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

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

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 2021.

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 Peter Doukas Dr Edwin Joseph Alton Budd Miriam Cocking Eddie Micallef Suresh Rajan Joseph Caputo Hina Durrani Jill Morgan	Kevin Kadirgamar Kris Pavlidis Maker Mayak Marion Lau Angela Ljubic Mary Patetsos Rida Aleem Khan Waqas Durrani Datta Mahambrey
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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 surplus from ordinary activities of the association for the financial year was \$959,794 (2020: \$12,582).

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



Waqas Durrani

Dated: 26 April 2022

**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 2021 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



Anthony J Bandle (FCA)
Partner

Date: 26 April 2022

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2021**

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 2021.
- (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 2021.
- (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



Mary Patetsos



Waqas Durrani

Dated: 25 April 2022

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021	2020
		\$	\$
Revenue from ordinary activities	2(a)	5,777,788	1,518,310
Employee benefits expense	2(b)	(1,062,157)	(669,002)
Depreciation and amortisation expenses	2(b)	(26,652)	(22,331)
Project expenses	2(b)	(3,446,946)	(132,173)
Other expenses from ordinary activities	2(b)	(282,239)	(682,222)
Profit/(Loss) from ordinary activities		959,794	12,582
Other comprehensive income			
Net gain/(loss) on revaluation of non-current assets		6,531	-
Net loss/gain on revaluation of financial assets		-	-
Other comprehensive income for the year		6,531	-
Total comprehensive income for the year		\$966,325	\$12,582
Total comprehensive income attributable to members of the entity		\$966,325	\$12,582

The accompanying notes form part of these financial statements

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**BALANCE SHEET
AS AT 30 JUNE 2021**

	Notes	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents	3	5,248,922	373,908
Trade and other receivables	4	864,627	506,197
Other current assets	5	35,286	10,136
TOTAL CURRENT ASSETS		6,148,835	890,241
NON-CURRENT ASSETS			
Property, plant & equipment	6	728,165	730,946
Intangible assets	7	29,103	23,387
TOTAL NON-CURRENT ASSETS		757,268	754,333
TOTAL ASSETS		6,906,103	1,644,574
CURRENT LIABILITIES			
Trade & other payables	8	1,149,266	121,168
Provisions	9	104,712	52,863
Other current liabilities	10	3,665,373	450,116
TOTAL CURRENT LIABILITIES		4,919,351	624,147
TOTAL LIABILITIES		4,919,351	624,147
NET ASSETS		\$1,986,752	\$1,020,427
EQUITY			
Accumulated surplus		1,286,752	280,427
Asset Revaluation Reserve	11	700,000	740,000
TOTAL EQUITY		\$1,986,752	\$1,020,427

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 2021

	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2019	267,845	740,000	1,007,845
Net Surplus/(Deficit) for the year	12,582	-	12,582
Balance at 30 June 2020	\$280,427	\$740,000	\$1,020,427
Balance at 1 July 2020	280,427	740,000	1,020,427
Net Surplus/(Deficit) for the year	966,325		966,325
Revaluation of Land & Buildings	40,000	(40,000)	-
Balance at 30 June 2021	\$1,286,752	\$700,000	\$1,986,752

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 2021**

	Notes	2021	2020
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating activities		8,633,465	1,217,070
Interest received		1,150	3,205
Payments to suppliers and employees		(3,736,545)	(1,337,523)
Net Cash Flows From Operating Activities	12	4,898,070	(117,248)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of fixed assets		(17,340)	(5,193)
Payment for purchase of intangible assets		(5,716)	(13,955)
Net Cash Flows From Investing Activities		(23,056)	(19,148)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		-	-
Net Cash Flows From Financing Activities		-	-
Net increase/(decrease) in cash held		4,875,014	(136,396)
Add opening cash brought forward		373,908	510,304
Closing Cash Carried Forward	12	\$5,248,922	\$373,908

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 2021**

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

Federation Of Ethnic Communities' Councils Of Australia Incorporated applies Australian Accounting Standards – Simplified 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 – Simplified 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 2021

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.

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 STATEMENT OF ACCOUNTING POLICIES (*Cont*)

(g) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated, then revenue is recognised to the extent of expenses recognized that are recoverable.

Grant revenue

Grants are recognised at fair value where there is reasonable assurance that the grant will be received, and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Other income

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

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
	\$	\$
NOTE 2		
SURPLUS FROM ORDINARY ACTIVITIES		
Surplus/(Deficit) from ordinary activities has been determined after:		
a) Revenue and net gains		
Grant Income	5,714,925	1,059,079
Interest Income	1,150	3,205
Conference Income & Reimbursements	-	347,960
Other Income	61,713	108,066
Total income	\$5,777,788	\$1,518,310
b) Expenses		
Conference expenses	-	340,674
Depreciation & amortisation	26,652	22,331
Project Expenses	3,446,949	132,173
Publication expenses	11,664	33,496
Salaries & employee costs (incl on costs)	1,062,157	669,002
Travelling expenses	58,139	99,634
Media and Communications	10,921	55,220
Other expenses	201,512	153,198
Total expenses	\$4,817,994	\$1,505,728
Surplus/(Deficit) from ordinary activities	\$959,794	\$12,582
NOTE 3		
CASH AND CASH EQUIVALENTS		
Cash at Bank - Westpac Cheque Account	2,044,248	20,500
Cash at Bank – Westpac Cash Reserve Account	2,213,871	171,179
Cash at Bank – Westpac Conference Account	110,064	2,416
Cash at Bank – Westpac NDIS	700,125	-
Cash at Bank – Westpac Term Deposit	159,387	158,668
Cash at Bank – Westpac Term Deposit	21,227	21,145
	\$5,248,920	\$373,908
NOTE 4		
TRADE AND OTHER RECEIVABLES		
Trade Debtors	864,600	493,697
Other Debtors	27	12,500
	\$864,627	\$506,197
NOTE 5		
OTHER CURRENT ASSETS		
Prepayments	\$35,286	\$10,136

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

	2021 \$	2020 \$
NOTE 6 PROPERTY, PLANT & EQUIPMENT		
Computers (At Cost)	34,214	22,105
<u>Less</u> Accumulated Depreciation	<u>(13,966)</u>	<u>(5,447)</u>
	<u>20,248</u>	<u>16,658</u>
Furniture & Fixtures (At Cost)	37,949	34,137
<u>Less</u> Accumulated Depreciation	<u>(34,372)</u>	<u>(33,643)</u>
	<u>3,577</u>	<u>494</u>
Office Equipment (At Cost)	15,786	14,367
<u>Less</u> Accumulated Depreciation	<u>(11,446)</u>	<u>(9,552)</u>
	<u>4,340</u>	<u>4,815</u>
Leasehold Land	135,590	135,590
Buildings (At Valuation)	564,410	604,410
<u>Less</u> Accumulated Amortisation	<u>-</u>	<u>(31,021)</u>
	<u>700,000</u>	<u>708,979</u>
	<u>\$728,165</u>	<u>\$730,946</u>

Valuation of leasehold land and building

An independent valuation of the association's land and building in Deakin ACT was performed by Denis Dominguez of Valuations Australia Pty Ltd. The stated market value of land and buildings was \$700,000 as at 8 June 2021.

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	Totals
Balance as at the beginning of year	16,658	494	4,815	708,979	730,946
Revaluation	-	-	-	6,531	6,531
Additions	12,109	3,812	1,419	-	17,340
Disposals	-	-	-	-	-
Depreciation & amortisation	<u>(8,519)</u>	<u>(729)</u>	<u>(1,894)</u>	<u>(15,510)</u>	<u>(26,652)</u>
Carrying amount at the end of year	<u>\$20,248</u>	<u>\$3,577</u>	<u>\$4,340</u>	<u>\$700,000</u>	<u>\$728,165</u>

NOTE 7 INTANGIBLE ASSETS

Website	29,103	23,387
<u>Less</u> Accumulated Amortisation	<u>-</u>	<u>-</u>
	<u>\$29,103</u>	<u>\$23,387</u>

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
NOTE 8 TRADE & OTHER PAYABLES		
CURRENT		
Trade payables & Accrued Expenses	692,825	35,189
Other payables	456,441	85,979
	<u>\$1,149,266</u>	<u>\$121,168</u>
NOTE 9 PROVISIONS		
Annual Leave Provisions	<u>\$104,712</u>	<u>\$52,863</u>
Movement in Employee Provisions		
Opening balance at beginning of year	52,863	12,072
Additional provisions raised during year	94,418	65,207
Amounts used	(42,569)	(24,416)
	<u>\$104,712</u>	<u>\$52,863</u>
NOTE 10 OTHER LIABILITIES		
Income in Advance – Conference	100,000	-
Unspent Grant Funds	3,565,373	450,116
	<u>\$3,665,373</u>	<u>\$450,116</u>
NOTE 11 RESERVES		
<i>Asset Revaluation Reserve – refer note 6</i>		
Opening Balance	740,000	740,000
Movement	(40,000)	-
	<u>\$700,000</u>	<u>\$740,000</u>
NOTE 12 RECONCILIATION OF CASH FLOWS		
<i>(a) Reconciliation of Cash</i>		
Cash balance comprises -		
Cash at bank	5,248,922	373,908
Cash and cash equivalents	<u>\$5,248,922</u>	<u>\$373,908</u>
<i>(b) Reconciliation of Operating surplus to net proceeds from operations</i>		
Operating surplus/(deficit)-	959,794	12,582
Depreciation & amortisation	26,652	22,331
Loss on disposal of fixed assets	-	39
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other debtors	(358,430)	(499,969)
(Increase)/Decrease in prepayments	(25,150)	50,839
Increase/(Decrease) in employee benefits	51,849	40,791
Increase/(Decrease) in trade and other payables	1,028,098	54,205
Increase/(Decrease) in unearned income	3,215,257	201,934
Net Cash Flows provided/(used in) operations	<u>\$4,898,070</u>	<u>(\$117,248)</u>

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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:

	2021	2020
	\$	\$
Financial Assets		
Cash and Cash Equivalents	5,248,922	373,908
Trade and Other Receivables	864,627	506,197
Other Current Assets	35,286	10,136
	<u>\$6,148,835</u>	<u>\$890,241</u>
 Financial Liabilities		
Trade Payables	1,149,266	121,168
Other Liabilities	3,665,373	450,116
	<u>\$4,814,639</u>	<u>\$571,284</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 2021**

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

	2021	2020
NOTE 15 NUMBER OF EMPLOYEES (FTE positions)		
Number of employees at 30 June	15	8

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.

**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 2021, 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 2021 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.

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.

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

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

PKF Canberra



Anthony J Bandle (FCA)

Partner

Dated 26 April 2022

**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 2021. 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



Anthony J Bandle (FCA)
Partner

Date: 26 April 2022

FEDERATION OF ETHNIC COMMUNITIES' COUNCILS OF AUSTRALIA INC.

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 \$	2020 \$
REVENUE FROM ORDINARY ACTIVITIES			
Affiliation & Membership Fees		18,287	17,796
Conference Income & Reimbursements		-	347,960
Grants Income		5,714,925	1,059,079
Interest Income		1,150	3,205
Other Income		43,426	90,270
TOTAL REVENUE FROM ORDINARY ACTIVITIES		<u>5,777,788</u>	<u>1,518,310</u>
EXPENSES FROM ORDINARY ACTIVITIES			
Audit Fees		9,500	8,800
Australian Mosaic Publication Expenses		11,664	33,496
Bookkeeping & Consulting Costs		64,494	52,694
Conference Expenses		-	340,674
Depreciation & Amortisation Expense		26,652	22,331
Insurance Costs		16,340	13,931
IT Expenses		13,658	12,483
Legal Fees		5,275	1,200
Media and Communications		10,921	55,220
Office Consumables & Supplies		11,330	18,025
Other expenses from ordinary activities		75,558	35,522
Project Expenses		3,446,946	132,173
Salaries & Employee Costs		975,605	614,789
Superannuation Contributions		86,552	54,212
Telephone		5,360	10,544
Travelling & Accommodation Expenses		58,139	99,634
TOTAL EXPENDITURE FROM ORDINARY ACTIVITIES		<u>4,817,994</u>	<u>1,505,728</u>
NET SURPLUS/(DEFICIT)		<u>\$959,794</u>	<u>\$12,582</u>