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

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

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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 2020.

### Committee Members

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

|                      |                  |
|----------------------|------------------|
| Andrew Ng            | Jill Morgan      |
| Peter Doukas         | Kevin Kadirgamar |
| Dr Edwin Joseph JP   | Kris Pavlidis    |
| Alton Budd           | Maker Mayak      |
| Miriam Cocking       | Marion Lau       |
| Eddie Micallef       | Angela Ljubic    |
| Suresh Rajan         | Mary Patetsos    |
| Joseph Caputo OAM JP | Rida Aleem Khan  |
| Hina Durrani         | Waqas Durrani    |

### Principal Activity

The principal activity of the association is to provide advocacy, develop policy and promote issues on behalf of it's 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.

### Performance measures

There is increasing general disruption to normal economic and business activity as a result of the COVID19 pandemic announced by the World Health Organisation in March 2020 and the Federal Government's subsequent announcements and protocols. The entity has sufficient cash reserves to fund operations and weather the estimated 2020 and 2021 financial impact of the COVID19 pandemic.

### Operating Results

The net surplus from ordinary activities of the association for the financial year was \$12,582 (2019: \$7,755).

### 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:



Mary Patetsos - Chairperson



Waqas Durrani - Treasurer

Dated: **20 November 2020**

**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 2020, 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 2020 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 Canberra



Ross Di Bartolo  
Partner

Dated 20.11.20

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

**STATEMENT BY MEMBERS OF THE COMMITTEE  
FOR THE YEAR ENDED 30 JUNE 2020**

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 2020.
- (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 2020.
- (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 – Chairperson



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Waqas Durrani – Treasurer

Dated: **20 November 2020**

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

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2020**

|  | <b>Notes</b> | <b>2020</b>      | <b>2019</b> |
|--|--------------|------------------|-------------|
|  |              | <b>\$</b>        | <b>\$</b>   |
| Revenue from ordinary activities                                 | 2(a)         | <b>1,518,310</b> | 964,872     |
| Employee benefits expense  | 2(b)         | <b>(669,002)</b> | (557,999)   |
| Depreciation and amortisation expenses                           | 2(b)         | <b>(22,331)</b>  | (17,802)    |
| Other expenses from ordinary activities                          | 2(b)         | <b>(814,395)</b> | (381,316)   |
| <b>Profit/(Loss) from ordinary activities</b>                    |              | <b>12,582</b>    | 7,755       |
| <b>Other comprehensive income</b>                                |              |                  |             |
| Net gain/(loss) on revaluation of non-current assets             |              | -                | -           |
| Net loss/gain on revaluation of financial assets                 |              | -                | -           |
| <b>Other comprehensive income for the year</b>                   |              | -                | -           |
| <b>Total comprehensive income for the year</b>                   |              | <b>\$12,582</b>  | \$7,755     |
| Total comprehensive income attributable to members of the entity |              | <b>\$12,582</b>  | \$7,755     |

The accompanying notes form part of these financial statements



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

**BALANCE SHEET  
AS AT 30 JUNE 2020**

|                                  | Notes | 2020<br>\$         | 2019<br>\$         |
|----------------------------------|-------|--------------------|--------------------|
| <b>CURRENT ASSETS</b>            |       |                    |                    |
| Cash and cash equivalents        | 3     | 373,908            | 510,304            |
| Trade and other receivables      | 4     | 506,197            | 6,228              |
| Other current assets             | 5     | 10,136             | 60,975             |
| <b>TOTAL CURRENT ASSETS</b>      |       | <u>890,241</u>     | <u>577,507</u>     |
| <b>NON-CURRENT ASSETS</b>        |       |                    |                    |
| Property, plant & equipment      | 6     | 730,946            | 748,123            |
| Intangible assets                | 7     | 23,387             | 9,432              |
| <b>TOTAL NON-CURRENT ASSETS</b>  |       | <u>754,333</u>     | <u>757,555</u>     |
| <b>TOTAL ASSETS</b>              |       | <u>1,644,574</u>   | <u>1,335,062</u>   |
| <b>CURRENT LIABILITIES</b>       |       |                    |                    |
| Trade & other payables           | 8     | 121,168            | 66,963             |
| Provisions                       | 9     | 52,863             | 12,072             |
| Other current liabilities        | 10    | 450,116            | 248,182            |
| <b>TOTAL CURRENT LIABILITIES</b> |       | <u>624,147</u>     | <u>327,217</u>     |
| <b>TOTAL LIABILITIES</b>         |       | <u>624,147</u>     | <u>327,217</u>     |
| <b>NET ASSETS</b>                |       | <u>\$1,020,427</u> | <u>\$1,007,845</u> |
| <b>EQUITY</b>                    |       |                    |                    |
| Accumulated surplus              |       | 216,031            | 203,449            |
| Asset Revaluation Reserve        | 11    | 804,396            | 804,396            |
| <b>TOTAL EQUITY</b>              |       | <u>\$1,020,427</u> | <u>\$1,007,845</u> |

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 2020

|                                    | Retained<br>Earnings<br>\$ | Asset<br>Revaluation<br>Reserve<br>\$ | Total<br>\$        |
|------------------------------------|----------------------------|---------------------------------------|--------------------|
| <b>Balance at 1 July 2018</b>      | 195,694                    | 804,396                               | 1,000,090          |
| Net Surplus/(Deficit) for the year | 7,755                      | -                                     | 7,755              |
| <b>Balance at 30 June 2019</b>     | <b>\$203,449</b>           | <b>\$804,396</b>                      | <b>\$1,007,845</b> |
| <br>                               |                            |                                       |                    |
| <b>Balance at 1 July 2019</b>      | 203,449                    | 804,396                               | 1,007,845          |
| Net Surplus/(Deficit) for the year | 12,582                     | -                                     | 12,582             |
| <b>Balance at 30 June 2020</b>     | <b>\$216,031</b>           | <b>\$804,396</b>                      | <b>\$1,020,427</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 2020**

|   | <b>Notes</b> | <b>2020</b>        | <b>2019</b> |
|---|--------------|--------------------|-------------|
|   |              | <b>\$</b>          | <b>\$</b>   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |              |                    |             |
| Receipts from operating activities              |              | <b>1,217,070</b>   | 1,205,251   |
| Interest received                               |              | <b>3,205</b>       | 4,414       |
| Payments to suppliers and employees             |              | <b>(1,337,523)</b> | (993,505)   |
| <b>Net Cash Flows From Operating Activities</b> | <b>12</b>    | <b>(117,248)</b>   | 216,160     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |              |                    |             |
| Payment for purchase of fixed assets            |              | <b>(5,193)</b>     | (20,654)    |
| Payment for purchase of intangible assets       |              | <b>(13,955)</b>    | (9,432)     |
| <b>Net Cash Flows From Investing Activities</b> |              | <b>(19,148)</b>    | (30,086)    |
| <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>(136,396)</b>   | 186,074     |
| Add opening cash brought forward                |              | <b>510,304</b>     | 324,230     |
| <b>Closing Cash Carried Forward</b>             | <b>12</b>    | <b>\$373,908</b>   | \$510,304   |

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 2020

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

Federation Of 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 2020

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 2020**

|   | 2020               | 2019             |
|---|--------------------|------------------|
|   | \$                 | \$               |
| <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  | 1,059,079          | 925,955          |
| Interest Income   | 3,205              | 4,414            |
| Conference Income & Reimbursements                                    | 347,960            | -                |
| Other Income  | 108,066            | 34,503           |
| <b>Total income</b>   | <u>\$1,518,310</u> | <u>\$964,872</u> |
| <b>b) Expenses</b>  |                    |                  |
| Conference expenses   | 340,674            | -                |
| Depreciation & amortisation   | 22,331             | 17,802           |
| Publication expenses  | 33,496             | 25,695           |
| Salaries & employee costs (incl on costs)                             | 669,002            | 557,999          |
| Travelling expenses   | 101,943            | 153,572          |
| Media and Communications  | 104,538            | 19,712           |
| Other expenses  | 233,746            | 182,337          |
| <b>Total expenses</b>   | <u>\$1,505,729</u> | <u>\$957,117</u> |
| <b>Surplus/(Deficit) from ordinary activities</b>                     | <u>\$12,582</u>    | <u>\$7,755</u>   |
| <br>  |                    |                  |
| <b>NOTE 3</b>   |                    |                  |
| <b>CASH AND CASH EQUIVALENTS</b>                                      |                    |                  |
| Cash at Bank - Westpac Cheque Account                                 | 20,500             | 98,093           |
| Cash at Bank – Westpac Cash Reserve Account                           | 171,179            | 135,364          |
| Cash at Bank – Westpac Conference Account                             | 2,416              | 99,860           |
| Cash at Bank – Westpac Term Deposit                                   | 158,668            | 156,165          |
| Cash at Bank – Westpac Term Deposit                                   | 21,145             | 20,822           |
|   | <u>\$373,908</u>   | <u>\$510,304</u> |
| <br>  |                    |                  |
| <b>NOTE 4</b>   |                    |                  |
| <b>TRADE AND OTHER RECEIVABLES</b>                                    |                    |                  |
| Trade Debtors   | 493,697            | 6,228            |
| Other Debtors   | 12,500             | -                |
|   | <u>\$506,197</u>   | <u>\$6,228</u>   |
| <br>  |                    |                  |
| <b>NOTE 5</b>   |                    |                  |
| <b>OTHER CURRENT ASSETS</b>   |                    |                  |
| Prepayments   | <u>\$10,136</u>    | <u>\$60,975</u>  |

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

|  | 2020<br>\$              | 2019<br>\$       |
|--|-------------------------|------------------|
| <b>NOTE 6    PROPERTY, PLANT &amp; EQUIPMENT</b> |                         |                  |
| Computers (At Cost)                              | <b>22,105</b>           | 20,654           |
| <u>Less</u> Accumulated Depreciation             | <b>(5,447)</b>          | (198)            |
|  | <u><b>16,658</b></u>    | <u>20,456</u>    |
| <br>   |                         |                  |
| Furniture & Fixtures (At Cost)                   | <b>34,137</b>           | 43,694           |
| <u>Less</u> Accumulated Depreciation             | <b>(33,643)</b>         | (42,493)         |
|  | <u><b>494</b></u>       | <u>1,201</u>     |
| <br>   |                         |                  |
| Office Equipment (At Cost)                       | <b>14,367</b>           | 10,624           |
| <u>Less</u> Accumulated Depreciation             | <b>(9,552)</b>          | (8,648)          |
|  | <u><b>4,815</b></u>     | <u>1,976</u>     |
| <br>   |                         |                  |
| Leasehold Land                                   | <b>135,590</b>          | 135,590          |
| Buildings (At Valuation)                         | <b>604,410</b>          | 604,410          |
| <u>Less</u> Accumulated Amortisation             | <b>(31,021)</b>         | (15,510)         |
|  | <u><b>708,979</b></u>   | <u>724,490</u>   |
| <br>   |                         |                  |
|  | <u><b>\$730,946</b></u> | <u>\$748,123</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<br>&<br>Fixtures | Office<br>Equipment   | Land &<br>Buildings     | <b>Totals</b>           |
|-------------------------------------|------------------------|----------------------------|-----------------------|-------------------------|-------------------------|
| Balance as at the beginning of year | 20,456                 | 1,201                      | 1,976                 | 724,490                 | 748,123                 |
| Revaluation                         | -                      | -                          | -                     | -                       | -                       |
| Additions                           | 1,450                  | -                          | 3,743                 | -                       | 5,193                   |
| Disposals                           | -                      | (39)                       | -                     | -                       | (39)                    |
| Depreciation & amortisation         | (5,248)                | (668)                      | (904)                 | (15,511)                | (22,331)                |
| Carrying amount at the end of year  | <u><b>\$16,658</b></u> | <u><b>\$484</b></u>        | <u><b>\$4,815</b></u> | <u><b>\$708,979</b></u> | <u><b>\$730,946</b></u> |

**NOTE 7    INTANGIBLE ASSETS**

|                                      |                        |                |
|--------------------------------------|------------------------|----------------|
| Website                              | <b>23,387</b>          | 9,432          |
| <u>Less</u> Accumulated Amortisation | <b>-</b>               | -              |
|                                      | <u><b>\$23,387</b></u> | <u>\$9,432</u> |

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020

|  | 2020<br>\$         | 2019<br>\$       |
|--|--------------------|------------------|
| <b>NOTE 8 TRADE &amp; OTHER PAYABLES</b>                                       |                    |                  |
| <b>CURRENT</b>   |                    |                  |
| Trade payables & Accrued Expenses  | 35,189             | 38,948           |
| Other payables   | 85,979             | 28,015           |
|  | <u>\$121,168</u>   | <u>\$66,963</u>  |
| <b>NOTE 9 PROVISIONS</b>   |                    |                  |
| Annual Leave Provisions  | <u>\$52,863</u>    | <u>\$12,072</u>  |
| <b>Movement in Employee Provisions</b>   |                    |                  |
| Opening balance at beginning of year   | 12,072             | 23,108           |
| Additional provisions raised during year                                       | 65,207             | 39,011           |
| Amounts used   | (24,416)           | (50,047)         |
|  | <u>\$52,863</u>    | <u>\$12,072</u>  |
| <b>NOTE 10 OTHER LIABILITIES</b>   |                    |                  |
| Income in Advance – Conference   | -                  | 89,186           |
| Unspent Grant Funds  | 450,116            | 158,996          |
|  | <u>\$450,116</u>   | <u>\$248,182</u> |
| <b>NOTE 11 RESERVES</b>  |                    |                  |
| <i>Asset Revaluation Reserve – refer note 6</i>                                |                    |                  |
| Opening Balance  | 804,396            | 804,396          |
| Movement   | -                  | -                |
|  | <u>\$804,396</u>   | <u>\$804,396</u> |
| <b>NOTE 12 RECONCILIATION OF CASH FLOWS</b>                                    |                    |                  |
| <i>(a) Reconciliation of Cash</i>  |                    |                  |
| Cash balance comprises -   |                    |                  |
| Cash at bank   | 373,908            | 510,304          |
| Cash and cash equivalents  | <u>\$373,908</u>   | <u>\$510,304</u> |
| <i>(b) Reconciliation of Operating surplus to net proceeds from operations</i> |                    |                  |
| Operating surplus/(deficit)-   | 12,582             | 7,755            |
| Depreciation & amortisation  | 22,331             | 17,802           |
| Loss on disposal of fixed assets   | 39                 | -                |
| Changes in assets and liabilities:   |                    |                  |
| (Increase)/Decrease in trade and other debtors                                 | (499,969)          | 113,004          |
| (Increase)/Decrease in prepayments   | 50,839             | (52,043)         |
| Increase/(Decrease) in employee benefits                                       | 40,791             | (11,036)         |
| Increase/(Decrease) in trade and other payables                                | 54,205             | 8,889            |
| Increase/(Decrease) in unearned income   | 201,934            | 131,789          |
|  | <u>\$117,248</u>   | <u>\$216,160</u> |
| <b>Net Cash Flows provided/(used in) operations</b>                            | <u>(\$117,248)</u> | <u>\$216,160</u> |



FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 13: 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:

|                              | 2020             | 2019             |
|------------------------------|------------------|------------------|
|                              | \$               | \$               |
| <b>Financial Assets</b>      |                  |                  |
| Cash and Cash Equivalents    | 373,908          | 510,304          |
| Trade and Other Receivables  | 506,197          | 6,228            |
| Other Current Assets         | 10,136           | 60,975           |
|                              | <u>\$890,241</u> | <u>\$577,507</u> |
| <b>Financial Liabilities</b> |                  |                  |
| Trade Payables               | 121,168          | 66,963           |
| Other Liabilities            | 450,116          | 248,182          |
|                              | <u>\$571,284</u> | <u>\$315,145</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 2020**

**NOTE 14 RELATED PARTY TRANSACTIONS**

**Committee Members**

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

|                      |                  |
|----------------------|------------------|
| Andrew Ng            | Jill Morgan      |
| Peter Doukas         | Kevin Kadirgamar |
| Dr Edwin Joseph JP   | Kris Pavlidis    |
| Alton Budd           | Maker Mayak      |
| Miriam Cocking       | Marion Lau       |
| Eddie Micallef       | Mary Ljubic      |
| Suresh Rajan         | Mary Patetsos    |
| Joseph Caputo OAM JP | Rida Aleem Khan  |
| Hina Durrani         | Waqas Durrani    |

|  | <b>2020</b> | <b>2019</b> |
|--|-------------|-------------|
| <b>NOTE 15 NUMBER OF EMPLOYEES (FTE positions)</b> |             |             |
| Number of employees at 30 June                     | <b>8</b>    | <b>7</b>    |

**NOTE 16 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 17 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 18 CONTINGENT LIABILITIES**

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

**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 2020 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 Canberra



Ross Di Bartolo  
Partner

Date: 20.11.20.

**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 2020. 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 Canberra



Ross Di Bartolo  
Partner

Dated: 20.11.20,

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

**DETAILED INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2020**

|   | Notes | 2020<br>\$       | 2019<br>\$     |
|---|-------|------------------|----------------|
| <b>REVENUE FROM ORDINARY ACTIVITIES</b>           |       |                  |                |
| Affiliation Fees                                  |       | 17,796           | 16,396         |
| Conference Income & Reimbursements                |       | 347,960          | -              |
| Grants Income                                     |       | 1,059,079        | 925,955        |
| Interest Income                                   |       | 3,205            | 4,414          |
| Other Income                                      |       | 90,270           | 18,107         |
| <b>TOTAL REVENUE FROM ORDINARY ACTIVITIES</b>     |       | <u>1,518,310</u> | <u>964,872</u> |
| <b>EXPENSES FROM ORDINARY ACTIVITIES</b>          |       |                  |                |
| Audit Fees  |       | 8,800            | 8,500          |
| Australian Mosaic Publication Expenses            |       | 33,496           | 25,695         |
| Bookkeeping & Consulting Costs                    |       | 52,694           | 53,631         |
| Conference Expenses                               |       | 340,674          | -              |
| Depreciation & Amortisation Expense               |       | 22,331           | 17,802         |
| Insurance Costs                                   |       | 13,931           | 13,620         |
| IT Expenses                                       |       | 12,483           | 9,990          |
| Legal Fees  |       | 1,200            | 4,800          |
| Media and Communications                          |       | 104,538          | 19,712         |
| Office Consumables & Supplies                     |       | 18,025           | 13,140         |
| Other expenses from ordinary activities           |       | 116,068          | 66,409         |
| Salaries & Employee Costs                         |       | 614,789          | 510,152        |
| Superannuation Contributions                      |       | 54,212           | 47,847         |
| Telephone   |       | 10,544           | 12,247         |
| Travelling & Accommodation Expenses               |       | 101,943          | 153,572        |
| <b>TOTAL EXPENDITURE FROM ORDINARY ACTIVITIES</b> |       | <u>1,505,728</u> | <u>957,117</u> |
| <b>NET SURPLUS/(DEFICIT)</b>                      |       | <u>\$12,582</u>  | <u>\$7,755</u> |