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**FEDERATION OF ETHNIC COMMUNITIES'  
COUNCILS OF AUSTRALIA INCORPORATED**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

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# FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INCORPORATED

## COMMITTEE MEMBERS' REPORT

Your committee members present their report on the association for the financial year ended 30 June 2018.

### Committee Members

The names of the committee members in office at any time during or since the end of the financial year are:

Chairperson:	Mary Patetsos
Senior Deputy Chairperson:	Peter Doukas
Senior Deputy Chairperson (Women):	Hina Durrani
Hon Secretary:	Mohammad Al-khafaji
Hon Treasurer:	Siddique Panwala
Deputy Chair:	Mithun Alexander
Deputy Chair:	Marta Terracciano JP
Deputy Chair:	Kevin Kadirgamar
Deputy Chair:	Miriam Cocking
Disabilities Chair:	Suzanne Graham
Youth Chair:	Waqas Durrani
Women's Chair:	Sandra Elhelw Wright
Regional Chair:	Catherine Poutasi
Healthy Ageing Chair:	Marion Lau OAM
NEC Chair:	Parsuram Sharma-Luita JP
Deputy Chair:	Jafar Taheri
Deputy Chair:	Kris Pavlidis
Hon President:	Joseph Caputo OAM JP

### Principal Activity

The principal activity of the association is to provide advocacy, develop policy and promote issues on behalf of its constituency to government and the broader community. The association supports multiculturalism, community harmony, social justice and the rejection of all forms of discrimination and racism.

### Operating Results

The net deficit from ordinary activities of the association for the financial year was \$77,977 (2017: surplus \$62,878).

### Objectives

- FECCA's role is to advocate, lobby and promote issues on behalf of its constituency to government, business and the broader community.
- To ensure that the needs and aspirations of Australians from diverse cultural and linguistic backgrounds are given proper recognition in public policy.
- Promote fairness and responsiveness to our constituency in the delivery and design of Government policies and programs.
- FECCA also strives to protect the fundamental rights of all Australians, regardless of cultural, spiritual, gender, linguistic, racial, social, political or other affiliations or connections.

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INCORPORATED**

**COMMITTEE MEMBERS' REPORT**

**Strategy For Achieving The Objectives**

FECCA's strategies to achieve the objectives include, but are not limited to, the following:

- Access and Equity consultations
- Policy submissions
- Advocacy through direct meetings
- Public forums and events
- Public campaigns
- Publications
- FECCA National Conference

Signed in accordance with a resolution of the committee:



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Mary Patetsos, Chairperson



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Siddique Panwala, Treasurer

Dated: 30 Oct 2018

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE COMMITTEE OF  
FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2018 there have been:

- i. No contraventions of the auditor independence requirements in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit

PKF Di Bartolo Diamond & Mihailaros



Ross Di Bartolo  
Partner

Date: 30.10.18.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INCORPORATED**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the accompanying financial report of the Federation Of Ethnic Communities' Councils Of Australia Incorporated (the Association), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, notes comprising a summary of significant accounting policies, other explanatory notes and the Committees' declaration of the financial statements giving a true and fair view of the financial position and performance of the Association.

In our opinion, the financial report of the Federation of Ethnic Communities' Councils of Australia Incorporated is in accordance with the *Incorporations Association (ACT) Act 1991*, including:

- I. gives a true and fair view of the Association's financial position as at 30 June 2018 and of its financial performance and its cash flows for the year ended on that date; and
- II. complying with Australian Accounting Standards and the *Incorporations Association (ACT) Act 1991*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards and the requirements of the *Incorporations Association (ACT) Act 1991*. 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 Association in accordance with the requirements of the Australian professional ethical pronouncements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Other information is financial and non-financial information in the annual report of the Association which is provided in addition to the Financial Report and the Auditor's Report. The committee members are responsible for Other Information in the annual report. The Other Information we obtained prior to the date of this Auditor's Report was the Committee Member's Report. Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

**Committee Member's Responsibility for the Financial Report**

The committee members of the Association are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Incorporations Association (ACT) Act 1991*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INCORPORATED**

In preparing the financial report, the committee is responsible for assessing the Association'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 Board intends to wind up the Association or to cease operations, or has no realistic alternative but to do so.

***Auditor's Responsibility for the Audit of the Financial Report***

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

As part of an audit, in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial reports or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PKF Di Bartolo Diamond & Mihailaros



Ross Di Bartolo

Partner

Dated 30.10.18.

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**STATEMENT BY MEMBERS OF THE COMMITTEE  
FOR THE YEAR ENDED 30 JUNE 2018**

In the opinion of the Committee

- (i) the accompanying Statement of Financial Performance is drawn up so as to give a true and fair view of the results of the Federation for the year ended 30 June 2018.
- (ii) the accompanying Statement of Financial Position is drawn up so as to give a true and fair view of the results of the Federation for the year ended 30 June 2018.
- (iii) at the date of this statement there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they fall due.

The financial report has been made out in accordance with Australian Accounting Standards and other mandatory professional reporting requirements.

This statement is made and signed on behalf of the Committee.

On behalf of the Committee



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Mary Patetsos, FECCA Chairperson



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Siddique Panwala, Treasurer

Dated: 30 October 2018



**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
Revenue from ordinary activities	2(a)	<b>1,114,039</b>	710,772
Employee benefits expense	2(b)	<b>(555,551)</b>	(387,947)
Depreciation and amortisation expenses	2(b)	<b>(17,748)</b>	(17,206)
Other expenses from ordinary activities	2(b)	<b>(618,717)</b>	(242,741)
<b>Profit/(Loss) from ordinary activities</b>		<b>(77,977)</b>	62,878
<b>Other comprehensive income</b>			
Net gain/(loss) on revaluation of non-current assets		<b>104,396</b>	-
Net loss/gain on revaluation of financial assets		-	-
<b>Other comprehensive income for the year</b>		<b>104,396</b>	-
<b>Total comprehensive income for the year</b>		<b>\$26,419</b>	\$62,878
Total comprehensive income attributable to members of the entity		<b>\$26,419</b>	\$62,878

The accompanying notes form part of these financial statements

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**BALANCE SHEET  
AS AT 30 JUNE 2018**

	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	<b>3</b>	<b>324,230</b>	411,967
Trade and other receivables	<b>4</b>	<b>119,232</b>	770
Other current assets	<b>5</b>	<b>8,932</b>	83,353
<b>TOTAL CURRENT ASSETS</b>		<b>452,394</b>	496,090
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	<b>6</b>	<b>745,271</b>	658,623
<b>TOTAL NON-CURRENT ASSETS</b>		<b>745,271</b>	658,623
<b>TOTAL ASSETS</b>		<b>1,197,665</b>	1,154,713
<b>CURRENT LIABILITIES</b>			
Trade & other payables	<b>7</b>	<b>58,074</b>	77,611
Provisions	<b>8</b>	<b>23,108</b>	14,015
Other current liabilities	<b>9</b>	<b>116,393</b>	89,416
<b>TOTAL CURRENT LIABILITIES</b>		<b>197,575</b>	181,042
<b>TOTAL LIABILITIES</b>		<b>197,575</b>	181,042
<b>NET ASSETS</b>		<b>\$1,000,090</b>	\$973,671
<b>EQUITY</b>			
Accumulated surplus		<b>195,694</b>	273,671
Asset Revaluation Reserve	<b>10</b>	<b>804,396</b>	700,000
<b>TOTAL EQUITY</b>		<b>\$1,000,090</b>	\$973,671

The accompanying notes form part of these financial statements

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

STATEMENT OF CHANGE IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
<b>Balance at 1 July 2016</b>	210,793	700,000	910,793
Net Surplus/(Deficit) for the year	62,878	-	62,878
<b>Balance at 30 June 2017</b>	<b>\$273,671</b>	<b>\$700,000</b>	<b>\$973,671</b>
<b>Balance at 1 July 2017</b>	273,671	700,000	973,671
Net Surplus/(Deficit) for the year	(77,977)	104,396	27,323
<b>Balance at 30 June 2018</b>	<b>\$195,694</b>	<b>\$804,396</b>	<b>\$1,000,090</b>

The accompanying notes form part of these financial statements

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from operating activities		<b>1,018,146</b>	796,765
Interest received		<b>4,408</b>	2,653
Payments to suppliers and employees		<b>(1,110,291)</b>	(696,862)
<b>Net Cash Flows From Operating Activities</b>	<b>11</b>	<b>(87,737)</b>	102,556
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for purchase of fixed assets		-	-
<b>Net Cash Flows From Investing Activities</b>		-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Borrowings		-	-
<b>Net Cash Flows From Financing Activities</b>		-	-
Net increase/(decrease) in cash held		<b>(87,737)</b>	102,556
Add opening cash brought forward		<b>411,967</b>	309,411
<b>Closing Cash Carried Forward</b>	<b>11</b>	<b>\$324,230</b>	\$411,967

The accompanying notes form part of these financial statements

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 1 STATEMENT OF ACCOUNTING POLICIES**

Ethnic Communities' Councils Of Australia Incorporated applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Incorporations Association (ACT) Act 1991*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

The Association is exempt from income tax under Section 50-10 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

The depreciable amount of all fixed assets is depreciated over their useful lives commencing from the time the asset is held ready for use.

The carrying amount of fixed assets is reviewed annually by the General Committee to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows, which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1 STATEMENT OF ACCOUNTING POLICIES (Cont)

(c) Depreciation

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

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Computers	25% to 40%
Office Equipment	20% to 30%
Motor Vehicles	20%
Furniture & Fixtures	13% to 20%

(d) Employee benefits

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave, which will be settled after one year, have been measured at their nominal amount.

The amount for employees long service leave has not been provided.

Contributions are made by the Association to an employees' superannuation funds and are charged as an expense when incurred.

(e) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks, and on deposit.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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 expense.

(g) Revenue

Revenue from the provision of goods and services is recognised on provision of those goods and services to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of Goods and Services Tax (GST).

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018 \$	2017 \$
<b>NOTE 2</b>		
<b>SURPLUS FROM ORDINARY ACTIVITIES</b>		
Surplus/(Deficit) from ordinary activities has been determined after:		
<b>a) Revenue and net gains</b>		
Grant Income	832,057	669,000
Interest Income	4,408	2,653
Conference Income & Reimbursements	252,422	16,368
Other Income	25,152	22,751
<b>Total income</b>	<u>\$1,114,039</u>	<u>\$710,772</u>
<b>b) Expenses</b>		
Conference expenses	320,588	-
Depreciation & amortisation	17,748	17,206
Publication expenses	17,135	13,541
Salaries & employee costs (incl on costs)	555,551	387,947
Travelling expenses	94,376	87,043
Media and Communications	11,920	15,994
Other expenses	174,698	126,163
<b>Total expenses</b>	<u>\$1,192,106</u>	<u>\$647,894</u>
<b>Surplus/(Deficit) from ordinary activities</b>	<u>(\$77,977)</u>	<u>\$62,878</u>
 <b>NOTE 3</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash at Bank - Westpac Cheque Account	63,652	23,323
Cash at Bank – Westpac Cash Reserve Account	45,020	138,035
Cash at Bank – Westpac Conference Account	42,067	80,608
Cash at Bank – Westpac Term Deposit	153,080	150,000
Cash at Bank – Westpac Term Deposit	20,411	20,000
	<u>\$324,230</u>	<u>\$411,967</u>
 <b>NOTE 4</b>		
<b>TRADE AND OTHER RECEIVABLES</b>		
Trade Debtors	118,955	770
Other Debtors	277	-
	<u>\$119,232</u>	<u>\$770</u>
 <b>NOTE 5</b>		
<b>OTHER CURRENT ASSETS</b>		
Prepayments	<u>\$8,932</u>	<u>\$83,353</u>

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>NOTE 6 PROPERTY, PLANT &amp; EQUIPMENT</b>		
Computers (At Cost)	33,882	33,880
<u>Less</u> Accumulated Depreciation	<u>(33,590)</u>	<u>(31,567)</u>
	<u>292</u>	<u>2,313</u>
Furniture & Fixtures (At Cost)	43,694	43,694
<u>Less</u> Accumulated Depreciation	<u>(41,594)</u>	<u>(40,685)</u>
	<u>2,100</u>	<u>3,009</u>
Office Equipment (At Cost)	10,624	10,624
<u>Less</u> Accumulated Depreciation	<u>(7,745)</u>	<u>(6,977)</u>
	<u>2,879</u>	<u>3,647</u>
Leasehold Land	135,590	138,000
Buildings (At Valuation)	604,410	562,000
<u>Less</u> Accumulated Amortisation	<u>-</u>	<u>(50,346)</u>
	<u>740,000</u>	<u>649,654</u>
	<u>\$745,271</u>	<u>\$658,623</u>

**Valuation of leasehold land and building**

An independent valuation of the association's land and building in Deakin ACT was performed by David Jordan, of Herron Todd White. The stated market value of land and buildings was \$740,000 as at 18 June 2018.

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

	Computers	Furniture & Fixtures	Office Equipment	Land & Buildings	<b>Totals</b>
Balance as at the beginning of year	2,313	3,009	3,647	649,654	658,623
Revaluation				104,396	104,396
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation & amortisation	(2,021)	(909)	(768)	(14,050)	(17,748)
Carrying amount at the end of year	<u>\$292</u>	<u>\$2,100</u>	<u>\$2,879</u>	<u>\$740,000</u>	<u>\$745,271</u>

**NOTE 7 TRADE & OTHER PAYABLES**

**CURRENT**

Trade payables & Accrued Expenses	31,737	62,429
Other payables	26,337	15,182
	<u>\$58,074</u>	<u>\$77,611</u>



FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
<b>NOTE 8 PROVISIONS</b>		
Annual Leave Provisions	<u>\$23,108</u>	\$14,015
<b>Movement in Employee Provisions</b>		
Opening balance at beginning of year	14,015	21,074
Additional provisions raised during year	42,888	29,584
Amounts used	(33,795)	(36,643)
	<u>\$23,108</u>	<u>\$14,015</u>
<b>NOTE 9 OTHER LIABILITIES</b>		
Income in Advance – Conference	-	65,716
Income in Advance – Grant funding	116,393	23,700
	<u>\$116,393</u>	<u>\$89,416</u>
<b>NOTE 10 RESERVES</b>		
<i>Asset Revaluation Reserve – refer note 6</i>		
Opening Balance	700,000	700,000
Movement	104,396	-
	<u>\$804,396</u>	<u>\$700,000</u>
		0
<b>NOTE 11 RECONCILIATION OF CASH FLOWS</b>		
<i>(a) Reconciliation of Cash</i>		
Cash balance comprises -		
Cash at bank	324,230	411,967
Cash and cash equivalents	<u>\$324,230</u>	<u>\$411,967</u>
<i>(b) Reconciliation of Operating surplus to net proceeds from operations</i>		
Operating surplus/(deficit)-	(77,977)	62,878
Depreciation & amortisation	17,748	17,206
Loss on disposal of fixed assets	-	-
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other debtors	(118,462)	(770)
(Increase)/Decrease in prepayments	74,421	(76,365)
Increase/(Decrease) in employee benefits	9,093	(7,059)
Increase/(Decrease) in trade and other payables	(19,537)	17,250
Increase/(Decrease) in unearned income	26,977	89,416
	<u>\$102,556</u>	
<b>Net Cash Flows provided/(used in) operations</b>	<u>(\$87,737)</u>	<u>6</u>

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 12: FINANCIAL RISK MANAGEMENT**

**(i) Financial risk management policies**

The association's financial instruments consist mainly of cash and deposits at bank, trade debtors, trade creditors and secured commercial credit facilities. The Executive Committee consists of individuals who meet on a regular basis to assist the association in meeting its financial targets, whilst minimising potential adverse effects on financial performance. The total of each category of financial instruments, measured in accordance with AASB139 as detailed in the accounting policies to these financial statements, are detailed below:

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	324,230	411,967
Trade and Other Receivables	119,232	770
Other Current Assets	8,932	83,353
	<u><b>\$452,394</b></u>	<u><b>\$496,090</b></u>
 <b>Financial Liabilities</b>		
Trade Payables	58,074	77,611
Other Liabilities	116,393	89,416
	<u><b>\$174,467</b></u>	<u><b>\$167,027</b></u>

**(ii) Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

**(iii) Liquidity risk**

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

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

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 13 RELATED PARTY TRANSACTIONS**

**Committee Members**

The names of Committee Members who have held office at any time in the last financial year are:

Mary Patetsos	Suzanne Graham
Peter Doukas	Waqas Durrani
Hina Durrani	Sandra Elhelw Wright
Al-khafaji	Catherine Poutasi
Siddique Panwala	Marion Lau OAM
Mithun Alexander	Parsuram Sharma-Luitai JP
Marta Terracciano JP	Jafar Taheri
Kevin Kadirgamar	Kris Pavlidis
Miriam Cocking	Joseph Caputo OAM JP

	<b>2018</b>	<b>2017</b>
<b>NOTE 14 NUMBER OF EMPLOYEES (FTE positions)</b>		
Number of employees at 30 June	<b>8</b>	<b>5</b>

**NOTE 15 SEGMENT INFORMATION**

Federation of Ethnic Communities' Councils of Australia Inc's head office is located in Canberra and it has affiliated Multicultural or Ethnic Communities Councils in each State or Territory with the primary purpose of representing the interests of ethnic communities generally.

**NOTE 16 EVENTS SUBSEQUENT TO REPORTING DATE**

No matter or circumstance has arisen since the end of the financial year which significantly affects or may effect the operation of the entity, the results for the year or the state of affairs of the entity.

**NOTE 17 CONTINGENT LIABILITIES**

There are no known contingent liabilities at the date of this report.

**DISCLAIMER TO THE MEMBERS OF  
FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

The additional financial data presented on the following page is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 30 June 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Federation of Ethnic Communities' Councils of Australia Inc.) in respect of such data, including any errors of omissions therein however caused.

PKF Di Bartolo Diamond & Mihailaros



Ross Di Bartolo  
Partner

Dated: 30-10-18

**FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.**

**DETAILED INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
<b>REVENUE FROM ORDINARY ACTIVITIES</b>			
Affiliation Fees		17,881	17,996
Conference Income & Reimbursements		252,422	16,368
Grants Income		832,057	669,000
Interest Income		4,408	2,653
Other Income		7,271	4,755
<b>TOTAL REVENUE FROM ORDINARY ACTIVITIES</b>		<u>1,114,039</u>	<u>710,772</u>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>			
Audit Fees		8,200	8,150
Australian Mosaic Publication Expenses		17,135	13,541
Bookkeeping & Consulting Costs		48,480	29,248
Conference Expenses		320,588	-
Depreciation & Amortisation Expense		17,748	17,206
Insurance Costs		15,389	10,960
IT Expenses		11,075	9,047
Media and Communications		11,920	15,994
Office Consumables & Supplies		10,275	9,321
Other expenses from ordinary activities		68,185	46,279
Rent		-	300
Salaries & Employee Costs		510,235	355,502
Superannuation Contributions		45,316	32,445
Telephone		13,094	12,858
Travelling & Accommodation Expenses		94,376	87,043
<b>TOTAL EXPENDITURE FROM ORDINARY ACTIVITIES</b>		<u>1,192,016</u>	<u>647,894</u>
<b>NET SURPLUS/(DEFICIT)</b>		<u>(\$77,977)</u>	<u>\$62,878</u>