

Pratham AUS Incorporated

ABN: 82 374 145 565

Financial Statements

For the year ended 30 June 2022

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For the year ended 30 June 2022

CONTENTS

Financial Statements

	<u>Page</u>
Chairperson's Report	1
Statement of Income and Expenditure	4
Statement of Financial Position	5
Notes to the Financial Statements	6
Declaration by Committee	9
Auditor's Independence Declaration	10
Independent Audit Report	11

Pratham AUS Incorporated

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Chairperson's Report

For the year ended 30 June 2022

The Board submits the financial report of Pratham AUS Incorporated ("Pratham", "Pratham AUS", "Pratham Australia" or "the association") for the financial year ended 30 June 2022.

Pratham AUS is an incorporated association registered in New South Wales under the *Associations Incorporation Act 2009*. Pratham was issued its registration on 9 February 2015 and continues to be registered to date.

Pratham AUS received Deductible Gift Recipient ("DGR") status from the ATO on 30 May 2015 and has retained this status since. DGR status allows donors to make tax deductible contributions to Pratham AUS.

Principal Activities

The Pratham Education Foundation India, 'Pratham India' in short, was established in 1995 as a non-profit organization headquartered in India, working towards the vision of "every child in India in school and learning well".

Pratham AUS supports Pratham India's continuing endeavours to provide a safe and healthy place and environment conducive to effective learning and teaching, establish, encourage and support educational and training institutions, establish and encourage active participation of students, teachers and communities to actively participate in range of community and environment restoration projects, promote team sports and healthy and hygienic activities (especially for children and women), provide a common meeting ground to exchange ideas, etc. to create opportunities for those under-privileged.

Pratham AUS's primary objectives include raising funds to support the activities of Pratham India's educational, vocational training and related activities in India, providing oversight of the use of Pratham AUS funds in India, increasing awareness of the problems of the underprivileged in India, including educational deficits and their potential solutions, and overseeing the development and use of the Pratham AUS identity within Australia.

The Board of Pratham AUS has decided to focus its attention on Pratham's Second Chance program that provides continuing education and upskilling to girls and women who have had to drop-out of school for reasons beyond their control, including having to work to support their families. Pratham's program allows them to study near their homes, around their daily household and work responsibilities. The program has progressed into giving microfinancing to young women for setting up small businesses in their respective communities.

Due to ongoing COVID-19 restrictions there were no face-to-face events organised. However a successful digital 'LightALife' Diwali was run online for the four weeks leading up to Diwali on November 4, 2021. Work on the new website has been ongoing.

A new Board member, Samantha Sachdev, was appointed on 1 February 2022.

Pratham AUS Incorporated

ABN: 82 374 145 565

Chairperson's Report For the year ended 30 June 2022

Operating Results

Pratham AUS had a net surplus of \$10,700 (2021: \$2,948) for the year ended 30 June 2022. Additionally, the association had cash and cash equivalents of \$65,164 (2021: \$54,464) as at 30 June 2022.

The Board is confident in its continued ability to raise sufficient funds to achieve its short and long-term objectives.

Board

The Board ("the EC" or "the Board") is responsible for managing the affairs of the association, in accordance with its constitution and the *Associations Incorporations Act 2009* ("the Act").

The Board is responsible for managing the affairs of the association, in accordance with its constitution and the Act. Additionally, the role of the Board includes:

- managing the association's financial affairs and maintaining its financial viability.
- ensuring the association acts in accordance with its objects or purposes; and
- meeting all legal requirements.

The minimum number of Board members is 5, with a maximum of 11. The Board members may appoint any individual as a Board member, either to fill a casual vacancy or as an addition to the existing Board members, provided the number of Board members does not exceed the maximum number of 11.

The Board members hold office for a maximum of 6 years from the date of appointment unless the Board decides otherwise for any Board member.

Board Meetings

During the year ended 30 June 2022, a total of 6 Board Meetings were held, including an AGM for acceptance of the 2021 Financial Report.

Name	Appointed	Post	Meetings Attended	Meetings Eligible
Ms Sarita Chand	9 February 2015	Chairperson	6	6
Ms Jill Weekes	23 February 2017	Deputy Chairperson	3	6
Ms Debra Berkhout	10 September 2015	Secretary	4	6
Mr Guy Beres	9 February 2015	CIO	5	6
Ms Ritu Bajaj	9 November 2019	Board Member	6	6
Mr Piyush Bhatt	14 February 2019	Treasurer	5	6
Mr Anoop Kalra	10 December 2020	Board Member	6	6
Ms Samantha Sachdev	1 February 2022	Board Member	2	2

Pratham AUS Incorporated

ABN: 82 374 145 565

Chairperson's Report For the year ended 30 June 2022

Members

According to Pratham AUS's constitution, the only members of the association are its board members. When a person becomes a board member, they also become a member of the association, and vice-versa.

There are no entrance/subscription fees payable.

Audit

As an incorporated association (Tier 2), the Board understands from NSW Fair Trading that undertaking an audit is not a statutory requirement. However, an auditor shall be appointed by the Board to annually examine our accounts and furnish an audit report thereon for presentation to members at the following annual meeting. An auditor shall not be a member of or related to a member of the Board.

On 7 April 2016, Robert Mayberry, formerly a partner with Nexia Sydney was appointed as auditor of Pratham AUS.

Signed in accordance with a resolution of the Board:

Chairperson:.....
Sarita Chand

Dated: 07.12.2022

Pratham AUS Incorporated

ABN: 82 374 145 565

Statement of Income and Expenditure

For the year ended 30 June 2022

	Note	2022	2021
		\$	\$
Income			
Fundraising event income		-	-
Donations received		60,980	48,058
Total income		60,980	48,058
Less: Cost of Sales			
Fundraising costs		-	-
Total Cost of Sales		-	-
Gross profit		60,980	48,058
Expenses			
Accounting fees		-	-
Bank fees		6	6
Donations – Pratham India		50,000	45,000
Event Expenses		101	-
Printing & Stationery		173	105
Total expenses		50,280	45,112
Net surplus/(deficit) for the year		10,700	2,948

The accompanying notes form part of these financial statements.

Pratham AUS Incorporated

ABN: 82 374 145 565

Statement of Financial Position

30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	65,164	54,464
TOTAL CURRENT ASSETS		65,164	54,464
TOTAL ASSETS		65,164	54,464
LIABILITIES			
		-	-
TOTAL LIABILITIES		-	-
NET ASSETS / (LIABILITIES)		65,164	54,464
EQUITY			
Current year earnings		10,700	2,948
Retained earnings		54,464	51,516
TOTAL EQUITY		65,164	54,464

The accompanying notes form part of these financial statements.

Pratham AUS Incorporated

ABN: 82 374 145 565

Notes to the Financial Statements For the year ended 30 June 2022

Note 1 Summary of Significant Accounting Policies

Pratham AUS is an incorporated association registered in New South Wales under the *Associations Incorporation Act 2009*.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies have been adopted in the preparation of this report are as follows:

(a) Basis of Preparation

The committee has prepared the financial statements on the basis that the entity is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the committee have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(c) Revenue and Other Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Donations, gifts and events income is recognised at the earlier of receipt or notification that the monies have been secured.

Interest revenue is recognised as it accrues taking into account the interest rates applicable on the financial asset. Income on loans is recognised in accordance with the terms of the relevant agreement.

Grant income is recognised at fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

Pratham AUS Incorporated

ABN: 82 374 145 565

Notes to the Financial Statements For the year ended 30 June 2022

Note 2 Cash and cash equivalents

	2022	2021
Commonwealth Bank of Australia – Society Cheque Account #766	2,285	2,560
Commonwealth Bank of Australia – Society Cheque Account #864	62,879	51,904
	<u>65,164</u>	<u>54,464</u>

Note 3 Events After the Balance Sheet Date

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the associations state of affairs in future financial years.

Note 4 Information and declarations to be furnished under the Charitable Fundraising Act 1991

(i) *Details of aggregate gross income and total expenses of fundraising events:*

	2022	2021
	\$	\$
Gross proceeds from fundraising activities:		
Fundraising events	-	-
Donations received	60,980	48,058
Total	60,980	48,058
Less total direct cost of fundraising activities:		
Fundraising costs	-	-
Total	60,980	48,058
Net surplus from fundraising events	<u>60,980</u>	<u>48,058</u>

No fundraising events were held during 2021 or 2022 due to Covid risks

Pratham AUS Incorporated

ABN: 82 374 145 565

Notes to the Financial Statements

For the year ended 30 June 2022

Note 5 Information and declarations to be furnished under the Charitable Fundraising Act 1991 (continued)

(ii) *Application of net surplus from fundraising events:*

Net surplus from fundraising events 60,980

This surplus will be used to provide money, property or benefits to deliver social, cultural and professional advancement for Pratham in India.

(iii) <i>Comparisons of certain monetary figures and percentages</i>	2022 \$	2022 %	2021 \$	2021 %
Total cost of fundraising/gross income from fundraising	<u>0</u> 60,980	0	<u>0</u> 48,058	0
Net surplus from fundraising/gross income from fundraising	<u>60,980</u> 60,980	100	<u>48,058</u> 58,880	100
Total cost of services/total expenditure	<u>280</u> 50,280	0	<u>112</u> 45,112	0
Total cost of services/total income received (net surplus from fundraising)	<u>280</u> 50,280	0	<u>112</u> 45,112	0

Pratham AUS Incorporated

ABN: 82 374 145 565

**Declaration by Committee
For the year ended 30 June 2022**

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

In the opinion of the committee the financial report as set out on pages 1 to 8:

1. Presents a true and fair view of the financial position of Pratham AUS Incorporated as at 30 June 2022 and its performance for the year ended on that date; and
2. At the date of this statement, there are reasonable grounds to believe that Pratham AUS Incorporated will be able to pay its debts as and when they fall due.

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

Chairperson:


Sarita Chand

Treasurer:


Piyush Bhatt

Dated:

07.12.2022

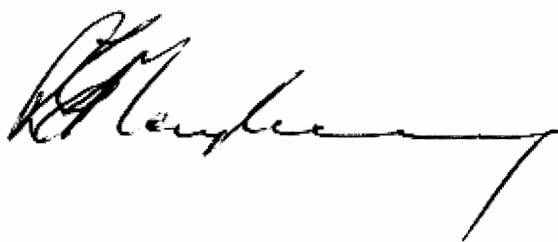
Auditor's Independence Declaration under subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*

To the Committee Members of Pratham AUS Incorporated

In accordance with Subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the committee members of Pratham AUS Incorporated.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Mayberry', with a long horizontal flourish extending to the right.

Robert Mayberry

Registered Company Auditor no. 185903

PO Box 482

Lane Cove NSW 1595

Dated: 9 December 2022

Pratham AUS Incorporated

ABN: 82 374 145 565

Independent Auditor's Report to the Members of Pratham AUS Incorporated

Opinion

We have audited the financial report, being a special purpose financial report, of Pratham AUS Incorporated (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of income and expenditure, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Committee.

In my opinion, the accompanying financial report of the Association is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards to the extent described in Note 1, and *Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. I am independent of the entity 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 Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Committee, would be in the same terms if given to the Committee as at the time of this auditor's report.

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

Emphasis of matter regarding basis of accounting

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Committee's responsibility for the financial report

The Committee are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Committee are also responsible for such internal control as the Committee 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 Committee are responsible for assessing the entity'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 Committee either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

My 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 my 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.

A further description of my responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

I also provide the Committee with a statement that I 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 my independence, and where applicable, related safeguards.

Report on the Requirements of the Charitable Fundraising Act 1991 (NSW) and the Charitable Fundraising Regulation 2015 (NSW)

I have audited the financial report as required by section 24(2) of the Charitable Fundraising Act 1991 (NSW). My 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 Charitable Fundraising Act 1991 and Charitable Fundraising Regulation 2015.

Because of any inherent limitations of any assurance engagement, it 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 prescribed in the above-mentioned Act and Regulation 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.

Audit opinion

In my opinion:

- a) The financial report gives a true and fair view of the financial results of fundraising appeal activities for the financial year ended 30 June 2022;
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the financial year ended 30 June 2022, in accordance with the *Charitable Fundraising Act 1991* and Regulations;
- c) Money received as a result of fundraising appeal activities conducted during the financial year ended 30 June 2022 has, in all material respects, been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and Regulations; and

There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.



Robert Mayberry

Registered Company Auditor No. 185903

Chartered Accountant

PO Box 482

Lane Cove, NSW, 1595

Dated: 9 December 2022