

# ANNUAL Report

INCLUSIVE SOCIAL CHANGE



**2020-2021**





ACFID  
MEMBER



**Australian Government**

**Department of Foreign Affairs and Trade**

Cufa is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

The Department of Foreign Affairs and Trade (DFAT) is the Australian Government agency responsible for managing Australia's overseas aid program. Australia's aid program aims to help developing countries reduce poverty and achieve sustainable development.

**Australian  
Aid** 



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## **LETTER FROM THE CHAIR**

**ANDREW RODGERS**

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I am sure that the original Trustees for Cufa, P. Lucas, Laurence Dermot Ryan and Beresford Calverley, would be proud to see what Cufa has become today, of what Cufa is doing and what it has achieved in its 50 years of operations. As would all those who have contributed in a thousand ways to what Cufa is today, from our program and support staff, our volunteers and our generous supporters.

As part of looking back at the remarkable achievements that Cufa has made, your Board has also been looking at how to ensure that this legacy is preserved and enhanced for impact. I am delighted to inform you that Mr Darian Clark has accepted the role of CUFA's CEO. Darian replaces Dr Peter Mason who departed the role after 11 years of service. We thank Peter for his dedication and work with Cufa. Darian brings over 15 years of experience working across the Australian aid industry, including a decade managing the Australian Government's Aid program as a governance and humanitarian specialist. Darian has lived in-country as part of his working experience and will bring some valuable insights to how we can grow Cufa.

Darian will be an incredible asset to Cufa as we work with our supporters to build on the accomplishments of the past 50 years and move towards new opportunities and successes. During this year Cufa said goodbye to Ted Marchant, who joined Cufa's board in 2019. His assistance on both Cufa and Foresters Community Finance boards has provided invaluable wisdom.

We would like to welcome Paul McCann, who joined Cufa and Foresters Community Finance boards in July, and whose background in accounting and finance will add immense value to both organisations in the years to come.

This year saw Cufa navigate challenging headwinds: a worsening COVID-19 crisis in Australia, Cambodia and Myanmar, as well as political unrest in the latter. These events initially disrupted our program work, but through the determination and dedication of our staff, in-country and in Australia, we augmented our in-country programs to continue our mission and agilely adapted our operations to meet these unique circumstances in a safe way.

To my fellow Board members, our partners in the Australian government, the Credit Union and Mutual Community of Australia, the Asian Development Bank, the UNDP and supporters from the Australian public, I say thank you for your ongoing support during this year.

As an organisation we are excited for the next chapter of Cufa under Darian's leadership.



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## **LETTER FROM THE CEO**

**DARIAN CLARK**

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For 50 years Cufa has been working in the Asia-Pacific Region to alleviate poverty; and although we have achieved some spectacular results, there is still much to be done.

This year marks an important milestone for Cufa, one which many NGOs do not reach. In the research and writing of our Cufa 50 Year Anniversary Book, we reflected on how far Cufa has come; the people who've made Cufa what it is today, the challenges and triumphs and those in the Australian public and Credit Union community who've been the vital supporters of Cufa. We also take this opportunity to acknowledge the contribution of Peter Mason, who recently departed Cufa after 11 years at the helm. I am honoured to take up this important role as we begin a new chapter in Cufa's history.

This year has also been a year of challenges for Cufa. The continued COVID-19 pandemic, in particular the outbreak of the Delta strain, has caused local and provincial wide lockdowns in both Cambodia and Australia. Additionally in 2021, our programs in Myanmar had to be halted due to disruptions since February. These two challenges have caused Cufa's Cambodian and Myanmar staff significant stress, and we are relieved to know our staff remained safe during these events. Even in the face of these challenges, Cufa has been able to continue operating by adapting its important programs.

In response to COVID-19, Cufa's Family Livelihoods Improvement Program adapted in May 2020 to produce and sell hand soap in rural communities; and continues to adapt by now producing liquid detergent, as well as recycling their containers to improve their local environment. Following the severe COVID-19 outbreak in Cambodia in 2021, Cufa's Children Financial Literacy staff adapted the program delivery to video format, allowing students to view and learn the lessons at home.

Reflecting on our 50th year, I would like to thank all those who have supported us, financially, through working and volunteering for Cufa and those who've helped us in all other ways. Without you, Cufa would not be celebrating its 50th Anniversary.



# WHO WE ARE

Since 1971, Cufa has been working as a not-for-profit organization in the Asia-Pacific region, committed to alleviating poverty and inclusive social change. Leading Cufa during the past 50 years have been four pillars: Education, Enterprise, Employment, and Economic Institutions.

These pillars inform Cufa's approach, focusing on educating communities on sustainable financial habits; setting up micro-enterprises; up-skilling disadvantaged communities to gain meaningful employment, and enabling communities to gain access to safe and affordable economic institutions.

Without these ideas to guide us, Cufa's programs would not have the impact that they do today. These pillars reinforce Cufa's approach to not just alleviate poverty, but to equip communities with the technical skills and financial support they need to address intergenerational poverty. Cufa's programs ensure the vulnerable members of the communities are given tailored assistance to allow them to participate in our programs, ensuring no one is left behind.

To assist Cufa in being at the front of international development approaches and ways of thinking, Cufa is a signatory to the Australian Council for International Development (ACFID) Code of Conduct. To ensure compliance with the code, every year Cufa provides ACFID a comprehensive assessment of its overall practices.



# OUR VALUES

## Our Mission



To facilitate the development of economic capacity through education, employment and enterprise opportunities and create inclusive and sustainable social change.

## Our Vision



Our vision is for all those in the Asia-Pacific Region to be free of poverty, achieving it through economic development, strong economic institutions, education, and self-determination.

## Our Values



Integrity, passion, innovation, collaboration and financial prudence.

## Our Impact

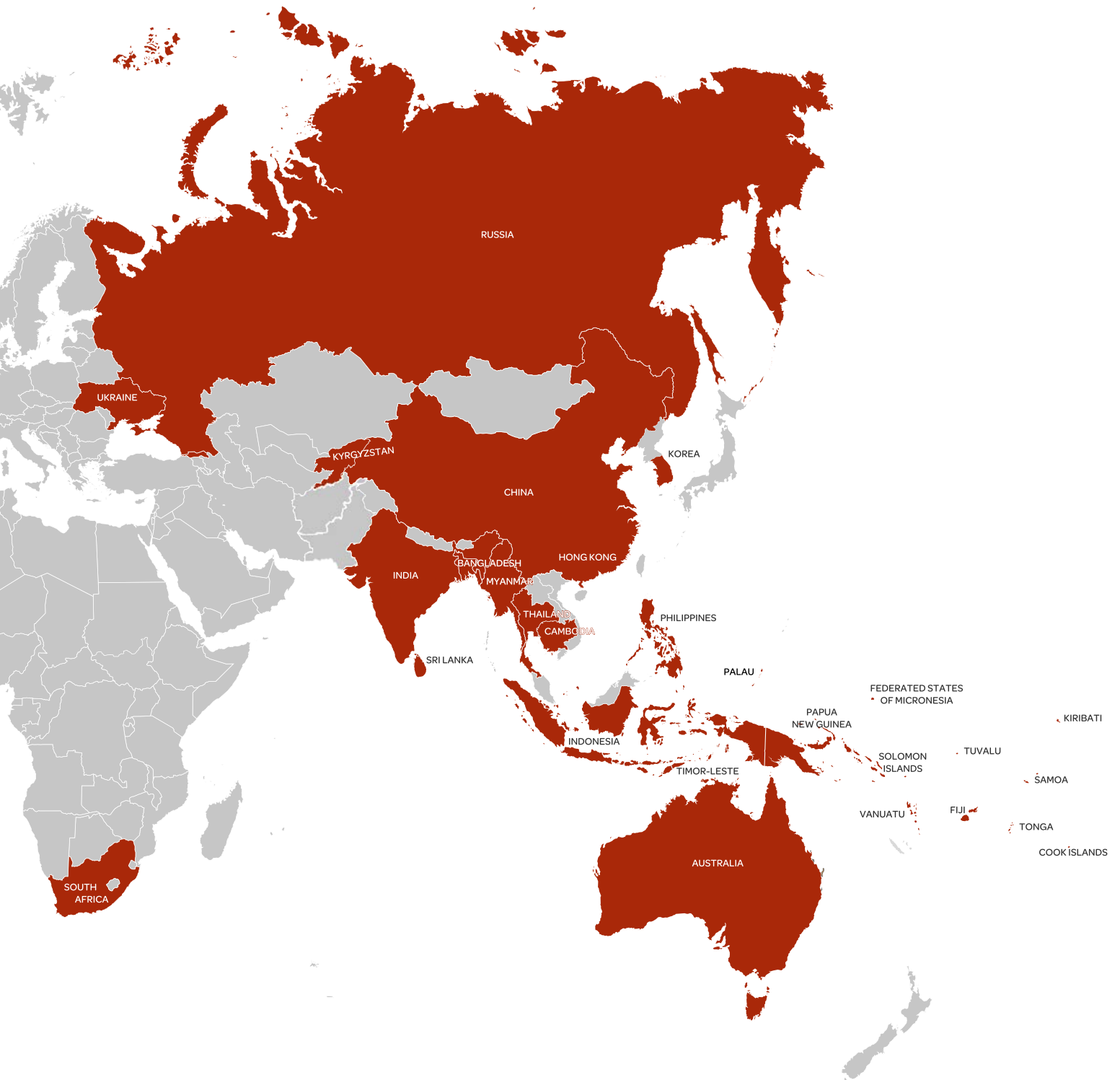


For every \$1 of donor funding \$7.91 of value is created by our development programs.



# WHERE WE WORK

Cufa's work is concentrated on Australia's neighbours in the Asia-Pacific Region that are living in poverty. To date, Cufa's work has had a positive impact on local people and communities across 27 countries in this region.







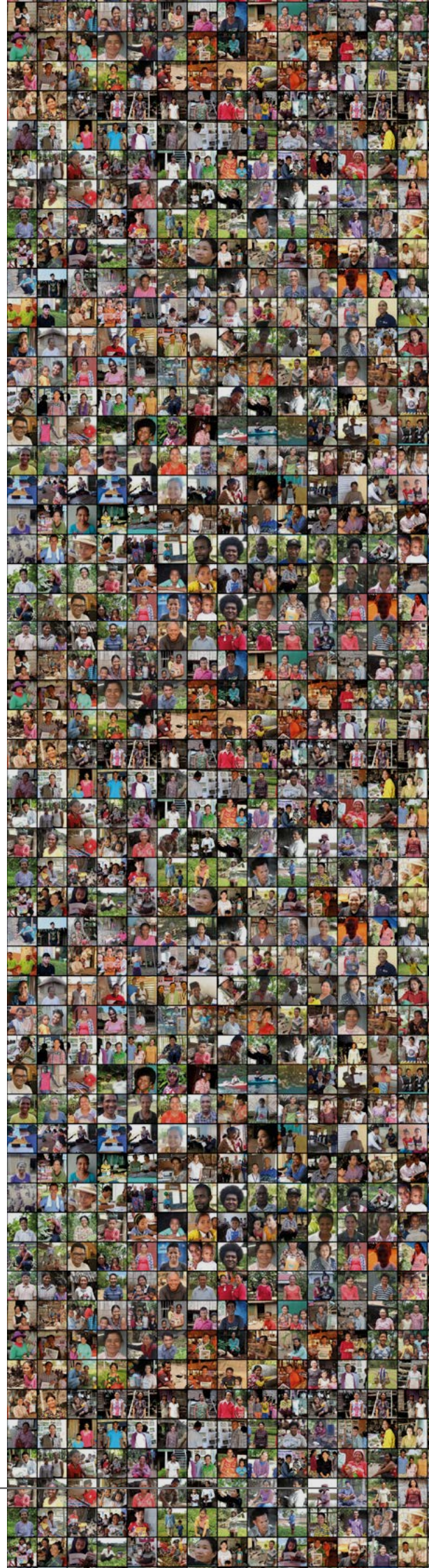
# 50 YEAR HISTORY

On July the 4th, 1971, the Credit Union Foundation of Australia (Cufa) began what is now a 50 year journey. In those 50 years, Cufa has hosted programs across 27 countries. These programs sought to share the knowledge and methods from the Credit Union movement that Cufa emerged from, focusing on empowering impoverished communities through Credit Union development, entrepreneur and micro-business support. Our story involves the co-operation of a diverse cast of technical officers, support staff, Executive Officers and Directors who each have made Cufa what it is today.

Our early international work cemented Cufa's role as an Asia-Pacific Region-focused organization, working with the Bergengren School of the South Pacific in Fiji and the Hong Kong Credit Union League, as well as working in Papua New Guinea, developing local savings and loan societies. Furthering this connection to the Asia-Pacific Region, Cufa established a relationship with the Asian Confederation of Credit Unions (ACCU), the World Council on Credit Unions (WOCCU) and the Asian Development Bank (ADB). Through these relationships, Cufa has assisted communities across the Asia-Pacific Region for the past 50 years.

As we reach 50 years, Cufa's journey has been made possible thanks to the cooperation, ingenuity, altruism and foresight of its staff and directors. From the original Trustees, B.Caverley, J.B. Wright and P.Lucas, to those directors who created lasting impacts on the organization throughout the years. We would be remiss not to mention the vital role that the program officers, support staff and executive officers have played throughout the years, each individually bringing a unique and valuable skillset that has allowed Cufa to rise to confront challenges across the globe. Cufa has set itself apart by adopting the approach of employing domestic staff from the countries in which Cufa works.

Through co-operation with two University of Sydney academics, we have been able to bring together the complete history of Cufa into a single published work. Our history book contains photos, artifacts, and interviews from throughout the history of Cufa.





**CIFA** 50  
*years*





# CHILDREN'S FINANCIAL LITERACY OVERVIEW

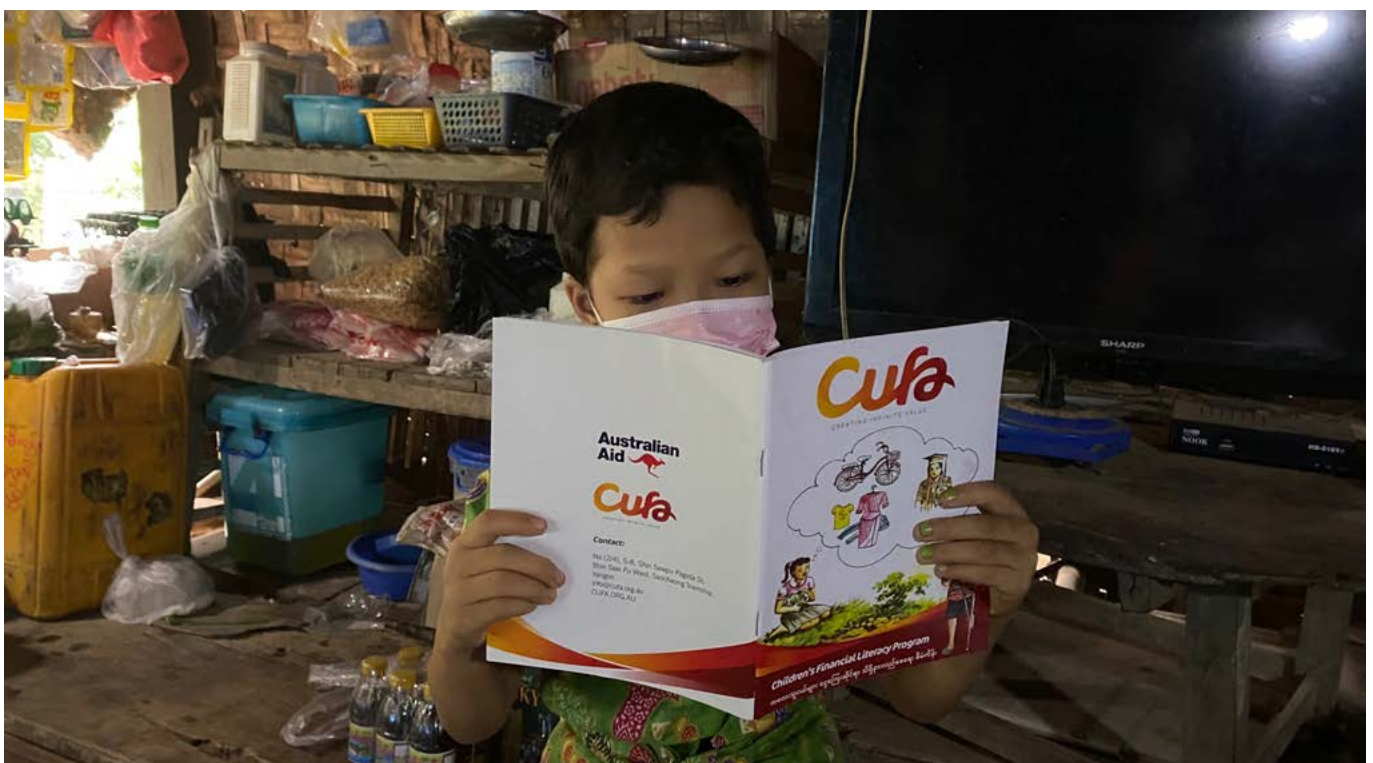
## ANCP & Teachers Mutual Bank Limited

Since it began in 2007, Cufa's Children Financial Literacy Program (CFL), with the support of the Department of Foreign Affairs and Trade (DFAT) through the ANCP Program and the Teachers Mutual Bank Limited (TMBL), has provided financial literacy lessons to children in Cambodia and Myanmar.

Over the past year, Cufa adapted its CFL program in Cambodia, due to the continuing COVID-19 outbreak, which resulted in nationwide lockdowns. Schools remained closed through this period, and our staff resorted to providing Home Visits and video lessons to reach children. Even with these challenges we have been able to continue to provide lessons to 9,736 students.

Historically, Cufa has conducted Home Visits to monitor children's retention of knowledge and to ensure that the parents understand the important role they place in encouraging best practice. During the COVID-19 pandemic in Cambodia, Cufa has adapted these Home Visits to be the main mode of teaching, delivering 719 Home Visits over the last financial year.

In Myanmar, the continued COVID-19 pandemic, as well as the February civil unrest has resulted in significant disruptions to the project. Our response in Cambodia to move classes online was not possible as the internet was unreliable following the unrest. Even with this challenge, our staff adapted, using landline phones to call into classes, with classes structured so that students could easily follow along. The community also came together, with CFL graduates assisting the younger children in the program to help with the lessons. Despite double crises, Cufa's staff was able to deliver its full suite of lessons to 425 students and participate in 122 Home Visits.



# CFL HIGHLIGHTS

## CFL ANCP & TMBL Highlights

### TMBL



Delivered Lessons to  
**6,035** Children



**493**  
Home Visits Conducted



**2,337** Children  
Began Saving

### ANCP-Cambodia



Delivered Lessons to  
**3,701** Children.



**227**  
Home Visits Conducted



**1,740** Children  
Began Saving

### ANCP-Myanmar



Delivered Lessons to  
**425** Children.



**122**  
Home Visits Conducted



**1,195** Children  
Began Saving

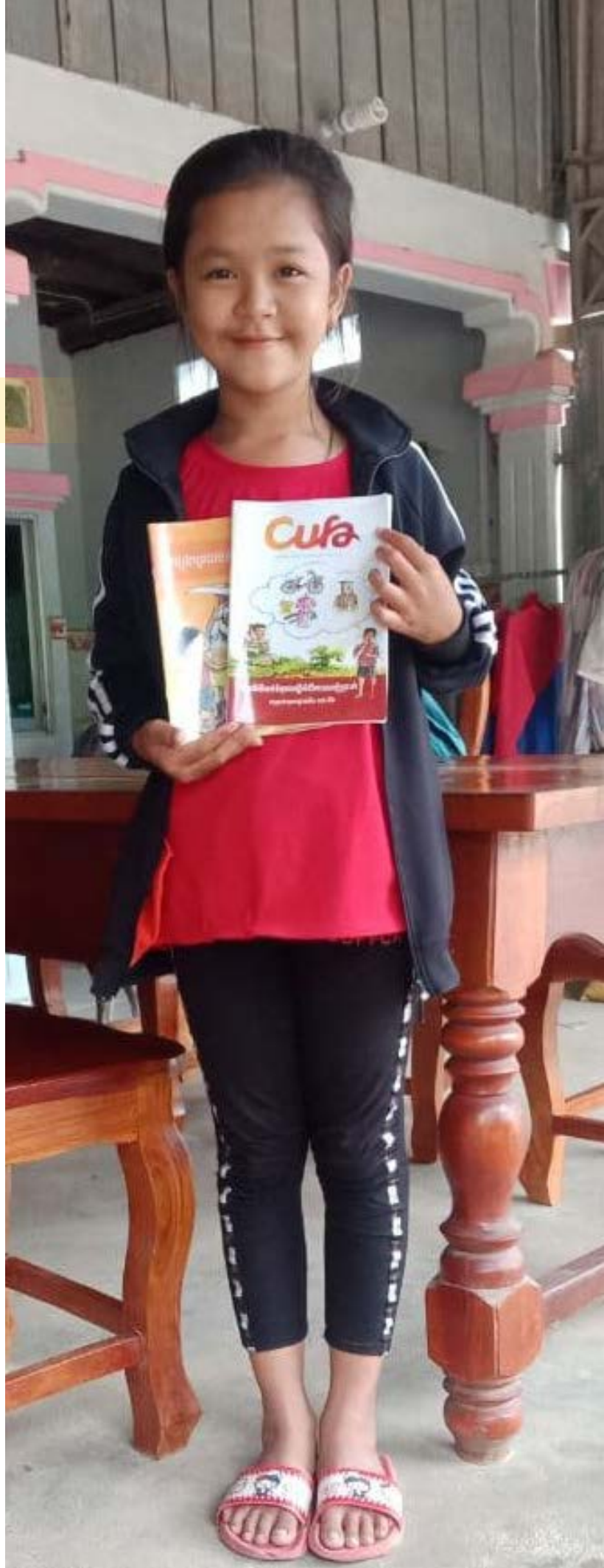


# CFL ANCP Case Study

## Hun Pheakdey

For Hun, Cufa's Children Financial Literacy Program has given her a new outlook on how she can turn something very small into something much bigger. Like many Cambodians, Hun's family lives in poverty, so getting pocket change was a rare luxury. Her situation meant that access to vital books and stationery she needed was out of her reach.

When the Cufa staff visited her school, Hun was able to learn through the CFL program the benefits and power of savings. She started saving money to buy stationery for school, putting away the small pocket change she received every day. Excited from the progress she was making, she shared the knowledge with her family and friends. This change in Hun's savings behaviour inspired her sister to begin to save as well. When asking Hun about what she thought was most impactful for her from the lessons, she responded that understanding how her family's finances worked, and how hard it was for her parents to get money for her, has given her a renewed appreciation for her family and how hard they have worked to feed their family.



# CFL ANCP Case Study

## Ma

Like many children, Ma had a rebellious streak. When her parents, themselves careful savers, would give her pocket money, Ma would run off and spend it on hair clips, hair bands and dolls. Her family knew that she needed to learn to save, so her mother encouraged her to participate in Cufa's Children's Financial Literacy Class when the program came to her community.

As Ma began her first lesson, she began to understand what her parents were talking about. The second lesson, covering the benefits of savings and the various ways to save money, fostered Ma's interest in the subject. In the next lesson, she learned about the Village Saving

Banks (VSB) in her community, and the way the VSB helps people save money. Excited by the possibilities of saving and what she could achieve, she was eager to open an account with her VSB.

Now Ma is a regular at her VSB, diligently putting money away instead of spending it on unnecessary hair accessories or dolls. She even spoke to her younger brother, sharing the knowledge of how saving now can unlock endless possibilities in the future, and now he has also opened an account himself. Her parents are very proud of her as well, and relieved that their children now understand the importance of saving for their futures.



# Integrating Financial Education in the Cambodian School Curriculum

## Grass-roots learnings informing national financial education in Cambodia

The Asian Development Bank (ADB)-funded project to integrate financial education in the National Cambodian School Curriculum speaks volumes of the significance of increasing financial literacy in Cambodia and the importance of financial education in promoting fair financial markets, particularly as markets modernise. Cufa has been implementing this project since December 2019 together with the National Bank of Cambodia (NBC) and the Ministry of Education, Youth and Sport (MoEYS)

The impetus for this project is the priority placed on increasing financial literacy in the Cambodian Financial Sector Development Strategy 2016-2025. The strategy emphasises that trust and confidence in the integrity and fairness in financial markets is not limited to market conduct rules for providers and consumer protection rules – but also include financial education:

**Education is equally important in increasing awareness of products offered in financial markets (and other areas) and understanding their nature, benefits and advantages, and costs and liabilities. Financial literacy programs assist in communicating information between sellers and buyers, lenders and borrowers, agents and principals, and everyday traders.<sup>1</sup>**

Specifically, the strategy envisioned the opportunity to target the ‘teaching of financial literacy in general education curriculums of the national education system.

Cufa’s expertise and grass-roots programming of the children’s financial literacy program in Cambodia for the last 10 years gave Cufa the crucial on-the-ground experience to create an impactful program. In consultation with NBC and MoEYS, Cufa is developing a Financial Education Framework which sets the priorities and parameters of integrating financial education in the Cambodian School Curriculum.

Developing the framework has adopted an iterative approach ensuring learnings from developing the student and teachers’ resources and financial education learning outcomes can be fed back in the final framework. The initial phase of integrating financial education in the school curriculum sees it integrated over two school years, across two to three subjects including:

### Grade 4

- Life Skills
- Mathematics
- Social Studies and
- Home Economics

### Grade 7

- Home Economics
- Life Skills
- Mathematic
- Moral Civics

These lessons will provide the knowledge, attitude, and behavioral changes necessary to establish robust financial literacy.

<sup>1</sup> Royal Government of Cambodia, 2016, *Financial Sector Development Strategy 2016 – 2025*, p. 58.

Cufa will run a three-month Pilot Program in primary and secondary schools that will provide a clear learning outcome for these students. As part of the Pilot Program, the selection of these schools will take into consideration rural and urban environments; mixed co-education schools; mixed socioeconomic status and cultural inclusivity. The pilot will commence testing for grades 4 and 7. In addition, to better monitor the success of the program and to allocate the necessary resources, Cufa will undertake:

## In-School Pilot Program

Teachers' Capacity Building Program.



Khmer translation review workshops.



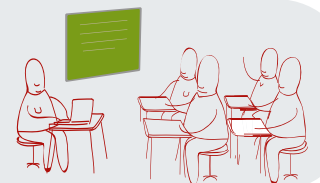
Individual student feedback from a total of 615 students.



Focus group discussion with all teachers and 60 students equally represented by primary and secondary school teachers.



A 30 day in-class observation and monitoring by Cufa's international and national education experts.



Due to the COVID-19 outbreaks occurring in Cambodia throughout 2021, resulting in school closures, the in-school pilot program scheduled to commence on 1 June 2021 has been delayed; this delay includes the Teachers' Capacity Building and Khmer translation review workshops.



# VE PROGRAM OVERVIEW

The Village Entrepreneur program aims to alleviate poverty in regional Cambodia by providing entrepreneurs with the financial and technical resources they need to start their business. Since 2009, Cufa has provided almost 600 individuals with the skills needed to lift themselves out of poverty. Unlike the other programs implemented by Cufa, the Village Entrepreneur program is directly supported by Community Investors across Australia and overseas.

By contributing \$39 a month over the course of three years, Cufa's Village Entrepreneurs receive the financial support they need to kick-start their micro-enterprises and equip themselves with skills in budgeting, spending, and marketing. As some of the micro-enterprises include vegetable and animal farming, Cufa also provides training in agriculture and cost-effective techniques to maximise profit and preserve the environment. Every quarter, Cufa visits these regional villages to monitor, train and report to Community Investors the progress made by their Village Entrepreneurs. The program has proven to not only lift Village Entrepreneurs out of extreme poverty, but it's also created a long-term impact in their families and communities, generating enough income to afford food, health care and education for their children.



# COVID-19 RESPONSE

Due to the Coronavirus pandemic in 2020 and the lockdown measures in Cambodia, the delivery of the Village Entrepreneur program was temporarily disrupted. In response to the new conditions, Cufa staff rapidly adapted the Village Entrepreneur program to ensure the continuing monitoring and training of its recipients; among these, the Village Entrepreneurs received video training, phone contact and support, and social distancing along with hand sanitation when in-person training became available. Along with the Credit Unions, the monthly financial support provided by the Community Investors has not been disrupted, allowing the Village Entrepreneurs to invest in their businesses and improve their standards of living. In addition, the pandemic has allowed Village Entrepreneurs to pivot their businesses and expand their market range by promoting their products through social media and offering home delivery services, all whilst ensuring the safety of their clients and themselves.



# VE PROGRAM HIGHLIGHTS

## **VE Achievements** 2020-2021



**110**

Active Village Entrepreneurs as of  
June 2021



**26**

Village Entrepreneurs became  
self-sustainable



**\$51,360.51**

Invested by Community  
Investors

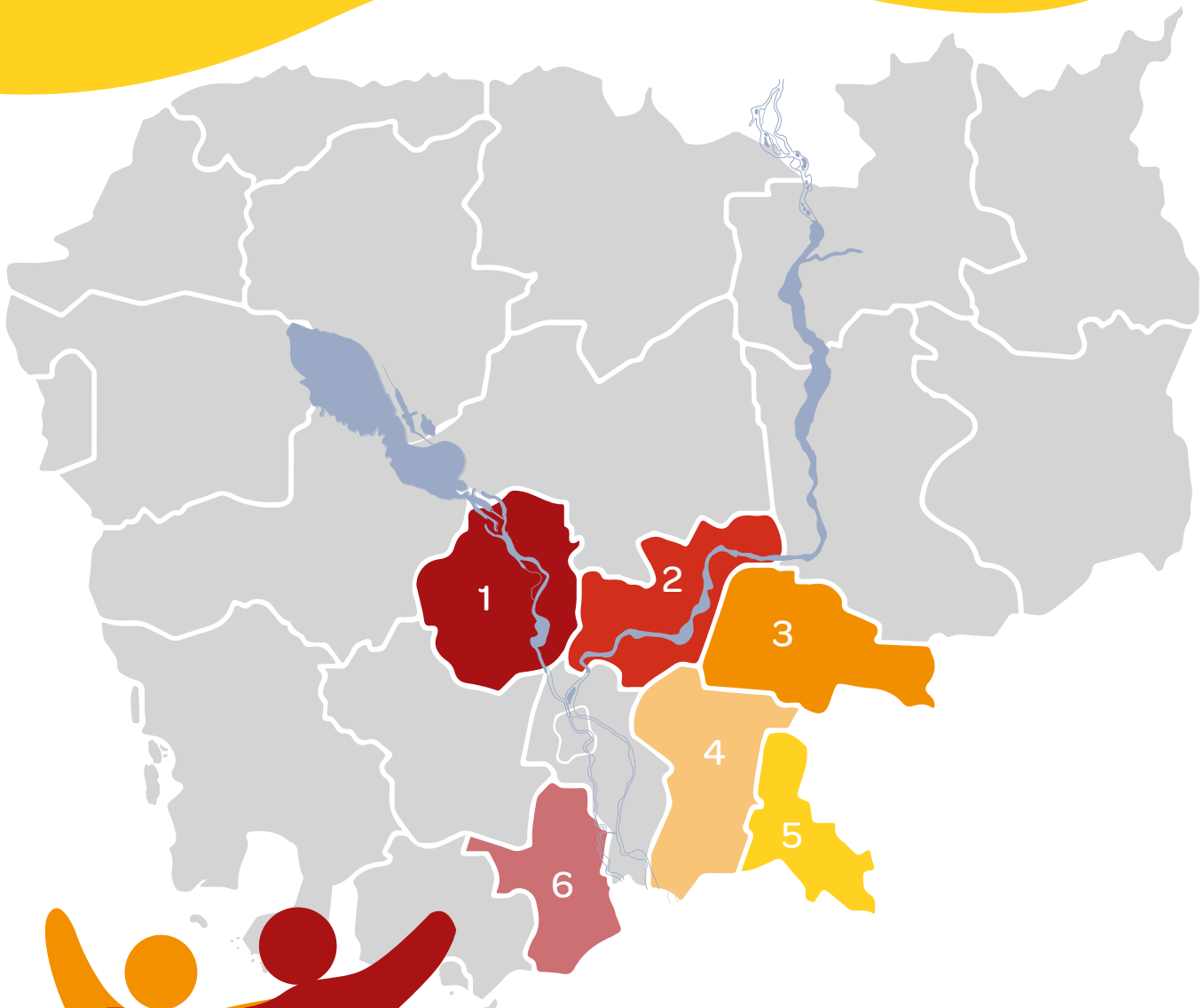
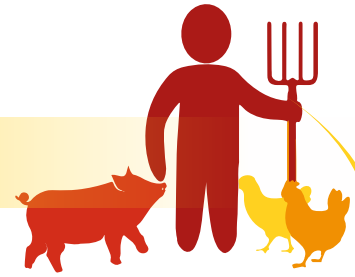


**\$1,438,094.28**

of Social Value Generated

# VE PROGRAM

## *Where We Operate*



1. Kampong Chhnang
2. Kampong Cham
3. Tbong Khmum
4. Prey Veng
5. Svay Rieng
6. Takeo

# VE PROGRAM

## Case Study

### **Chantha Neak**

Chantha Neak is a 38-year-old foster parent of 3 children from the Kampong Chhnang province in Cambodia. She currently lives with her children and her mother. Before joining the Village Entrepreneur program, Chantha's livelihood was based on selling cakes and the few mushrooms she could grow in the little space she had at home. When Chantha's brother passed away, she decided to take care of his children as her own, however, her weekly profits were small and often did not have enough to provide for their food, education, and healthcare.

In 2019, Cufa approached Chantha to understand her situation and how the Village Entrepreneur program could improve her living conditions. After discussing with other potential Village Entrepreneurs, Cufa staff and local farming experts, Chantha became determined to have a highly profitable business and signed up to the program. In May 2021, her dream of becoming an official Village Entrepreneur became true as she received sponsorship from a Community Investor. Since then, Chantha has worked tirelessly and participated in all of Cufa's training to improve her mushroom farms.

Along with Cufa, Chantha has developed a comprehensive business plan to ensure a steady growth over her program, maintaining profits, but also to ensure she can save for the future. The financial assistance provided by her Community Investor has allowed Chantha to purchase new materials and create a new shelter for her mushrooms. As a result, her profits continue to increase to this day, allowing her to improve her home facilities, provide for her children's education and afford health-care for her whole family whenever needed. In addition, her journey as a Village Entrepreneur has opened her doors to build strong relationships with other Village Entrepreneurs and benefiting their community.





# FAMILY LIVELIHOODS IMPROVEMENT PROGRAM





# FAMILY LIVELIHOODS IMPROVEMENT PROGRAM OVERVIEW

In 2020, in response to the COVID-19 outbreak in Cambodia, the Livelihoods program community members requested Cufa to pivot from producing souvenirs from recycled material, which was heavily reliant on tourism, to soap production that could assist their local community. Over 2020, our program staff worked to run workshops that enabled community social enterprises to have the opportunity to learn how to make soap, how to market and package it, as well as other day-to-day business skills.

As we have progressed into 2021, the Community Social Enterprise's (CSE) have requested further training in how to produce laundry washing soap, confident in the business prospects. To assist this, our team identified and purchased the raw materials, found an expert who could provide technical training and assisted Cufa with developing the soap production training on video.

Over the 2020/2021 Financial Year, the CSEs reached a total profit of USD \$2,508.38, averaging a monthly profit of USD \$228.03.

After beginning to produce laundry detergent in May 2021, profits from the detergent rose to a modest \$USD 52.28 in the first month, followed by a significant USD \$138.34 in the following month.

To further increase their positive impact, all five CSEs further reduced their production costs by reusing plastic water bottles to package their products. This has allowed them to not only maximise their profits but have also helped maintain and clean their local community.

The success of the five CSEs progresses the program outcome of ensuring the five villages in rural Kampong Cham province have increased access to safe and affordable hand-washing soap as well as increased awareness and mitigation strategies to stop the spread of the COVID-19 virus through social distancing and practicing good hygiene. Additionally, the communities will benefit from locally made and affordable laundry washing soap.



# FAMILY LIVELIHOODS IMPROVEMENT PROGRAM

## Case Study

### Kun

For Kun, going to university was a dream she has had since she started school. Learning had been a passion for her. However, this dream fell apart when her family needed her to work, forcing her to drop out of high school. Since then, Kun has worked in the rubber fields to support her family's income.

When the COVID-19 outbreak reached Cambodia, Kun was lucky enough to keep her job. Looking for a steady and better source of income, Kun heard about Cufa's Family Livelihoods Improvement Program. She was one of the first who attended the workshops in producing and marketing soap products. Kun dove into the program, diligently participating in the workshops even with her full-time job. She even began to work outside of her hours at the rubber plantation to sell products in her community.

*"I had always wanted to learn how to market things properly, and so when I was given the chance to learn on the job, I took it"*

By working both full time at the rubber plantation and with her local Community Social Enterprise selling soap, she started putting away more and more of her earnings. Not only that, but the possibility of going to university became a reality. Her time working as part of her CSE has given Kun an interest in marketing, and she hopes to continue learning about it when she attends University.





# FAMILY LIVELIHOODS IMPROVEMENT PROGRAM

## Highlights



**76%** of the members of the CSEs were women



From the 5 CSEs

**\$2,508.38**

in profits reached in FY 20/21



Reached a further

**1,823** participants,

**73%**

of them female participants.





# DIGITISING CREDIT UNIONS PROGRAM OVERVIEW



In 2020, Cufa began to explore the possibilities of digitising the financial services of our partner remote credit unions in Myanmar. Establishing the program, we looked to use the rapid saturation of mobile phones that had occurred in Myanmar to allow remote communities and households to have access to safe, secure and reliable banking. We worked with our 23 partner credit unions in Myanmar on the incorporation of digital financial services, all while the credit unions continued their vital regular financial services during the process.

In February 2021, Myanmar entered a period of significant and sustained civil unrest, resulting in serious complications in telecommunications and free travel within Myanmar. This resulted in

Cufa being forced to pause the DigiCUD program.

In spite of the civil unrest, our Credit Union Development Program has continued as normal, with our 23 Credit Unions seeing a growth in membership from 1,848 to 2,078, with women representing 63% of the CU Members, and an increase of 13% since the year before. We also saw an increase in total savings reaching USD \$159,703; an increase of USD \$31,000.

The instability caused by the civil unrest has also resulted in significant problems in implementing the DigiCUD program, however, Cufa is confident that with time, we will be able to continue our programs shortly.



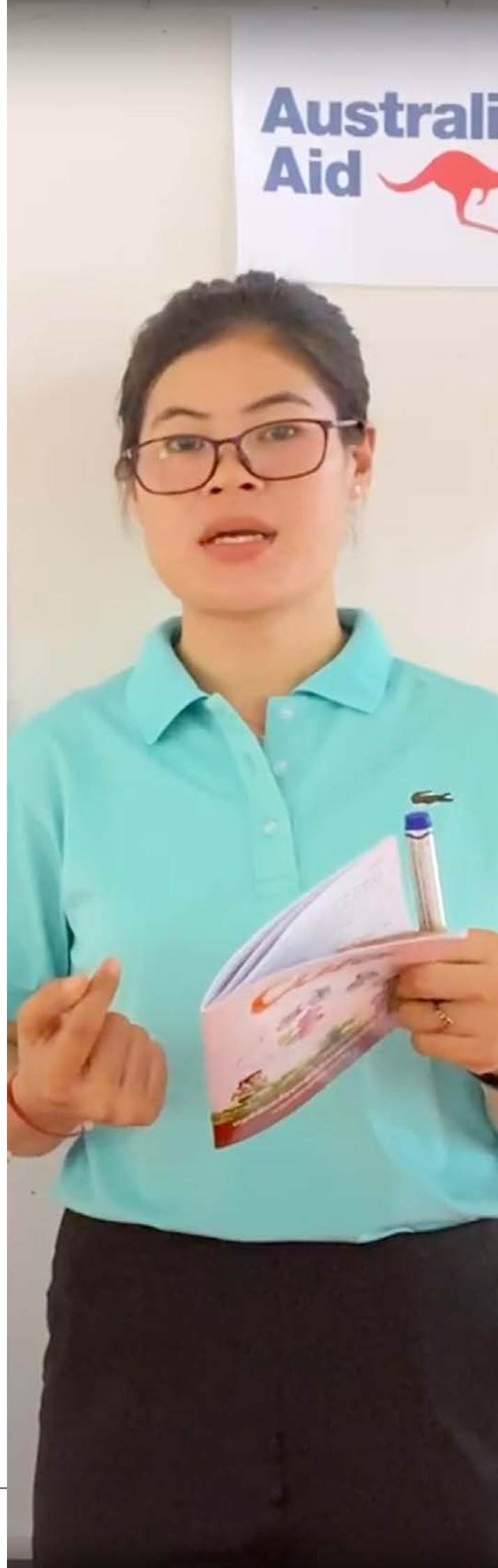
# OUR PEOPLE

Fifty Years ago, Cufa's journey began thanks to the passion and determination of a handful of people. Cufa's story is the story of its people, the volunteers, the directors, the program, and support staff, who have worked across language barriers, borders and time zones to achieve Cufa's mission. In the beginning, Cufa was staffed by current or former members of the Credit Union movement, those motivated to spread the Credit Union message to the developing world. Furthering this approach, our Development Education Program (DEP) brought volunteers from across all the Australian Credit Union sector to our program sites, allowing a transfer of knowledge between DEP Volunteers and the participating international CUs.

As Cufa evolved, we began to hire more staff from the countries we worked in, building on our domestic technical skills with on the ground knowledge. This direction was chosen as we believed that Cufa should embody its values of empowering impoverished communities in all aspects of its operations. Since then, Cufa has employed an amazing team of staff from across Asia-Pacific Region particularly from Cambodia, who have relevant, creative and contextually specific approach to problem solving.

Cufa currently has 32 employed staff across 3 countries: Australia, Myanmar and Cambodia. Cufa has also hosted several volunteers, for domestic and international duties during this period, notably working on the Social Return on Investment Report and the DigiCUD program.

**75%** of our staff  
are local to the country  
they work in





# OUR BOARD

The following persons were Directors of Cufa Ltd during the whole of the financial year and up to the date of this report: Andrew Rodgers (Chairman), Colette McInerney, Jo Maloney, Damon Jalili, Amanda Young. Ted Marchant was appointed in August 2019 and resigned June 2021. Paul McCann was appointed in July 2021.

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## ANDREW RODGERS

**DIRECTOR/ BBus(Acc), AssocDip (Elec Eng) , FAICD, FCPA**

Andrew joined the Cufa Board in December 2018 with significant experience in NFP Boards. Andrew has held Non-Executive Director positions in public and private companies, been Chair and member of Advisory Boards and Joint Venture Committees and brings with him 25+ years of experience across many industries in the public, private and not for profit sectors across a diverse number of industries. He actively promotes diversity, cultural awareness and provides practical and commercial business insights and advice. In his Executive career, he has held positions of CEO, COO, and CFO in large public and private companies including ASX 100.

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## COLETTE MCINERNEY

**Director**

With over 20 years' experience in leading NGO's both in Australia and Internationally, Colette brings a unique synthesis of effective and respectful leadership skills and practical experience gained through roles as the Laos-based Country Director for a global NGO, CEO of an Indigenous financial inclusion foundation, and strategic public-private partnership manager. Colette has extensive knowledge and expertise in female-centred economic development programs, microfinance and financial inclusion and is a highly skilled fundraiser and strategic stakeholder management advisor.

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## PAUL MCCANN

**DIRECTOR/ Exec Mast of Business Administration.**

Paul McCann is an analytical and forward-thinking senior executive with 20+ years of versatile leadership experience including specialisation in risk and operations management. Paul's diverse background uniquely positions him to guide companies through periods of significant change and transformation caused by digital disruption or outdated business models. Most recently Paul was appointed GM of APAC for PrecisionLender, a US-based SaaS company, overseeing day-to-day operations as well as market strategy and program development. He currently advises CROs and Heads of Retail and Business Banking on helping their bankers win more deals by structuring and pricing transactions to attain risk-adjusted return established by their Board.

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**JO MALONEY**

**DIRECTOR/ B.A (Comm nad PoSci), APSC.**

Jo joined the Cufa board in June 2020. Jo is a senior executive with more than 15 years' experience working across non-profit and government sectors to build awareness of complex social issues in Australia and South East Asia. Her expertise encompasses media relations, government engagement, fundraising, community development and corporate partnerships. Jo was the CEO of Project Futures, and the International Policy Advisor for the Department of Prime Minister and Cabinet and the Senior Communications and Partnerships Adviser, World Vision Australia. Jo was a member of the Red Cross International Humanitarian Law Committee.



**DAMON JALILI**

**DIRECTOR/ B.Psy, Mast Peace & Conflict Studies, AICD.**

Damon joined the Cufa board in June 2020. Damon is a government relations and strategic communications specialist with over 20 years' experience in designing and delivering government relations, strategic communications and social research programs for high profile clients in Australia and internationally. He has experience in Federal Government working for the Finance Minister as well as on multiple federal and state political campaigns. Damon is the owner and Principal of Christmas Jalili, a public affairs, strategic communications and social research advisory consulting private sector organisations and industry groups on issues in business, finance and politics. Prior to that, Damon was also a Partner and Head of the Government Relations Practice at Kreab (formerly Gavin Anderson).



**AMANDA YOUNG**

**DIRECTOR/ B.Law, DipILegPrac, Harward ExecProg, Standford ExecProg, Atlantic Fellow, LSE.**

Amanda joined the Cufa board in June 2020. Amanda Young is an Indigenous woman to the Pacific Islands who has worked extensively across the political, social and economic equity of Indigenous people. A lawyer by trade, she has worked in criminal law, government, commerce and as the CEO of an Australian Indigenous economic charity where her impact led to the first Indigenous financial wellbeing strategy, a world-first Indigenous financial edutech program and a superannuation outreach program which reunited \$24 million Indigenous superannuation with its remote and regional owners in a matter of days. This work earned her several award nominations and successes. As an Atlantic Fellow for Social and Economic Equity at the London School of Economics, and has attended Harvard and Stanford executive business schools, Amanda's most recent work is on global regenerative and distributive economies.



# OUR SUPPORTERS

Cufa would like to thank all of our generous supporters from individuals, organisations to Government Departments who supported us in 2020-2021. Together we work to empower social change and create sustainable results.

We acknowledge the following supporters:



**Australian Government**  
Department of Foreign Affairs and Trade



**TEACHERS MUTUAL  
BANK LIMITED**





# OUR FINANCIALS

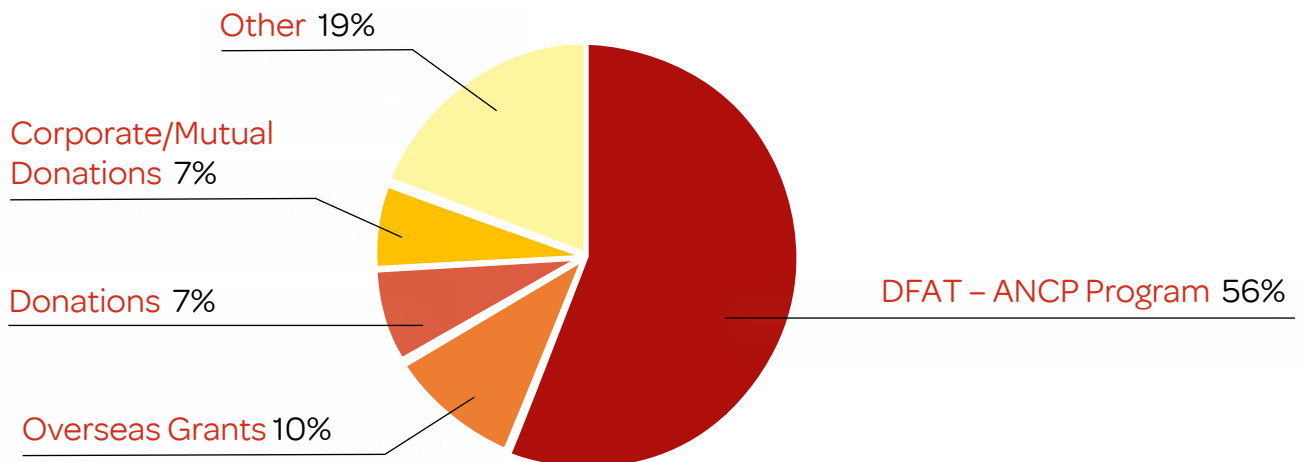
## Revenue

Cufa raised a total revenue of \$896,043 for the financial year of 1 July 2020 to 30 June 2021. Of the total revenue, 56% of the funding was received from the Australian Government. These grants have enabled Cufa to deliver vital programs during the COVID-19 pandemic.

Cufa is grateful for the continued support that the mutual and banking sector has provided Cufa over its 50 years of operations, being the principal donor to Cufa and provider of volunteers for most of Cufa's life. Their support has constituted 7% of our total revenue for the last financial year. We also extend our thanks to our individual donors; independent generous citizens whose support has been part of Cufa's story since the beginning. Their support through Cufa's Village Entrepreneur Program and Individual donations has constituted 7% of Cufa's overall revenue. 19% of our revenue has come from other sources, including interest, the Australian Government Job Keeper and COVID-19 Business Support, as well as Non-Monetary donations as well.

Without the generous support of the Australian Government, and therein the Australian people, the support from the Mutual and Banking Sector and the kind support given by everyday Australians, Cufa would not be able to the transformational work that it does.

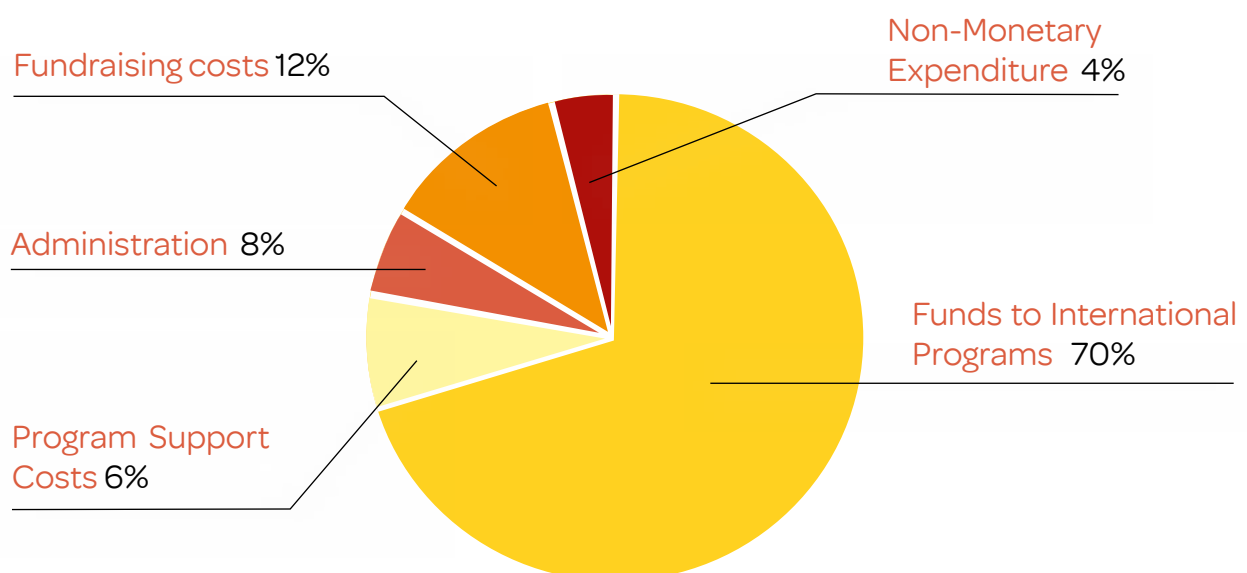
DFAT - ANCP Program	\$ 502,913.00
Overseas Grants	\$ 93,557.00
Donations	\$ 65,222.00
Corporate/Mutuals Donations	\$ 60,241.00
Other	\$ 174,110.00



## Disbursement

Cufa's disbursements totalled \$1,212,640.00 this financial year, with 70.2% of funds being spent directly on the programs. Internally, our program support costs constituted 6% of total disbursements, with administration costs making up an additional 8%. Our fundraising costs have increased slightly to 12% of the total costs, accounting for our 50th Anniversary event.

Funds to International Programs	\$ 850,967
Administration	\$ 93,554.00
Program Support Costs	\$ 70,226.00
Fundraising Costs	\$ 149,005
Non - Monetary Expenditure	\$ 48,888



**CUFA Ltd**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

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## **Corporate Information**

### **Responsible Persons**

The following Responsible Persons (Directors) were in office at the date of this report:

Peter Mason                   resigned on 05 May 2021  
Damon Jalili  
Amanda Young  
Colette McInerney  
Andrew Rodgers  
Edward Marchant       resigned on 23 Jun 2021  
Joanne Maloney  
Paul McCann               appointed on 22 Jun 2021  
Samantha Guthleben (Secretary)

### **Registered charity street address and principal place of business**

Suite 303, 275 Alfred St  
North Sydney NSW 2060  
Australia

### **Banker**

Westpac Banking Corporation

### **Auditor**

BDO Audit Pty Ltd (ABN 33 134 022 870)

## DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE RESPONSIBLE ENTITIES OF CUFA LTD

As lead auditor of CUFA Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of CUFA Ltd.



Geoff Rooney  
Director

BDO Audit Pty Ltd

Sydney

29 November 2021

**Responsible Persons' Declaration**

The Responsible Persons declare that:

1. The financial statements and notes of CUFA Ltd are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013.
2. There are reasonable grounds to believe that the Company is able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Responsible Persons.



Andrew Rodgers  
Chair

Brisbane, 29 November 2021



Damon Jalili  
Director

Brisbane, 29 November 2021

**Statement of Profit or Loss and Other Comprehensive Income**

**For the year ended 30 June 2021**

	<b>Notes</b>	<b>2021</b> \$	2020 \$
<b>Revenue</b>			
Management fee income	<b>8</b>	<b>544,390</b>	539,531
Interest earned		<b>29</b>	85
<b>Total revenue from ordinary activities</b>		<b>544,419</b>	539,616
<b>Expenses</b>			
Personnel expenses	<b>3</b>	<b>544,390</b>	533,039
Administration expense		-	6,492
<b>Total expenses from ordinary activities</b>		<b>544,390</b>	539,531
<b>Surplus/(deficit) for the year</b>		<b>29</b>	85
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>29</b>	85

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**Statement of Financial Position**

**As at 30 June 2021**

	<b>Notes</b>	<b>2021</b> \$	2020 \$
<b>Current Assets</b>			
Cash and cash equivalents	<b>5</b>	<b>73,346</b>	108,464
Receivables – related party	<b>8</b>	<b>80,770</b>	16,504
Accounts receivable		-	12,691
<b>Total Current Assets</b>		<b>154,116</b>	137,659
<b>Current and Non-current Liabilities</b>			
Other liabilities		<b>7,580</b>	15,719
Current Provisions	<b>6</b>	<b>89,602</b>	65,035
Non-current Provision Long service Leave	<b>6</b>	<b>50,111</b>	50,111
<b>Total Liabilities</b>		<b>147,293</b>	130,865
<b>Net Assets</b>		<b>6,823</b>	6,794
<b>Funds</b>			
Accumulated funds		<b>6,823</b>	6,794
<b>Total Funds</b>		<b>6,823</b>	6,794

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**Statement of Changes in Funds**

**For the year ended 30 June 2021**

	<b>Accumulated Funds</b>	<b>Total Funds</b>
	<b>\$</b>	<b>\$</b>
Balance as at 1 July 2019	6,709	6,709
Total comprehensive loss	85	85
Balance at 30 June 2020	<u>6,794</u>	<u>6 794</u>
Balance as at 1 July 2020	<b>6,794</b>	<b>6,794</b>
Total comprehensive income	<b>29</b>	<b>29</b>
Balance at 30 June 2021	<u><b>6,823</b></u>	<u><b>6,823</b></u>

The above Statement of Changes in Funds should be read in conjunction with the accompanying notes.

**Statement of Cash Flows**

**For the year ended 30 June 2021**

	<b>2021</b>	2020
	\$	\$
<b>Cash flows from operating activities</b>		
Management fee and interest income received	<b>492,845</b>	558,985
Administration expenses paid	<b>(527,963)</b>	(522,317)
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operating activities</b>	<b>(35,118)</b>	36,668
Note 7		
<b>Net cash provided by/(used in) investing activities</b>	-	-
<b>Net cash provided by/(used in) financing activities</b>	-	-
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(35,118)</b>	36,668
	<hr/>	<hr/>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>108,464</b>	71,796
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>73,346</b>	<b>108,464</b>
Note 7		

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**Notes to the Financial Statements For the year ended 30 June 2021**

**1. Significant accounting policies**

**General Information and Statement of Compliance**

CUFA Ltd is a not-for-profit unlisted public company limited by guarantee formed in Australia. Despite preparing General Purpose financial statements in the past, these are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and the requirements to prepare and distribute financial statements to the members of CUFA Ltd. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of CUFA Ltd.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

The financial statements have been prepared on a special purpose basis and that special purpose reporting remains appropriate now and going forward. This especially needs to be the case with AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit-Private Sector entities and AASB 1060 General Purpose Financial Statements – Simplified Disclosures For-Profit and Not-for-Profit Entities.

These accounts are prepared on a non-consolidated basis and the accompanying non-consolidated financial statements include only the accounts of the Company and do not include the accounts of any of its subsidiaries (FCF and the indirect holding in SIA)

These did not result in any material change to reported net earnings and the company's equity.

We have not been made aware of any breaches of laws or regulations, and we have not been made aware of facts or circumstances that would impact the registration status of Cufa Ltd as a charity or the true and fair nature of the financial statements.

The financial statements have been prepared on an accruals basis in accordance with the historical cost convention and are presented in Australian dollars ('\$') which is the Company's functional and presentation currency.

On 30 July 2019 the Company entered into a Share Sale Agreement to acquire the sole share in Foresters Community Finance Ltd for a consideration of \$1. The completion date of the agreement was 31 July 2019 from which date three Directors of this company became the majority Directors of Foresters Community Finance Ltd.

The financial statements for the year ended 30 June 2021 were approved and authorized for issue by the Responsible Persons of the Company on 26 November 2021.

**2. Adoption of new and revised Accounting Standards**

In the current year, CUFA Ltd (the "Company") has adopted all of the new and revised Standards issued by the Australian Accounting Standards Board (the AASB) that are

**Notes to the Financial Statements For the year ended 30 June 2021**

relevant to its operations and effective for the current annual reporting period. Adoption of these amended standards did not have a material financial impact on the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position or the results of operations.

The following Accounting Standards and Interpretations are most relevant to the Company.

**AASB 16 Leases**

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Standards and Interpretations issued but not yet effective**

At the date of approval of the financial report, there were no Standards and Interpretations that were on issue but not yet effective that will have a significant impact on the Financial Statements of the Company.

The following Accounting Standards and Interpretations are most relevant to the Company:

**Summary of accounting policies**

**a. Overall considerations**

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

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense.

The measurement bases are more fully described in the accounting policies below.

**b. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

**Coronavirus (COVID-19) pandemic**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant

**Notes to the Financial Statements For the year ended 30 June 2021**

impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

**Employee benefits provision**

As discussed in Note 3, the liability for employee benefits expected to be settled more than 12 months from the reporting date is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**c. Revenue**

Revenue comprises management fee income from the labour services supplied by the Company also managed by the Company.

**Revenue from contracts with customers**

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer.

For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Interest income is recognised on an accruals basis using the effective interest method.

**d. Operating expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

**e. Financial instruments**

**(i) Recognition, initial measurement and de-recognition**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

**(ii) Classification and subsequent measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

**Notes to the Financial Statements For the year ended 30 June 2021**

- amortised cost
- fair value through profit or loss (FVPL)
- fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses. Classifications are determined by both:

- The Company's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

**(iii) Impairment of financial assets**

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

*Trade and Other Receivables*

The Company makes use of a simplified approach in accounting for trade and other receivables; it records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they

**Notes to the Financial Statements For the year ended 30 June 2021**

possess credit risk characteristics based on the days past due.

**(iv). Classification and measurement of financial liabilities**

The Company's financial liabilities include other liabilities. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

**f. Income taxes**

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

**g. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**h. Provisions, contingent liabilities and contingent assets**

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

**Employee benefits**

**Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

**Other long-term employee benefits**

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the

**Notes to the Financial Statements For the year ended 30 June 2021**

estimated future cash outflows.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

**i. Deferred income**

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

**j. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

<b>3. Specific expenses</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Personnel expenses comprises:		
- salaries and wages	<b>452,076</b>	439,255
- superannuation expenses	<b>42,591</b>	43,105
- employee leave provisions expense	<b>49,723</b>	50,679
Total personnel expenses	<b>544,390</b>	533,039
<b>4. Auditor's remuneration</b>		
The audit of the Company is completed on a pro bono basis by BDO Audit Pty Ltd (BDO).		
<b>5. Cash and cash equivalents</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	<b>73,346</b>	108,464
<b>6. Provisions</b>	<b>2021</b>	<b>2020</b>
<b>Current</b>	<b>\$</b>	<b>\$</b>
Annual leave	<b>42,392</b>	28,481
Long service Leave	<b>47,210</b>	36,554
<b>Non-current</b>		
Long service leave	<b>50,111</b>	50,111
<b>Total provisions</b>	<b>139,713</b>	115,146

Notes to the Financial Statements For the year ended 30 June 2021

<b>7. Notes to cash flow</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>a. Reconciliation of cash and cash equivalents</b>		
Total cash and cash equivalents	<b>73,346</b>	108,464
<b>b. Reconciliation of (deficit)/surplus from operating activities</b>		
Surplus/(Deficit) for the year	<b>29</b>	85
(Decrease)/Increase in other receivables	<b>(51,575)</b>	19,370
(Increase)/Decrease in other liabilities	<b>(8,138)</b>	4,162
Increase/(Decrease) in provisions	<b>24,566</b>	13,051
<b>Net cash flow provided by/ (used in) operating activities</b>	<b>(35,118)</b>	36,668

**Notes to the Financial Statements For the year ended 30 June 2021**

**8. Related party transactions**

The Company's related parties include its key management personnel and related entities.

Key Management Personnel include the Responsible Directors and the Executive Officer.

The Directors do not receive any remuneration for acting as Directors to the Company but may receive reimbursement for expenses incurred in their duties as Director.

	<b>2021</b>	<b>2020</b>
	\$	\$
Total Key Management Personnel Compensation	<b>202,575</b>	202,575

**Other related party transactions**

The following Directors of this Company are also Directors of Credit Union Foundation Australia which is the trustee of Credit Union Foundation Australia Trust Fund, Credit Union Relief Fund, and Australian Foundation for International Credit Union Development - International Projects (the Grahame Mehrtens International Projects Fund):

Peter Mason  
Damon Jalili  
Amanda Young  
Colette McInerney  
Andrew Rodgers  
Edward Marchant  
Joanne Maloney  
Paul McCann  
Samantha Guthleben (Secretary)

Management fees received from Australian Foundation for International Credit Union Development - International Projects (the Grahame Mehrtens International Projects Fund) of \$544,390 (2020 \$539,531).

Receivable from Australian Foundation for International Credit Union Development - International Projects (the Grahame Mehrtens International Projects Fund) of \$80,744 (2020 \$16,504).

**9. Contingencies**

Nil.

**Notes to the Financial Statements For the year ended 30 June 2021**

**10. Commitments**

**Operating lease commitments as lessee**

The Company's future minimum operating lease payments are as follows:

	Minimum lease payments due			Total
	Within 1 year	1 to 5 years	After 5 years	
	\$	\$	\$	\$
<b>30 June 2021</b>	46,200	-	-	46,200

The property lease commitments are non-cancellable operating leases with lease terms of between one and two years.

**11. Events after the reporting period**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**12. Additional subsequent events**

On Monday 8 November 2021, Darian Clark was appointed to the role of the Chief Executive Officer of CUFA Limited and its related entities.

## INDEPENDENT AUDITOR'S REPORT

To the members of CUFA Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of CUFA Ltd (the 'registered entity'), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of the registered entity, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2021 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

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter - Basis of accounting

We 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 registered entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



## Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity 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 report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Geoff Rooney'. Above the signature, the letters 'BDO' are printed in a small, light font.

Geoff Rooney  
Director

Sydney, 29 November 2021

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

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**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Trustee Information**

The Trustee of The Australian Foundation for International Credit Union Development- International Projects (the "organisation" or the "Trust") is Credit Union Foundation Australia Pty Ltd (the "organisation").

**Responsible Persons**

The Responsible Persons (Directors) of the Trustee of the Australian Foundation for International Credit Union Development - International Projects were in office at the date of this report:

Peter Mason	resigned on 05 May 2021
Damon Jalili	
Amanda Young	
Colette McInerney	
Andrew Rodgers	
Edward Marchant	resigned on 23 Jun 2021
Joanne Maloney	
Paul McCann	appointed on 22 Jun 2021
Samantha Guthleben	(secretary)

**Registered charity street address and principal place of business**

Suite 303, 275 Alfred St  
North Sydney NSW 2060  
Australia

**Banker**

Westpac Banking Corporation

**Auditor**

BDO Audit Pty Ltd (ABN 33 134 022 870)

DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE RESPONSIBLE ENTITIES OF CREDIT UNION FOUNDATION AUSTRALIA PTY LTD AS TRUSTEE OF THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION DEVELOPMENT - INTERNATIONAL PROJECTS

As lead auditor of The Australian Foundation for International Credit Union Development - International Projects for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of The Australian Foundation for International Credit Union Development - International Projects.



Geoff Rooney  
Director

BDO Audit Pty Ltd

Sydney

29 November 2021

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Responsible Persons' Declaration**

The Responsible Persons (Directors) of the Trustee declare that:

1. The financial statements and notes of The Australian Foundation for International Credit Union Development - International Projects are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards- Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013.
2. There are reasonable grounds to believe that the registered charity is able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustee.



Andrew Rodgers  
Chair

Brisbane, 29 November 2021



Damon Jalili  
Director of the Trustee

Brisbane, 29 November 2021

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Charitable Fundraising Declaration**

**Declaration by the Principal Officer of Credit Union Foundation Australia**

I, Darian Clark, Chief Executive Officer of Credit Union Foundation Australia declare that in my opinion:

1. The Statement of Profit or Loss and Other Comprehensive Income of The Australian Foundation for International Credit Union Development- International Projects for the year ended 30 June 2021 gives a true and fair view of all income and expenditure of the entity with respect to fundraising appeals;
2. The Statement of Financial Position of The Australian Foundation for International Credit Union Development- International Projects as at 30 June 2021 gives a true and fair view of the state of affairs of the entity with respect to fundraising appeals conducted by the organisation;
3. The provisions of the Charitable Fundraising Act 1991 (NSW) and the conditions attached to the authority have been complied with the organisation;
4. The internal controls exercised by the organisation are appropriated and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.



Darian Clark  
Chief Executive Officer

Sydney, 29 November 2021

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Statement of Profit or Loss and Other Comprehensive Income**

**For the year ended 30 June 2021**

	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>Donations and gifts</b>	3	<b>150,280</b>	225,266
-Monetary			
-Non-monetary	4	<b>48,888</b>	33,591
<b>Grant income</b>			
-Department of Foreign Affairs & Trade	3	<b>502,913</b>	496,960
-Overseas Grants	3	<b>93,557</b>	499,396
<b>Other income</b>	3	<b>99,600</b>	3,6000
<b>Interest and investment income</b>		<b>805</b>	40,108
<b>TOTAL REVENUE</b>		<b>896,043</b>	1,331,321
<b>EXPENSES</b>			
<b>International Aid and Development Programs Expenditure</b>			
International programs			
-Funds to international programs	5	<b>850,967</b>	1,045,586
-Administration		<b>93,554</b>	49,698
-Program support costs		<b>70,226</b>	95,141
Fundraising costs			
-Public		<b>149,005</b>	120,611
Accountability and administration	6	-	-
Non-monetary expenditure	4	<b>48,888</b>	33,591
<b>Total International Aid and Development Programs Expenditure</b>		<b>1,212,640</b>	1,344,627
<b>TOTAL EXPENDITURE</b>		<b>1,212,640</b>	1,344,627
<b>Deficit for the year</b>		<b>(316,597)</b>	(13,306)
<b>Other comprehensive income</b>		-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(316,597)</b>	(13,306)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
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**Statement of Financial Position**

**As at 30 June 2021**

	<b>Notes</b>	<b>2021</b> \$	2020 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	10(a)	<b>1,634,040</b>	1,905,025
Trade and other receivables	7	<b>109,554</b>	84,603
<b>Total Assets</b>		<b><u>1,743,594</u></b>	<u>1,989,628</u>
<b>Current Liabilities</b>			
Trade and other payables	8	<b>852,704</b>	782,010
Provisions	9	<b>34,863</b>	34,994
<b>Total Liabilities</b>		<b><u>887,567</u></b>	<u>817,004</u>
<b>Net Assets</b>		<b><u>856,027</u></b>	<u>1,172,624</u>
<b>Funds</b>			
Accumulated funds		<b><u>856,027</u></b>	<u>1,172,624</u>
<b>Total Funds</b>		<b><u>856,027</u></b>	<u>1,172,624</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
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**Statement of Changes in Funds**

**For the year ended 30 June 2021**

	<b>Accumulated Funds</b>	<b>Total Funds</b>
	\$	\$
Balance as at 1 July 2019	1,185,930	1,185,930
Total comprehensive loss	(13,306)	(13,306)
Balance as at 30 June 2020	<u>1,172,624</u>	<u>1,172,624</u>
<b>Balance as at 1 July 2020</b>	<b>1,172,624</b>	<b>1,172,624</b>
<b>Total comprehensive loss</b>	<b>(316,597)</b>	<b>(316,597)</b>
<b>Balance as at 30 June 2021</b>	<b><u>856,027</u></b>	<b><u>856,027</u></b>

The above Statement of Changes in Funds should be read in conjunction with the accompanying notes.

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
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**Statement of Cash Flows**

**For the year ended 30 June 2021**

	<b>Notes</b>	<b>2021</b>	2020
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Donations received		<b>147,090</b>	134,165
DFAT Grants received		<b>502,913</b>	496,960
Other Grants received		<b>87,620</b>	499,396
Funds raised for specific initiatives		<b>102,790</b>	118,188
Fundraising expenses		<b>(149,005)</b>	(120,611)
Expenditure on DFAT projects		<b>(649,945)</b>	(631,942)
Expenditure on other projects		<b>(313,253)</b>	(531,089)
<b>Net cash used in operating activities</b>	10 (b)	<b>(271,790)</b>	(34,933)
<b>Cash flows from investing activities</b>			
Interest income received		<b>805</b>	40,108
<b>Net cash provided by investing activities</b>		<b>805</b>	40,108
<b>Cash flows from financing activities</b>			
		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	11	<b>(270,985)</b>	5,175
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,905,025</b>	1,899,850
<b>Cash and cash equivalents at the end of the year</b>	10(a)	<b>1,634,039</b>	1,905,025

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
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**Notes to the Financial Statements  
For the year ended 30 June 2021**

**1. Adoption of new and revised Accounting Standards**

In the current year, the organisation has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

The following Accounting Standards and Interpretations are most relevant to the organisation:

**AASB 15 Revenue from Contracts with Customers**

The organisation has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

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

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

Adoption of these amended standards did not have a material financial impact on the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position or the results of operations.

**Standards and Interpretations issued but not yet effective**

At the date of approval of the financial report, there were no Standards and Interpretations that were issued but not yet effective that will have a significant impact on the Financial Statements of the organisation.

**2. Significant accounting policies**

**General Information and Statement of Compliance**

The general purpose financial statements of the organisation have been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012, the Charitable Fundraising Act 1991 (NSW), Section 15(1) and

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
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15(2) of the WA Charitable Collections Act 1946 and Regulations 1947, Australian Accounting Standards - Reduced Disclosure Requirements- and other authoritative pronouncements of the Australian Accounting Standards Board.

The organisation adheres to the Australian Council for International Development (ACFID) Code of Conduct on Financial Reporting and meets the requirements set out in the ACFID Code of Conduct. The ACFID Code of Conduct prescribes the disclosure requirements of the financial statements. For further information on the Code please refer to the ACFID website [www.acfid.asn.au](http://www.acfid.asn.au).

The financial statements have been prepared on an accruals basis in accordance with the historical cost convention and are presented in Australian currency.

The financial statements for the year ended 30 June 2021 were approved and authorised for issue by the Responsible Persons of the Trust on 26 November 2021.

**In light of changing trends and the overall economic outlook, how do you expect COVID-19 to impact your future operating results and near-and-long-term financial results?**

In light of the economic impacts of COVID 19 we anticipate a decline in corporate and individual giving, however as this is not a significant proportion of our funding we anticipate a small impact on our financial results into the future. We acknowledge that this is challenging to accurately anticipate due to the uncertainty of the long-term effects of the pandemic.

**Do you expect that COVID-19 will impact future operations differently than how it affected the current period?**

COVID 19 into 2020-21 will impact future operations from a service delivery perspective whereby Sydney Management will continue to have restricted physical access to the overseas operations. Additional monitoring mechanisms have been put in place to ameliorate this challenge.

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

**How has COVID-19 impacted your capital and financial resources, including your overall liquidity position and outlook?**

The impact (15% decline) has been minimal from Corporates and individual donors. It has not impacted unilateral and multilateral funding streams.

**Have COVID-19-related circumstances such as remote work arrangements adversely affected your ability to maintain operations? What if they were to recur or last for a lengthy period?**

As a part of Cufa's COVID 19 plan, processes and mechanisms were put in place to enable staff to work from home and while staff returned to the office Cufa briefly we were able to quickly switch back to staff working remotely during the latest lockdown.

**Have you experienced challenges in implementing your business continuity plans or do you foresee requiring material expenditures to do so? Do you face any material resource constraints in implementing these plans?**

The implementation of Cufa's BCP during the initial stages of COVID 19 have not incurred any material expenditures.

**Do you expect COVID-19 to materially affect the demand for your products or services?**

Cufa's services have somewhat pivoted to accommodate COVID safe practices such as mask wearing and social distancing along with a stronger focus on livelihoods due to the impact on employment in the countries where Cufa works.

**Do you anticipate a material adverse impact of COVID-19 on your supply chain or the methods used to distribute your products or services? Do you expect the anticipated impact of COVID-19 to materially change the relationship between costs and revenues?**

There has not been a material impact of COVID-19 on the methods with we undertake our projects in terms of being delivered by in country staff and will not materially change the relationship between costs and revenues.

**Will your operations be materially impacted by any constraints or other impacts on your human capital resources and productivity?**

Cufa's operations has not been materially impacted by any constraints in relation to impacts on human capital resources and their productivity.

**Are travel restrictions and border closures expected to have a material impact on your ability to operate and achieve your business goals? Is your entity exposed to material effect of COVID-19 in an overseas jurisdiction where you operate a business?**

Travel restrictions have not had a material impact on our ability to operate and achieve our business (project) goals with the exception of our schools programs whereby the numbers of students reached as dropped.

**Has COVID-19 had a significant material effect on a related business entity (e.g. a parent, subsidiary, joint venture) and what will the effect be on your entity's financial and operational circumstances?**

COVID-19 did have a significant impact on a related business entity however the board took action early and have relocated the operations of that entity and reduced exposure to ensure that there is little impact on the entities financial and operational circumstances.

**How reliant are you on continuing government support for your operation e.g. Jobkeeper? How vulnerable are you to sudden changes in government policy such as withdrawing that support?**

Cufa did secure Job Keeper subsidies due to a 15% drop in revenues however the organisation is not reliant on these subsidies.

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

**Have you undertaken any scenario analysis for different possibilities facing your business? What does this tell you about your assumptions around going concern?**

The board undertook scenario analysis through the budgetary process in June 2020. Due to the mix of funding sources the board found our assumptions of the organisation being a going concern were correct.

**Has your ability to conduct your traditional fundraising been affected? Do you anticipate you will still be able to hold fundraising events?**

The organisations ability to meet with donors on a one-to-one basis has been affected however we have not seen a dramatic drop in contributions (15%).

**Are you reliant on government or corporate grants or sponsorship that may no longer be forthcoming in a time of economic downturn?**

Cufa is reliant on government funding however we were assured of the following years funding (2020-2021) and due to the diversity of funding sources we have secured funding from other multilateral organisations for 2020-2021 and 2021-2022 financial years.

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

**Summary of accounting policies**

**a. Overall considerations**

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

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

**b. Revenue**

Revenue is measured by reference to the fair value of consideration received or receivable by the organisation for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the organisation's different activities have been met. Details of the activity-specific recognition criteria are described below.

The organisation's services are supported by grants received from the government. If conditions are attached to a grant which must be satisfied before the Organisation is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant or contribution that is not subject to conditions is recognised when the organisation obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the organisation receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Revenue from donations, fundraising and other grants is recognised upon receipt. This includes non-monetary volunteer hours in providing project services which are capable of reliable measurement and the fair value can be reasonably determined. This has been recorded in the Statement of Profit or Loss and Other Comprehensive Income.

Interest income is recognised on an accrual basis using the effective interest method.

**c. Operating Expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

**d. Operating leases**

Where the organisation is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

**e. Financial instruments**

**(i) Recognition, initial measurement and de-recognition**

Financial assets and financial liabilities are recognised when the organisation becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

**(ii) Classification and subsequent measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The Organisation's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

**(iii) Impairment of financial assets**

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

The Organisation considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

*Trade and Other Receivables*

The Organisation makes use of a simplified approach in accounting for trade and other receivables; it records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Organisation uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The organisation assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

**(iv) Classification and measurement of financial liabilities**

As the accounting for financial liabilities remains largely unchanged from AASB 139, the organisation's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The organisation's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the organisation designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

**f. Income taxes**

No provision for income tax has been raised as the organisation is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

**g. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**h. Provisions, contingent liabilities and contingent assets**

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the organisation can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

**i. Deferred income**

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

**j. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Notes to the Financial Statements  
For the year ended 30 June 2021**

**k. Economic dependence**

The organisation is dependent upon the ongoing receipt of Federal and State government grants and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

	<b>2021</b>	2020
	\$	\$
<b>3. Revenue from ordinary activities</b>		
<b>Donations and gifts – monetary</b>		
Other Australian donations	<b>46,938</b>	78,454
Children’s financial literacy-Cambodia	<b>52,458</b>	56,227
Village Entrepreneur Program	<b>50,884</b>	57,530
Other funds	-	33,055
Total donations and gifts - monetary	<b>150,280</b>	225,266
<b>Grant income</b>		
Department of Foreign Affairs & Trade	<b>502,913</b>	496,960
Other overseas grants	<b>93,557</b>	499,396
Total grant income	<b>596.470</b>	996,356
<b>Other income</b>	<b>99,600</b>	36,000
<b>Total revenue from ordinary activities</b>	<b>846,350</b>	1,257,622
<b>4. Other project services (non-monetary)</b>		
Volunteer services	<b>48,888</b>	33,591
Total other project services	<b>48,888</b>	33,591

Volunteer services are recognized on the basis of time spent and represents 658.5 hours (2020: 467 hours).

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Notes to the Financial Statements  
For the year ended 30 June 2021**

<b>5. Funds to international programs</b>	<b>2021</b>	2020
	\$	\$
Funds to overseas projects:		
DFAT projects	<b>563,659</b>	487,104
Financial Literacy Program	<b>52,471</b>	53,649
Cambodia VPSP Project	-	7,739
O&M	-	-
Integration Financial Education in Cam School	<b>118,778</b>	34,255
Job training Placement	-	-
Exit Strategic Workshop	-	-
Assessing the Human Right Situation	-	42,307
Devl Cont and Cond Capa MSME	<b>17,277</b>	29,595
Vocational Training Program	-	-
Strengthening the transition of Vulnerable Communities Affected by the Malolos Clark railway	-	298
Kyrgyzstan Project	-	37,193
LEED Project	-	-
SRIR Project	-	155
Women Empower Project	-	-
Village Entrepreneur	<b>45,596</b>	71,981
Board Education and Familiarization	<b>35,183</b>	35,802
Oceanic Confederation of Credit Union Leagues	-	10,690
Other projects	<b>18,003</b>	234,818
<b>Total funds to international programs</b>	<b>850,967</b>	1,045,586

**6. Accountability and administration**

The audit of the organisation is performed on a pro bono basis by BDO Audit Pty Ltd (BDO)

**7. Trade and other receivables**

Receivables from Cufa Ltd	-	6,710
Receivables	<b>14,289</b>	9,276
Security deposits	<b>26,625</b>	27,043
Prepayments	<b>68,640</b>	41,574
<b>Total trade and other receivables</b>	<b>109,554</b>	<b>84,603</b>

**8. Trade and other payables**

Trade creditors	<b>2,500</b>	3,025
Accrued expenses	<b>6,923</b>	-
Payable to Credit Union Foundation Australia	<b>762,507</b>	762,481
Payable to CUFA Ltd	<b>80,774</b>	16,504
<b>Total trade and other payables</b>	<b>852,704</b>	782,010

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Notes to the Financial Statements  
For the year ended 30 June 2021**

<b>9.</b>	<b>Provision Current</b>	<b>2021</b>	2020
		\$	\$
	Annual leave	<b>29,227</b>	30,094
	Long service leave	<b>5,636</b>	4,900
	<b>Total provisions</b>	<b>34,863</b>	34,994

<b>10.</b>	<b>Notes to cash flow</b>	<b>2021</b>	2020
		\$	\$
	<b>Reconciliation of cash and cash equivalents</b>		
	<b>a.</b>		
	- Cash at bank	<b>1,588,043</b>	1,887,765
	- Cash on hand	<b>45,996</b>	17,261
	Total cash and cash equivalents	<b>1,634,039</b>	1,905,026
	<b>b. Reconciliation of cash flow from operations with operating deficit</b>		
	Operating deficit of the year	<b>(316,597)</b>	(13,306)
	Non-operating items:		
	Less: investment income	<b>(805)</b>	(40,108)
	Movements in assets and liabilities:		
	(Decrease)/increase in trade and other receivables	<b>(24,951)</b>	99,584
	Decrease/(Increase) in trade and other payables	<b>70,693</b>	(82,154)
	(Increase)/Decrease in provisions	<b>(131)</b>	1,051
	<b>Net cash used in operating activities</b>	<b>(271,791)</b>	(34,933)

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Notes to the Financial Statements  
For the year ended 30 June 2021**

11.	<b>Table of cash movements for designated purposes</b>			
<b>2021</b>	<b>Cash available at 30 June 2020</b>	<b>Cash raised during FY20/21</b>	<b>Cash disbursed during FY20/21</b>	<b>Cash available at 30 June 2021</b>
<b>Purpose</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Pacific Congress	64,800	-	-	64,800
Cambodia Children's Financial Literacy Leadership-ASIA	(37,782) 60,471	52,458 -	(52,471) -	(37,795) 60,471
Oceanic Confederation of Credit Union Leagues Leadership PACIFIC	(99,762) 18,943	- -	- -	(99,762) 18,943
Fundraising Asia	95,101	-	-	95,101
Australian Council for International Development	(109,638)	-	-	(109,638)
Bougainville Youth Project	(11,666)	-	-	(11,666)
Cam - SRIRI Project	129,747	-	-	129,747
Women Empower Project	1,795	-	-	1,795
Village Entrepreneur	2,383	53,342	(45,596)	10,129
Cambodia - VPSP	126,876	-	-	126,876
Reflection Workshop Project	(1,582)	-	-	(1,582)
Skill Intern Exchange	(531)	-	-	(531)
Exit Strategy workshop	(259)	-	-	(259)
Vocational train pro	(38,296)	-	-	(38,296)
Cambodia-O&M	(44,033)	-	-	(44,033)
Cambodia-LEED Project	(2,350)	-	-	(2,350)
Cambodia-SEED	6,042	-	-	6,042
Integrating Financial Education	18,848	64,794	(118,778)	(35,136)
Devl Cont and Con	12,763	28,763	(17,277)	24,249
Assessing the Human Right	87,594	-	-	87,594
General accumulated funds	1,612,812	418,404	(643,934)	1,387,282
<b>Total</b>	<b>1,905,025</b>	<b>617,761</b>	<b>(888,746)</b>	<b>1,634,040</b>

Net cash flow by designated purpose for the year(Refer to the Statement ofCash Flows)(270,985)

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Notes to the Financial Statements  
For the year ended 30 June 2021**

**11. Table of cash movements for designated purposes (continued)**

	<b>Cash available at 30 June 2019</b>	<b>Cash raised during FY19/20</b>	<b>Cash disbursed during FY19/20</b>	<b>Cash available at 30 June 2020</b>
<b>2020 Purpose</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Pacific Congress	64,800	-	-	64,800
Cambodia Children's Financial Literacy	(37,782)	53,649	(53,649)	(37,782)
Leadership-ASIA	60,471	-	-	60,471
Oceanic Confederation of Credit Union Leagues	(89,072)	-	(10,690)	(99,762)
Leadership-PACIFIC	18,943	-	-	18,943
Fundraising Asia	95,101	-	-	95,101
Australian Council for International Development Kyrgyzstan Project	(103,167) (198,075)	-	(6,471) -	(109,638) -
Bougainville Youth Project	(11,666)	-	-	(11,666)
Cam-SRIRI Project	129,902	-	(155)	129,747
Women Empower Project	1,795	-	-	1,795
Village Entrepreneur	12,573	61,791	(71,981)	2,383
Cambodia - VPSP	108,599	26,016	(7,739)	126,876
Reflect Workshop Project	(1,582)	-	-	(1,582)
Skill Intern Exchange Program	(531)	-	-	(531)
Exit strategy workshop	(259)	-	-	(259)
Vocational training pro	(38,296)	-	-	(38,296)
Cambodia - O&M	(44,033)	-	-	(44,033)
Cambodia - LEED Project	(2,350)	-	-	(2,350)
Cambodia - SEED	6,042	-	-	6,042
Integrating Financial Education	-	53,103	(34,255)	18,848
Devl Cont and Con	-	42,358	(29,595)	12,763
Assessing the Human Right	-	129,901	(42,307)	87,594
General Accumulated Funds	1,928,437	498,218	(813,843)	1,612,812
<b>Total</b>	<b>1,899,850</b>	<b>1,113,052</b>	<b>(1,107,878)</b>	<b>1,905,025</b>

Net cash flow by designated purpose for the year(Refer to the Statement of Cash Flows) 5,175

**THE AUSTRALIAN FOUNDATION FOR INTERNATIONAL CREDIT UNION  
DEVELOPMENT - INTERNATIONAL PROJECTS  
ABN 12 217 831 154**

**Notes to the Financial Statements  
For the year ended 30 June 2021**

**12. Related party disclosures Key**

**Management Personnel**

Related parties include Key Management Personnel being the Director of the Trustee. Directors are appointed on an honorary basis and are re-imbursed for expenses incurred on behalf of the Foundation.

The compensation of the specified Directors was nil (2020:nil)

**13. Subsequent events**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 Jun 2021 that has significantly affected, or may significantly affect the organisation's operations, the results of those operations, or the organisation's state of affairs in future financial year.

**14. Additional subsequent events**

On Monday 8 November 2021, Darian Clark was appointed to the role of the Chief Executive Officer of CUFA Limited and its related entities.

**15. Contingent liabilities**

Nil.

**16. Additional information**

The Australian Foundation for International Credit Union Development - International Projects is a trust formed in Australia.

## INDEPENDENT AUDITOR'S REPORT

To the members of The Australian Foundation for International Credit Union Development - International Projects

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of The Australian Foundation for International Credit Union Development - International Projects (the "Organisation"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of the Organisation, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the registered 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

#### Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Geoff Rooney', with the letters 'BDO' written in small text above the signature.

Geoff Rooney  
Director

Sydney, 29 November 2021

**CREDIT UNION FOUNDATION AUSTRALIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

## Credit Union Foundation Australia

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## **Credit Union Foundation Australia**

### **Trustee Information**

The Trustee of Credit Union Foundation Australia is Credit Union Foundation Australia Pty Limited.

### **Responsible Persons**

The Responsible Persons (Directors) of the Trustee of Credit Union Foundation Australia were in office at the date of this report:

Peter Mason	resigned on 05 May 2021
Damon Jalili	
Amanda Young	
Colette McInerney	
Andrew Rodgers	
Edward Marchant	resigned on 23 Jun 2021
Joanne Maloney	
Paul McCann	appointed on 22 Jun 2021
Samantha Guthleben (Secretary)	

### **Registered office and principal place of business**

Suite 303, 275 Alfred St  
North Sydney NSW 2060  
Australia

### **Banker**

Westpac Banking Corporation

### **Auditor**

BDO Audit Pty Ltd (ABN 33 134 022 870)

DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE RESPONSIBLE ENTITIES OF CREDIT UNION FOUNDATION PTY LIMITED AS TRUSTEE OF CREDIT UNION FOUNDATION AUSTRALIA

As lead auditor of Credit Union Foundation Australia for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Credit Union Foundation Australia.



Geoff Rooney  
Director

BDO Audit Pty Ltd

Sydney

29 November 2021

## Credit Union Foundation Australia

### Trustee's Declaration

### Responsible Persons' Declaration

The Responsible Persons (Directors) of the Trustee declare that:

1. The financial statements and notes of Credit Union Foundation Australia are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013.
2. There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees.



Andrew Rodgers  
Chair

Brisbane, 29 November 2021



Damon Jalili  
Director of the Trustee

Brisbane, 29 November 2021

**Credit Union Foundation Australia**

**Statement of Profit or Loss and Other Comprehensive Income**

**For the year ended 30 June 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
	<b>s</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Interest income -	<b>6</b>	<b>25</b>	303
<b>Total revenue from ordinary activities</b>		<b>25</b>	303
<b>Expenses</b>		-	-
<b>Total expenses from ordinary activities</b>		-	-
<b>Surplus for the year</b>		<b>25</b>	303
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>25</b>	303

The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**Credit Union Foundation Australia**

**Statement of Financial Position**

**As at 30 June 2021**

	<b>Notes</b>	<b>2021</b> <b>\$</b>	<b>2020</b> <b>\$</b>
<b>Non-Current Assets</b>			
Other receivables	4	<b>762,505</b>	<b>762,480</b>
<b>Total non-current assets</b>		<b><u>762,505</u></b>	<b><u>762,480</u></b>
<b>Current Liabilities</b>			
<b>Total current liabilities</b>		<b><u>-</u></b>	<b><u>-</u></b>
<b>Net Assets</b>		<b><u>762,505</u></b>	<b><u>762,480</u></b>
<b>Funds</b>			
Accumulated funds		<b>542,457</b>	<b>542,432</b>
Jack Ross Memorial Trust		<b>63,609</b>	<b>63,609</b>
Reserve - Steve Birt Endowment Fund		<b>156,439</b>	<b>156,439</b>
<b>Total Funds</b>		<b><u>762,505</u></b>	<b><u>762,480</u></b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**Credit Union Foundation Australia**

**Statement of Changes in Funds**

**For the year ended 30 June 2021**

	<b>Accumulated Funds \$</b>	<b>Reserve – SteveBirt Endowment Fund \$</b>	<b>Jack Ross Memorial Trust</b>	<b>Total Funds \$</b>
Balance as at 1 July 2019	542,129	156,439	63,609	762,177
Total comprehensive income	303	-		303
Balance as at 30 June 2020	542,432	156,439	63,609	762,480
Balance as at 1 July 2020	<b>542,432</b>	<b>156,439</b>	<b>63,609</b>	<b>762,480</b>
Total comprehensive income	<b>25</b>	-		<b>25</b>
<b>Balance as at 30 June 2021</b>	<b>542,457</b>	<b>156,439</b>	<b>63,609</b>	<b>762,505</b>

The above Statement of Changes in Funds should be read in conjunction with the accompanying notes.

**Credit Union Foundation Australia**

**Statement of Cash Flows**

**For the year ended 30 June 2021**

	<b>Notes</b>	<b>2021</b> <b>\$</b>	<b>2020</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
<b>Net cash provided by operating activities</b>		-	-
<b>Cash flows from investing activities</b>		-	-
<b>Cash flows from financing activities</b>		-	-
<b>Net increase in cash and cash equivalents</b>	5 (b)	-	-
<b>Cash and cash equivalents at the beginning of the year</b>		-	-
<b>Cash and cash equivalents at the end of the year</b>	5 (a)	-	-

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## **Credit Union Foundation Australia**

### **Notes to the Financial Statements For the year ended 30 June 2021**

#### **1 Adoption of new and revised Accounting Standards**

In the current year, Credit Union Foundation Australia (the "Trust") has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

Adoption of these amended standards did not have a material financial impact on the financial statements or the results of operations.

#### **Standards and Interpretations issued but not yet effective**

At the date of approval of the financial report, there were no Standards and Interpretations that were on issue but not yet effective that will have a significant impact on the Financial Statements of the Trust.

#### **2 Significant accounting policies**

##### **General information and statement of compliance**

The general purpose financial statements of the Trust have been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements- and other authoritative pronouncements of the Australian Accounting Standards Board and in accordance with the requirements of the Trust Deed.

The financial statements for the year ended 30 June 2021 were approved and authorized for issue by the Board of Directors of the Trust on 26 November 2021.

##### **Summary of accounting policies**

###### **a. Overall considerations**

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

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

###### **Coronavirus (COVID-19) pandemic**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Trust based on known information. There does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavorably as the reporting date or subsequently has a result of the Coronavirus (COVID-19) pandemic.

###### **b. Revenue**

Revenue comprises revenue from government grants, donations, bequests and fundraising activities.

Revenue is measured by reference to the fair value of consideration received or receivable by the Trust for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

## **Credit Union Foundation Australia**

### **Notes to the Financial Statements For the year ended 30 June 2021**

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Trust's different activities have been met. Details of the activity-specific recognition criteria are described below.

#### **c. Financial instruments**

##### **(i) Recognition, initial measurement and de-recognition**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

##### **(ii) Classification and subsequent measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The Trust's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

##### **(iii) Impairment of financial assets**

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Trust considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

## Credit Union Foundation Australia

### Notes to the Financial Statements For the year ended 30 June 2021

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

#### *Trade and Other Receivables*

The Trust makes use of a simplified approach in accounting for trade and other receivables; it records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Trust uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Trust assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

#### **(iv) Classification and measurement of financial liabilities**

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Trust's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Trust's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Trust designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

#### **d. Income taxes**

No provision for income tax has been raised as the Trust is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997 (Cth)*.

#### **e. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## Credit Union Foundation Australia

### Notes to the Financial Statements For the year ended 30 June 2021

#### f. Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

#### g. Deferred income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

#### h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

	<b>2021</b>	2020
	\$	\$

#### 3. Administration expenses

The audit of the Trust is completed on a pro bono basis by BDO Audit Pty Ltd (BD0).

#### 4. Other receivables

Receivable from The Australian Foundation for International Credit Union development – International Projects Fund	<b>762,505</b>	<b>762,480</b>
Total other receivables	<b><u>762,505</u></b>	<b><u>762,480</u></b>

The receivable is carried as a non-current receivable as it is not expected to be called in the next twelve months.

## Credit Union Foundation Australia

### Notes to the Financial Statements For the year ended 30 June 2021

	2021	2020
	\$	\$
<b>5. Notes to cash flow</b>		
<b>a. Reconciliation of cash and cash equivalents</b>		
Total cash and cash equivalents	-	-
<b>b. Reconciliation of surplus from operating activities</b>		
Surplus for the year	25	303
(Increase)/decrease in other receivables	(25)	(303)
Increase in other liabilities	-	-
<b>Net cash flow from operating activities</b>	-	-

## 6. Related party transactions

### Other related party transactions

The receivable at Note 4 is from Australian Foundation for International Credit Union Development - International Projects (the Grahame Mehrtens International Projects Fund) whose trustee is also the trustee of this trust.

There are no documented terms to the receivable from Australian Foundation for International Credit Union Development - International Projects (the Grahame Mehrtens International Projects Fund) and the amount remains at call.

Interest receivable of \$25 (2020 \$302.26) was recorded in the Statement of Profit or Loss and arises from the receivable from Australian Foundation for International Credit Union Development - International Projects (the Grahame Mehrtens International Projects Fund).

## 7. Subsequent events

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 Jun 2021 that has significant affected, or may significantly affect the Trust's operations, the results of those operations, or the Trust's state of affairs in the future financial year.

## 8. Additional subsequent events

On Monday 8 November 2021, Darian Clark was appointed to the role of the Chief Executive Officer of CUFA Limited and its related entities.

## 9. Commitments

Nil.

## 10. Contingencies

Nil.

## INDEPENDENT AUDITOR'S REPORT

To the members of Credit Union Foundation Australia

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Credit Union Foundation Australia (the "Trust"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of the Trust, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the registered 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

#### Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Geoff Rooney'. Above the signature, the letters 'BDO' are written in a small, light font.

Geoff Rooney  
Director

Sydney, 29 November 2021

**CREDIT UNION RELIEF FUND**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**Credit Union Relief Fund**  
**ABN 39 255 175 137**

**Trustee Information**

The Trustee of the Credit Union Relief Fund is Credit Union Foundation Australia Pty Limited.

**Responsible Persons**

The Responsible Persons (Directors) of the Trustee of Credit Union Relief Fund were in office at the date of this report:

Peter Mason           resigned on 05 May 2021  
Damon Jalili  
Amanda Young  
Colette McInerney  
Andrew Rodgers  
Edward Marchant   resigned on 23 Jun 2021  
Joanne Maloney  
Paul McCann        appointed on 22 Jun 2021  
Samantha Guthleben (Secretary)

**Registered charity street address and principal place of business**

Suite 303, 275 Alfred St  
North Sydney NSW 2060  
Australia

**Banker**

Westpac Banking Corporation

**Auditor**

BDO Audit Pty Ltd (ABN 33 134 022 870)

DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE RESPONSIBLE ENTITIES OF CREDIT UNION FOUNDATION AUSTRALIA PTY LIMITED AS TRUSTEE OF CREDIT UNION RELIEF FUND

As lead auditor of Credit Union Relief Fund for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Credit Union Relief Fund.



Geoff Rooney  
Director

BDO Audit Pty Ltd  
Sydney  
29 November 2021

## INDEPENDENT AUDITOR'S REPORT

To the members of Credit Union Relief Fund

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Credit Union Relief Fund (the "Trust"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of the Trust, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities are responsible for assessing the registered 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

#### Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Geoff Rooney'. Above the signature, the letters 'BDO' are printed in a small, light font.

Geoff Rooney  
Director


Sydney, 29 November 2021

## **Responsible Persons' Declaration**

The Responsible Persons (Directors) of the Trustee declare that:

1. The financial statements and notes of The Credit Union Relief Fund are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
  - b. Complying with Australian Accounting Standards – reduced disclosure requirements and the Australian Charities and Not-for-profits Commission Regulation 2013.
2. There are reasonable grounds to believe that the Trust is able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Andrew Rodgers  
Chair

Brisbane, 29 November 2021



Damon Jalili  
Director of the Trustee

Brisbane, 29 November 2021

**Statement of Profit or Loss and Other Comprehensive Income**

**For the year ended 30 June 2021**

	<b>2021</b>	2020
	\$	\$
<b>Revenue</b>		
<b>Total revenue from ordinary activities</b>	-	-
<b>Expenses</b>		
<b>Total expenses from ordinary activities</b>	-	-
<b>Surplus/(deficit) for the period</b>	-	-
<b>Other Comprehensive Income for the period</b>	-	-
<b>Total Comprehensive Income for the period</b>	-	-

The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**Statement of Financial Position**

**As at 30 June 2021**

	<b>2021</b>	2020
	\$	\$
<b>Current Assets</b>		
Cash and cash equivalents	<b>103</b>	103
<b>Total Current Assets</b>	<b>103</b>	103
<b>Net Assets</b>	<b>103</b>	103
<b>Funds</b>		
Accumulated funds	<b>103</b>	103
<b>Total Funds</b>	<b>103</b>	103

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**Statement of Changes in Funds**

**For the year ended 30 June 2021**

	<b>Accumulated Funds</b>	<b>Total Funds</b>
	\$	\$
Balance as at 1 July 2019	103	103
Total comprehensive income	-	-
Balance at 30 Jun 2020	<u>103</u>	<u>103</u>
Balance as at 1 July 2020	<b>103</b>	<b>103</b>
Total comprehensive income	-	-
Balance as at 30 June 2021	<u><b>103</b></u>	<u><b>103</b></u>

The above Statement of Changes in Funds should be read in conjunction with the accompanying notes.

**Statement of Cash Flows**

**For the year ended 30 June 2021**

	<b>Note</b>	<b>2021</b>	2020
		\$	
<b>Net cash provided by/(used in) Operating activities</b>		-	-
<b>Net cash provided by/(used in) Investing activities</b>		-	-
<b>Net cash provided by/(used in) Financing activities</b>		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		-	-
<b>Cash and cash equivalents at the beginning of the year</b>		<b>103</b>	103
<b>Cash and cash equivalents at the end of the year</b>		<b>103</b>	103

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**Notes to the Financial Statements**  
**For the financial year ended 30 June 2021**

**1. Adoption of new and revised Accounting Standards**

In the current year, the Credit Union Relief Fund (the "Fund" or the "Trust") has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

Adoption of these amended standards did not have a material financial impact on the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position or the results of operations.

**Standards and Interpretations issued but not yet effective**

At the date of approval of the financial report, there were no Standards and Interpretations that were on issue but not yet effective that will have a significant impact on the Financial Statements of the Fund.

**2. Significant accounting policies**

**General Information and Statement of Compliance**

The general purpose financial statements of the Trust have been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012, Australian Accounting Standards- Reduced Disclosure Requirements- and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements for the year ended 30 June 2021 were approved and authorised for issue by the Board of Directors of the Trust on 26 November 2021.

**Summary of accounting policies**

**a. Overall considerations**

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

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

**b. Revenue**

Revenue comprises revenue from the sale of goods, government grants, fundraising activities and client contributions.

Revenue is measured by reference to the fair value of consideration received or receivable by the Trust for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts.

**Notes to the Financial Statements**  
**For the financial year ended 30 June 2021**

**b. Revenue (continued)**

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Trust's different activities have been met. Details of the activity-specific recognition criteria are described below.

**(i) Interest income**

Interest income is recognised on an accrual basis using the effective interest method.

**c. Operating expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

**d. Financial instruments**

**(i) Recognition, initial measurement and de-recognition**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

**(ii) Classification and subsequent measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses. Classifications are determined by both:

- The Trust's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

**Notes to the Financial Statements**  
**For the financial year ended 30 June 2021**

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

**(iii) Impairment of financial assets**

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Trust considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

*Trade and Other Receivables*

The Trust makes use of a simplified approach in accounting for trade and other receivables; it records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Trust uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Trust assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

**(iv) Classification and measurement of financial liabilities**

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Trust's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Trust's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Trust designated a financial liability at fair value through profit or loss.

**Notes to the Financial Statements**  
**For the financial year ended 30 June 2021**

Subsequently, financial liabilities are measured at amortised cost using the effective interest.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

**e. Income taxes**

No provision for income tax has been raised as the Trust is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**f. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**g. Provisions, contingent liabilities and contingent assets**

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Trust can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

**h. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**Notes to the Financial Statements**  
**For the financial year ended 30 June 2021**

**3. Auditor's remuneration**

The audit of the Trust is completed on a pro bono basis by BDO Audit Pty Ltd (BDO).

**4. Related party disclosures**

The Trust's related parties include directors of the Trustee.

Nil related party transactions.

**5. Subsequent events**

The impact of the Coronavirus (COVID-19) pandemic is ongoing, and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 Jun 2021 that has significantly affected, or may significantly affect the Trust's operations, The results of those operations, or the Trust's state of affairs in future financial year.

**6. Additional subsequent events**

On Monday 8 November 2021, Darian Clark was appointed to the role of the Chief Executive Officer of CUFA Limited and its related entities.

**7. Commitments**

Nil.

**8. Contingencies**

Nil.

**9. Additional information**

Credit Union Relief Fund is a trust formed in Australia.



@CufaOrg



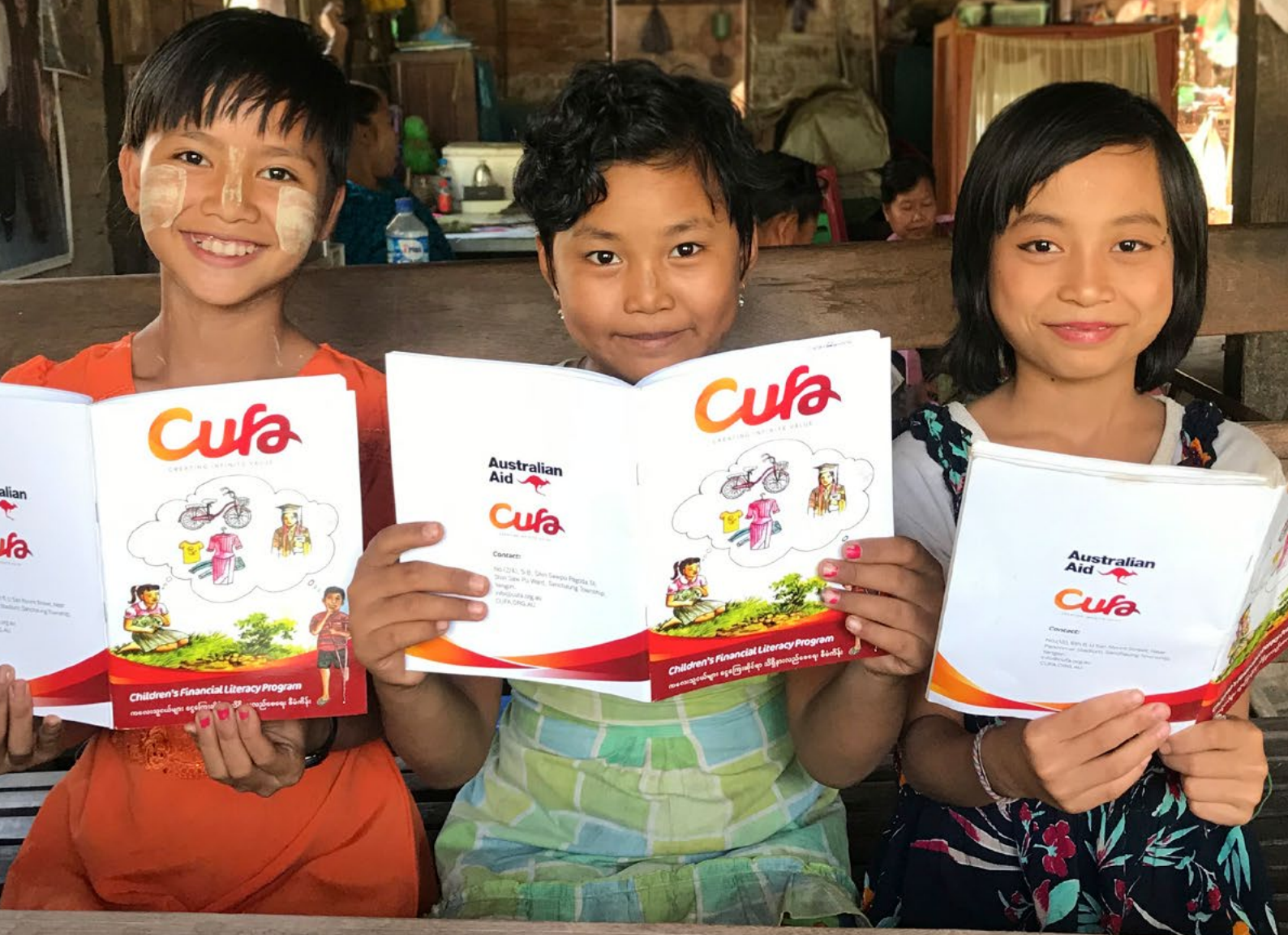
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SOCIAL CHANGE. SUSTAINABLE RESULTS

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[www.cufa.org.au](http://www.cufa.org.au)