk management capabilities.

We strive to mobilise more resources, more expertise, and more people to tackle global development issues in partnership, creating greater impact than ever before.

### **Members' guarantee**

Action on Poverty Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$NIL subject to the provisions of the company's constitution.

## Action on Poverty Limited

ABN: 42 002 568 005

## Directors' Report 30 June 2023

### Review of operations

The excess of disbursements over revenue amounted to \$69,954 (2022: \$144,091)

### Dividends paid or recommended

The Company's constitution does not permit dividends to be paid.

### Director's Remuneration

No fees were paid or payable to our Directors in 2023: \$0 (2022: \$0).

### Meetings of directors

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Tim Lovitt	6	6
Mr John Kell	6	6
Mr Mukul Agarwal *	3	1
Ms Alice Xu	6	6
Dr Merrilyn Clancy	6	5
Mr Giles Dickenson-Jones	6	6
Ms Claire Mallinson	6	4

For year ended 30 June 2023, Mr Mukul Agarwal was granted leave of absence to 01 November 2022.

### Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

### Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

### Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

### Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

## Action on Poverty Limited

ABN: 42 002 568 005

## Directors' Report 30 June 2023

### Indemnification and insurance of officers and auditors

The Company has agreed to indemnify the current directors of the Company and the former director against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company has paid insurance premiums of \$3,222 (excl GST) in respect of directors' and officers' insurance contracts, for current and former directors and officers.

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, for the year ended 30 June 2023 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

DocuSigned by:  
*John Bell*  
Director: .....  
1755DB195A86447.....

DocuSigned by:  
*Alice Xu*  
Director: .....  
993245781ACC4B7.....

Dated: 19 October 2023



PKF(NS) Audit & Assurance Limited Partnership

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## Auditors' Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Members of Action on Poverty Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'PKF'.

PKF

A handwritten signature in black ink, appearing to be 'Kym Reilly'.

KYM REILLY  
PARTNER

19 OCTOBER 2023  
SYDNEY, NSW

**Action on Poverty Limited**

ABN: 42 002 568 005

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Revenue</b>			
<b>Donations &amp; Gifts</b>			
- Monetary		1,196,252	1,246,768
- Non-Monetary		1,144,687	190,270
<b>Grants</b>			
- Department of Foreign Affairs and Trade		3,191,770	2,613,314
- Other Australian		3,219,812	6,105,287
- Other Overseas		398,105	213,447
<b>Investment Income</b>		<b>38,793</b>	<b>23,432</b>
<b>Other Income</b>		<b>50,950</b>	<b>46,628</b>
<b>Total Revenue</b>		<b>9,240,369</b>	<b>10,439,146</b>
<b>Expenditure</b>			
<b>International Aid and Development Programs Expenditure</b>			
<b>International Programs</b>			
- Funds to International Programs		(6,323,464)	(7,942,157)
- Program Support Costs		(907,034)	(1,477,050)
<b>Fundraising Costs</b>			
- Public		(55,607)	(133,703)
- Government, multilateral and private		(161,930)	(130,221)
<b>Accountability and Administration</b>		<b>(576,982)</b>	<b>(419,898)</b>
<b>Non-Monetary Expenditure</b>	4	<b>(1,144,687)</b>	<b>(190,270)</b>
<b>Total International Aid and Development Programs Expenditure</b>		<b>(9,169,704)</b>	<b>(10,293,299)</b>
Finance costs		(711)	(1,756)
<b>Total Expenditure</b>		<b>(9,170,415)</b>	<b>(10,295,055)</b>
<b>Surplus for the year</b>		<b>69,954</b>	<b>144,091</b>
<b>Other comprehensive income</b>			
Unrealised gain/(loss) on investment		21,294	(36,107)
<b>Other comprehensive income</b>		<b>21,294</b>	<b>(36,107)</b>
<b>Total other comprehensive income for the year</b>		<b>91,248</b>	<b>107,984</b>

The accompanying notes form part of these financial statements.



**Action on Poverty Limited**

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**Statement of Financial Position  
As At 30 June 2023**

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	2,037,811	2,401,166
Trade and other receivables	7	149,608	133,714
Other assets	10	176,156	-
<b>TOTAL CURRENT ASSETS</b>		<b>2,363,575</b>	<b>2,534,880</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	8	610,219	571,382
Property, plant and equipment	9	13,682	32,877
<b>TOTAL NON-CURRENT ASSETS</b>		<b>623,901</b>	<b>604,259</b>
<b>TOTAL ASSETS</b>		<b>2,987,476</b>	<b>3,139,139</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	288,135	138,473
Unspent project funds	12	682,110	1,061,310
Lease liabilities	13	-	21,836
Employee benefits	14	141,867	146,435
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,112,112</b>	<b>1,368,054</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	14	16,214	3,183
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>16,214</b>	<b>3,183</b>
<b>TOTAL LIABILITIES</b>		<b>1,128,326</b>	<b>1,371,237</b>
<b>NET ASSETS</b>		<b>1,859,150</b>	<b>1,767,902</b>
<b>EQUITY</b>			
Accumulated funds		1,860,852	1,790,898
Reserves		(1,702)	(22,996)
<b>TOTAL EQUITY</b>		<b>1,859,150</b>	<b>1,767,902</b>

The accompanying notes form part of these financial statements.

**Action on Poverty Limited**

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**Statement of Changes in Equity  
For the Year Ended 30 June 2023**

	<b>Accumulated Funds</b>	<b>Reserves</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2022</b>	<b>1,790,898</b>	<b>(22,996)</b>	<b>1,767,902</b>
Surplus for the year	<b>69,954</b>	<b>-</b>	<b>69,954</b>
Unrealised gain on investment	<b>-</b>	<b>21,294</b>	<b>21,294</b>
<b>Balance at 30 June 2023</b>	<b>1,860,852</b>	<b>(1,702)</b>	<b>1,859,150</b>
<b>Balance at 1 July 2021</b>	1,646,807	13,111	1,659,918
Surplus for the year	144,091	-	144,091
Unrealised loss on investment	-	(36,107)	(36,107)
<b>Balance at 30 June 2022</b>	<b>1,790,898</b>	<b>(22,996)</b>	<b>1,767,902</b>

The accompanying notes form part of these financial statements.

**Action on Poverty Limited**

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**Statement of Cash Flows  
For the Year Ended 30 June 2023**

	2023	2022
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Commonwealth, State, Local Government and other grants	6,844,743	8,111,061
Receipts from donations, bequests and raffles	1,196,252	1,511,630
Payments to suppliers and employees	(8,410,797)	(9,993,757)
Interest received	38,793	23,432
Net cash used in operating activities	18 <u>(331,009)</u>	<u>(347,634)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for property, plant and equipment	<u>(11,555)</u>	(4,453)
Net cash used in investing activities	<u>(11,555)</u>	<u>(4,453)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of finance lease liabilities	<u>(20,791)</u>	(19,035)
Net cash used in financing activities	<u>(20,791)</u>	<u>(19,035)</u>
Net decrease in cash and cash equivalents held	(363,355)	(371,122)
Cash and cash equivalents at beginning of year	<u>2,401,166</u>	2,772,288
Cash and cash equivalents at end of financial year	6 <u><u>2,037,811</u></u>	<u><u>2,401,166</u></u>

The accompanying notes form part of these financial statements.

## Action on Poverty Limited

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# Notes to the Financial Statements

## For the Year Ended 30 June 2023

The financial report covers Action on Poverty Limited as an individual entity. Action on Poverty Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Action on Poverty Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 19 October 2023.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*, the *Charitable Fundraising Act 1991* and the Australian Council for International Development Code of Conduct (ACFID) financial reporting format.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### Specific revenue streams

##### AASB 1058 - Income of 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:

1. An asset is received in a transaction, such as by way of grant, bequest or donation;
2. There has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and
3. Where the intention is to principally enable the entity to further its objectives.

## Action on Poverty Limited

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# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### Specific revenue streams

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 by 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 revenue recognition policies for the principal revenue streams of the Company are:

##### Grant revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Action on Poverty Limited receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

##### Donations

Donations 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 can be measured reliably. Voluntary donations, by their nature of being received prior to entry into the accounting records, may be subject to inherent limitations regarding the completeness of revenue from such sources.

##### Statement of financial position balances relating to revenue recognition

##### Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

## Action on Poverty Limited

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# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### Statement of financial position balances relating to revenue recognition

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

##### Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to received a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

#### (b) Property, plant and equipment

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

##### Plant and equipment

Plant and equipment are measured using the cost model and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

## Action on Poverty Limited

ABN: 42 002 568 005

# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (b) Property, plant and equipment

##### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight - line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	17% - 27%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

#### (c) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

##### Lease accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

## Action on Poverty Limited

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# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (c) Leases

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### *Exceptions to lease accounting*

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### (d) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### (e) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.



## Action on Poverty Limited

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# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (e) Employee benefits

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### (f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

#### (g) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

#### (h) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (i) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### (j) Foreign currency transactions and balances

##### Transaction and balances

Transactions in foreign currencies are initially recorded by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Foreign currency differences arising on translation are recognised in the statement of comprehensive income.

## Action on Poverty Limited

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# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (k) Accounts payable and other payables

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

#### (l) Contract liabilities

The Company receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. Unspent project funds are recognised as liabilities to reflect the obligation to repay any unspent portion at the completion of the program.

#### (m) Economic dependence

Action on Poverty Limited is dependent upon receiving future donations and grants to continue operations.

#### (n) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

#### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

## Action on Poverty Limited

ABN: 42 002 568 005

# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 2 Summary of Significant Accounting Policies

#### (n) Financial instruments

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

#### **Financial liabilities**

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

### 3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### (i) *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Company expects most employees will take their annual entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees leave entitlements.

**Action on Poverty Limited**

ABN: 42 002 568 005

**Notes to the Financial Statements  
For the Year Ended 30 June 2023****4 Non-monetary expenditure**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
- Volunteers - Communications support	-	6,230
- Volunteers - Program support	<b>2,590</b>	151,319
- Volunteers - Fundraising	<b>51,877</b>	4,717
- Professional pro bono - Legal support	<b>16,215</b>	12,505
- Professional pro bono - Program support	<b>1,074,005</b>	15,499
	<b>1,144,687</b>	190,270

**5 Auditors' Remuneration**

Remuneration of the auditor, PKF for:

- Audit services	<b>15,000</b>	14,000
- Audit services - Vietnam office	<b>7,500</b>	7,000
- Other services	<b>3,750</b>	3,500
- Less: Honorary work agreement/pro -bono discount	<b>(10,500)</b>	(9,800)
- Transition to Simplified Disclosure financial statements	-	1,500
- ASA 315 Implementation	<b>2,000</b>	-
	<b>17,750</b>	16,200

**6 Cash and Cash Equivalents**

Cash at bank and in hand	<b>1,661,783</b>	1,862,372
Cash at bank and in hand - Vietnam	<b>376,028</b>	538,794
	<b>2,037,811</b>	2,401,166

**7 Trade and Other Receivables**

CURRENT		
Trade receivables	<b>149,608</b>	133,714

## Action on Poverty Limited

ABN: 42 002 568 005

### Notes to the Financial Statements For the Year Ended 30 June 2023

#### 8 Other Financial Assets

	2023	2022
	\$	\$
NON-CURRENT		
<i>Held at amortised cost</i>		
Term deposits	311,957	296,014
<i>Fair value through other comprehensive income</i>		
Other financial asset	298,262	275,368
	<u>610,219</u>	<u>571,382</u>

#### 9 Property, plant and equipment

##### Plant and equipment

At cost	143,956	132,402
Accumulated depreciation	<u>(130,274)</u>	<u>(119,083)</u>

##### Total plant and equipment

<u>13,682</u>	<u>13,319</u>
---------------	---------------

##### Motor vehicles

At cost	55,078	55,078
Accumulated depreciation	<u>(55,078)</u>	<u>(55,078)</u>

##### Total motor vehicles

-	-
---	---

##### Right-of-Use asset

At cost	535,679	535,679
Accumulated depreciation	<u>(535,679)</u>	<u>(516,121)</u>

##### Total Right of use assets

-	19,558
---	--------

##### Total plant and equipment

<u>13,682</u>	<u>32,877</u>
---------------	---------------

#### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Right of use assets	Total
	\$	\$	\$
<b>Year ended 30 June 2023</b>			
Balance at the beginning of the year	13,319	19,558	32,877
Additions	11,555	-	11,555
Depreciation expense	<u>(11,192)</u>	<u>(19,558)</u>	<u>(30,750)</u>
<b>Balance at the end of the year</b>	<u>13,682</u>	-	<u>13,682</u>

**Action on Poverty Limited**

ABN: 42 002 568 005

**Notes to the Financial Statements  
For the Year Ended 30 June 2023****10 Other Assets**

	2023	2022
	\$	\$
CURRENT		
Accrued income	176,156	-

**11 Trade and Other Payables**

CURRENT		
GST payable	10,929	2,532
Other payables	134,074	109,263
Accrued expenses	143,132	26,678
	<u>288,135</u>	<u>138,473</u>

**12 Contract liabilities**

CURRENT		
Unspent project funds	682,110	1,061,310

**13 Lease Liabilities**

<b>Lease Liability</b>		
Opening balance at 1 July	21,836	39,115
Other costs	-	1,756
Lease payments	(20,791)	(19,035)
End of lease adjustment	(1,045)	-
<b>Closing balance at 30 June</b>	<u>-</u>	<u>21,836</u>
<b>Lease Liability</b>		
- not later than 12 months	-	21,836
- between 12 and five years	-	-
<b>Minimum lease payments</b>	<u>-</u>	<u>21,836</u>

**14 Employee Benefits**

CURRENT		
Annual leave	141,867	146,435
NON-CURRENT		
Long service leave	3,954	3,183
Other benefits	12,260	-
	<u>16,214</u>	<u>3,183</u>

## Action on Poverty Limited

ABN: 42 002 568 005

## Notes to the Financial Statements For the Year Ended 30 June 2023

### 15 Financial Risk Management

The Company's financial instruments consists mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, contract liabilities and lease liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2023	2022
	\$	\$
<b>Financial assets</b>		
<i>Held at amortised cost</i>		
Cash and cash equivalents	2,037,811	2,401,166
Trade and other receivables	149,608	133,714
Term deposits	311,957	296,014
<i>Fair value through profit or loss</i>		
Other financial assets	298,262	275,368
<b>Total financial assets</b>	<b>2,797,638</b>	<b>3,106,262</b>
<b>Financial liabilities</b>		
<i>Held at amortised cost</i>		
Accounts payable and other payables	288,135	138,473
Unspent project funds	682,110	1,061,310
Lease liabilities	-	21,836
<b>Total financial liabilities</b>	<b>970,245</b>	<b>1,221,619</b>

### Financial Risk Management Policies

The Audit, Governance and Risk committee is responsible for monitoring and managing the entity's compliance with its risk management strategy and consists of senior board members. The Audit, Governance and Risk committee's overall risk management strategy is to assist the entity in meeting its financial targets while minimising potential adverse affects on financial performance. Risk management policies are approved and reviewed by the Audit, Governance and Risk committee on a regular basis. These include credit risk policies and future cash flow requirements.

### Specific Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the entity is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

## Action on Poverty Limited

ABN: 42 002 568 005

# Notes to the Financial Statements

## For the Year Ended 30 June 2023

### 15 Financial Risk Management

#### Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this through the following mechanisms:

- preparing forward looking cash flow analyses in relation to its operating, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

#### Market risk

##### (i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments.

##### (ii) Foreign currency risk

The Company has cash and cash equivalents predominantly held in VND, USD and EUR, Foreign currency is held to fund commitments in those currencies.

### 16 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is not required to contribute each towards meeting any outstanding and obligations of the Company. At 30 June 2023 the number of members was 18 (2022: 18).

### 17 Key Management Personnel Disclosures

#### (a) Key Management Personnel "KMP"

The number of KMP was 4 (2022: 5) and the totals of remuneration paid to the key management personnel of Action on Poverty Limited during the year is as follows:

	2023	2022
	\$	\$
<b>KMP compensation:</b>		
- Short-term benefits	611,022	689,280

#### (b) Other related parties

The entity operates a project office in Vietnam to assist in the entity's principal activities. The project office is under the control of the entity and is consolidated into this financial report. In addition, the project office prepares separate audited financial statements.



## Action on Poverty Limited

ABN: 42 002 568 005

## Notes to the Financial Statements For the Year Ended 30 June 2023

### 18 Cash Flow Information

#### Reconciliation of result for the year to cashflows from operating activities

	2023	2022
	\$	\$
Surplus for the year	69,954	144,091
Non-cash flows in profit:		
- depreciation and amortisation expense	30,750	31,482
- unrealised (loss)/gain on financial assets	(19,299)	16,622
- finance costs on leases	711	1,756
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(15,894)	419,462
- increase in other assets	(176,156)	-
- decrease in trade and other payables	(229,538)	(725,390)
- increase/(decrease) in employee benefits	8,463	(145,637)
- decrease in tax liability	-	(90,020)
Cash flows from operations	<u>(331,009)</u>	<u>(347,634)</u>

### 19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

### 20 Events after the end of the Reporting Period

The financial report was authorised for issue on 19 October 2023 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

### 21 Statutory Information

The registered office and principal place of business of the company is:

Action on Poverty Limited  
50 Miller Street  
North Sydney, NSW 2060

### 22 Information furnished under the ACFID Code of Conduct

#### Revenue (expenditure) for international political or religious adherence promotion programs

No revenue was earned nor expenditure incurred for the year on international political or religious prosthetytisation programs.

## Action on Poverty Limited

ABN: 42 002 568 005

### Notes to the Financial Statements For the Year Ended 30 June 2023

#### 23 Information - Charitable Fundraising Act 1991

##### (a) Details of Aggregate Gross Income and Total Expenditure of Fundraising Appeals

The following information is a requirement of the Charitable Fundraising Act 1991.

	2023	2022
	\$	\$
<b>Gross income</b>		
<b>Functions &amp; special events</b>		
Program donations - Australia	1,166,883	1,238,473
Program donations - Overseas	29,369	8,295
	<u>1,196,252</u>	<u>1,246,768</u>
<b>Gross proceeds from Fundraising Appeals</b>	<u>1,196,252</u>	<u>1,246,768</u>
<b>Expenditure</b>		
Public	(55,607)	(133,703)
	<u>(55,607)</u>	<u>(133,703)</u>
<b>Direct costs of Fundraising Appeals</b>	<u>(55,607)</u>	<u>(133,703)</u>
<b>Net surplus from Fundraising Appeals</b>	<u>1,140,645</u>	<u>1,113,065</u>

##### (b) Statement showing how funds received are applied for Charitable purposes

Net surplus obtained from Fundraising Appeals	1,140,645	1,113,065
<b>Applied for Charitable purposes as follows:</b>		
Funds to international programs	(6,323,464)	(7,942,157)
International program support costs	(907,034)	(1,477,050)
Government, multilateral and private fundraising costs	(161,930)	(130,221)
Administration	(576,982)	(421,617)
	<u>(7,969,410)</u>	<u>(9,971,045)</u>
<b>Total expenditure</b>	<u>(7,969,410)</u>	<u>(9,971,045)</u>
<b>Surplus/(shortfall)</b>	<u>(6,828,765)</u>	<u>(8,857,980)</u>
The shortfall is made up from grants, investment income, commercial activities income and other income		
Gross income from fundraising appeals	1,196,252	1,246,768
Total direct cost of fundraising appeals	(55,607)	(133,703)
	<u>1,196,252</u>	<u>1,246,768</u>
<b>Total direct cost of fundraising as a percentage of gross income from fundraising appeals</b>	<b>4.65%</b>	<b>10.72%</b>
Net surplus from fundraising appeals	1,140,645	1,113,065
	<u>1,140,645</u>	<u>1,113,065</u>
<b>Net surplus from fundraising as a percentage of gross income from fundraising appeals</b>	<b>95.35%</b>	<b>89.28%</b>
Total cost of direct services	(6,323,464)	(7,942,157)
Total expenditure (excluding direct cost of fundraising appeals)	(7,969,410)	(9,971,046)
	<u>(7,969,410)</u>	<u>(9,971,046)</u>
<b>Total cost of direct services as a percentage of total expenditure</b>	<b>79.34%</b>	<b>78.65%</b>
Total income received (including net profit from fundraising appeals)	9,240,369	10,439,146
	<u>9,240,369</u>	<u>10,439,146</u>
<b>Total cost of direct services as a percentage of total income received</b>	<b>68.43%</b>	<b>76.08%</b>

## Action on Poverty Limited

ABN: 42 002 568 005

## Directors' Declaration

Per section 60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

In accordance with a resolution of the Action on Poverty Limited, the Directors of the Company declare that, in their opinion:

1. The financial statements and notes, as set out on pages 7 to 26, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with Australian Accounting Standards - Simplified Disclosure Standard (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and
  - b. give a true and fair view of the financial position of the registered entity as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

DocuSigned by:  
*Alice Xu*  
Director ... 993245781ACC4B7.....

DocuSigned by:  
*John Bell*  
Director . 1756DB195A86447.....

Dated 19 October 2023 | 6:32:30 PM AEDT

24 October 2023 | 9:53:27 AM AEDT

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ACTION ON POVERTY LIMITED

#### Report on the Audit of the Financial Report

##### Opinion

We have audited the financial report of Action on Poverty Limited (the Company), which comprises the statement of financial position as at 30 June 2023, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Action on Poverty Limited, has been prepared 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 2023 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards – Simplified 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standard) (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.

##### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

## Other Information (cont'd)

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 inconsistent 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 Directors for the Financial Report

The directors 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 – Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The directors 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 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 the 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 the directors.

## Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Conclude on the appropriateness of the directors' 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 regarding, 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

## Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015

We have audited the financial report as required by Section 24(2) of the NSW Charitable Fundraising Regulations Act 1991. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the abovementioned Act(s) and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

## Opinion

In our opinion, the financial report of Action on Poverty Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2023, in all material respects, in accordance with:

- a) sections 20(1), 22(1-2), 24(1-3) of the NSW Charitable Fundraising Act 1991;
- b) sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015



## Report on the Australian Council of International Development (ACFID) Code of Conduct Summary Financial Report (the Report)

We have audited the Report of the Company, which comprises the statement of financial position as on 30 June 2023 and the income statement, statement of comprehensive income, statement of changes in equity for the year ended on the date and the directors declaration. The directors of the Company are responsible for the preparation and presentation of the Report in accordance with section C.2.2 of the Australian Council for International Development (ACFID) Code of Conduct. Our responsibility is to express an opinion on the Report based on our audit conducted in accordance with the Australian Auditing Standards.

### Opinion

In our opinion, The Australian Council for International Development (ACFID) Code of Conduct Summary Financial Report of The Action on Poverty Limited for the year ended 30 June 2023 complies with Section C.2.2 of the Australian Council for International Development (ACFID) Code of Conduct.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

A handwritten signature in black ink that reads 'PKF'.

PKF

A handwritten signature in black ink, appearing to be 'Kym Reilly'.

KYM REILLY  
PARTNER

19 OCTOBER 2023  
SYDNEY, NSW