

Spur Afrika Australia Limited

ABN 34 169 636 631

Financial report – as at 30 June 2021

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This financial report covers Spur Afrika Australia Limited and is presented in Australian dollars.

Spur Afrika Australia Limited is a registered company and domiciled in Australia. Its registered office is:

8 Anthony Drive,
Mt Waverley VIC 3149
Australia

A description of the nature of the entity's operations and its principal activities is included in the Directors' report on pages 1-2, which is not part of this financial report.

The financial report was authorised for issue by the Directors on 25/08/2021.

**Spur Afrika Australia Limited
Directors' Report**

The Directors present their report together with the financial statements for Spur Afrika Australia Limited (the Company) for the year ended 30 June 2021.

Directors

The following persons were Directors of the Company during the year ended 30 June 2021:

Rosalie Lui (Managing Director and Chairperson)

Grace Wong

Kevin Tai

Jin Pang Chong

Leanne Lee

Zhen-Guang Chua (approved by the Board to be appointed Board Member and Treasurer on 12 August 2020)

Principal activities

The principal activities of the Company are to partner with Spur Afrika Kenya to prevent or relieve poverty and financial hardship among children and young adults in Kenya. The Company's focus is on equipping children and young adults in Kenya through the facilitation of health, education and life skills. There were no significant changes to the nature of these activities for the year ended 30 June 2021.

Matters subsequent to the end of the financial period (30 June 2021)

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report that has significantly or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it is likely to result in unreasonable prejudice to the Company.

Directors' meetings

The number of Directors' meetings held for the year ended 30 June 2021, and the actual number attended by each Director of those that were eligible to attend were:

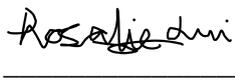
	Directors' meetings	
	Number Held	Number Attended
Managing Director and Chairperson - Rosalie Lui	4	4
Board Member – Grace Wong	4	4
Board Member – Kevin Tai	4	4
Board Member – Jin Pang Chong	4	4
Board Member – Leanne Lee	4	4
Board Treasurer - Zhen-Guang Chua	4	3

Spur Afrika Australia Limited
Directors' Report

This report is made in accordance with a resolution of the directors.

 10/01/2022

Zhen-Guang Chua
Board Treasurer

 10/01/2022

Rosalie Lui
Managing Director and Chairperson

Melbourne, Victoria

Spur Afrika Australia Limited
Statement of Comprehensive Income
For the year ended 30 June 2021

	Notes	2020 \$	2021 \$
Revenue			
Revenue from Donations	4	200,263	172,264
Sales of Product Revenue	4	294	40
Interest Income	4	84	1,864
Total Revenue		<u>200,641</u>	<u>174,168</u>
Expenses			
Donation Transfers to Spur Afrika Kenya	5	(142,500)	(176,670)
Events & Fundraising		(2,339)	(67)
Advertising & Marketing		(2,093)	(2,016)
Mission Trip		(400)	(281)
Administration, legal and Insurance		(1,051)	(1,275)
Bank/Merchant Fees		-	(200)
Miscellaneous		(777)	-
Spur Community Centre		(6,500)	(5,000)
Total Expenses		<u>(155,660)</u>	<u>(185,509)</u>
Profit / (loss) from ordinary activities before income tax expense		44,981	(11,341)
Income tax expense		-	-
Profit / (loss) from ordinary activities after income tax expense		44,981	(11,341)
Other comprehensive income		-	-
Total comprehensive income		<u>44,981</u>	<u>(11,341)</u>

Spur Afrika Australia Limited
Statement of Financial Position
As at 30 June 2021

	Notes	2020 \$	2021 \$
Current assets			
Cash and cash equivalents	6	<u>145,012</u>	<u>133,671</u>
Total current assets		<u>145,012</u>	<u>133,671</u>
Total assets		<u>145,012</u>	<u>133,671</u>
Current liabilities			
Payables		<u>-</u>	<u>-</u>
Total current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>-</u>	<u>-</u>
Net assets		<u>145,012</u>	<u>133,671</u>
Equity			
Opening Retained Earnings	7	100,031	145,012
Net Profit/(Loss)	7	<u>44,981</u>	<u>(11,341)</u>
Closing Retained Earnings	7	<u>145,012</u>	<u>133,671</u>
Total equity		<u>145,012</u>	<u>133,671</u>

Spur Afrika Australia Limited
Cash flow statement
For the year ended 30 June 2021

	Notes	2020 \$	2021 \$
Cash flows from operating activities			
Receipts from donors		200,263	172,264
Receipts from sales of product		294	40
Interest (paid)/received		84	1,864
Operating expenses		<u>(155,660)</u>	<u>(185,509)</u>
Net cash inflow/(outflow) from operating activities		<u>44,981</u>	<u>(11,341)</u>
Net increase/(decrease) in cash and cash equivalents		44,981	(11,341)
Cash and cash equivalents at beginning of the financial period		<u>100,031</u>	<u>145,012</u>
Cash and cash equivalents at the end of the financial period	6	<u>145,012</u>	<u>133,671</u>

Note 1. Summary of significant accounting policies

(a) Basis of accounting

Spur Afrika Australia Limited (the Company) is a company limited by guarantee with a share capital of \$10, and is a charity registered with the Australian Charities and Not-for-profits Commission (ACNC). According to the ACNC, the Company is classified as a Small charity, as it has an annual revenue of under \$250,000. Small charities must submit an Annual Information Statement (AIS) to the ACNC for each reporting period. Submitting an annual financial report is optional, although the ACNC encourages them to do so.

In the Directors' opinion, Spur Afrika Australia Limited (the Company) is not a reporting entity because there are no users dependent on general purpose financial reports.

This financial report is a special purpose financial report that has been prepared in accordance with the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The cash accounting method has been used in this report.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(b) Revenue recognition

Revenue is recognised for the major business activities as follows:

(i) Organisations and individual contributions

Contributions from organisations and individuals are recognised as revenue in the period they are received.

(ii) Interest income

Interest income is recognised as revenue in the period they are received.

(c) Income tax

The Company is exempt from taxation under Section 50-5 of the *Income Tax Assessment Act 1997* (Cth).

(d) Cash and cash equivalents

For the purposes of the Statement of Cash Flow, cash includes cash and cash deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(e) Goods and Services Tax

The Company is not registered for GST. GST is recognised as part of acquisition of the asset or as part of an item of the expense. Cash flows are included in the Statement of Cash Flow on a gross basis.

Spur Afrika Australia Limited
Notes to the financial statements
For the year ended 30 June 2021

Note 2. Comparative information

All comparative information included in this financial report is reported in line with prior year financial statements of Spur Afrika Australia Limited.

Note 3. Going Concern

As at 30 June 2021 the Company was economically independent of contributions from individual and corporate donors. The continuing viability of the Company and its ability to continue as a going concern are not dependent upon the Company being successful in receiving donations. The Company does not have any debts or commitments it needs to meet.

Although Spur Afrika recorded a net loss of \$11,341 in the 2021 financial year, given our strong balance sheet and cash flow position, we believe that there is no significant doubt over the Company's ability to continue as a going concern. We also continue to implement the operating procedure to maintain at least 6 months' budget in our cash reserves at all times. Thus, this financial report has been prepared on a going concern basis.

Note 4. Revenue from ordinary activities

	2020	2021
	\$	\$
Revenue from operating activities		
Child Sponsorship Program (A)	64,314	75,509
Sponsor a Worker Program (B)	6,252	4,236
General Gifts (C)	55,506	43,132
Spur Partnerships Program (D)	20,111	20,693
Grants (E)	12,000	17,000
Table tennis tournament	2,906	0
Crossgen Bake Stalls	1,284	0
COVID-19 Food Bank (F)	10,008	2,600
Melbourne Marathon (G)	26,117	3,965
Virtual Silent Auction (H)	0	2,275
Other Fundraising events (I)	1,764	2,854
Other Income	294	40
	<u>200,557</u>	<u>172,304</u>
Revenue from outside the operating activities		
Interest - NAB	84	18
Interest - Steer	0	1,846
	<u>200,641</u>	<u>174,168</u>

Fundraising programs / donations

Date	Activity	Description	Amount (\$)
On-going	Child Sponsorship Program (A)	As at 30 June 2021, there were 110 children sponsored by the Company. There are two categories of child sponsorships: a) \$600 per annum for primary school students; and b) \$960 per annum for high school students. The funds raised from child sponsorships are used for tuition, uniforms, books, medical check-ups and mentoring activities.	75,509

Spur Afrika Australia Limited
Notes to the financial statements
For the year ended 30 June 2021

Sponsors also receive opportunities to connect with their sponsored child, through letters and presents.
The child sponsorship program was run throughout the period.

On-going	Sponsor a Worker Program (B)	There are 6 full-time Kenyan workers for Spur Afrika Kenya. Worker sponsorships range from \$480 to \$600. The monies raised from the worker sponsorships allow the workers to receive a wage which maintain their family's well-being and welfare. Each worker may have more than one sponsor. Sponsors also receive opportunities to connect with their sponsored worker through e-mail. The worker sponsorship program was run throughout the period.	4,236
On-going	General Gifts (C)	Non-specific program gifts made from a variety of donors. The majority of these donations came from individuals. Some donations were also received from small businesses, churches and local schools. This occurred throughout the period. The material decrease in FY21 compared to FY20 reflects the impact of COVID-19 and also the fact that Sue Musungu from Spur Afrika Kenya visited Australia in FY20 (driving significant promotional and fundraising impact) but no Spur Afrika Kenya team members visited in FY21.	43,132
On-going	Spur Partnerships Program (D)	The Spur Partnerships Program was established to attract a group of partners, who are passionate about the Company and support the Company's mission through monthly financial contributions. It was launched in April 2018.	20,693
December 2020 / January 2021	Grants (E)	In December 2020 Melbourne Chinese Baptist Church (MCBC) gave the Company a gift of \$7,000 out of their missions fund. In January 2021, Balwyn Wesleyan Methodist Church (BWMC) gave the Company a grant of \$10,000.	17,000

Fundraising events

Date	Activity	Description	Amount (\$)
April 2020 onwards	COVID-19 Food Bank (F)	The COVID-19 restrictions in Kenya have meant that many more people in Kibera are now unable to access food. This is due to two things; as most workers are casual, many have lost their jobs, and there are also food shortages of essential items due to hoarding by wealthy families. In response, the Company has set up an emergency food fund for the families that are a part of our sponsored children program. So far, we have provided food to 100 families for 3 months from April 2020 onwards.	2,600
June 2021	Melbourne Marathon Fundraising (G)	Team Spur Afrika, which kick-started their fundraiser campaign for October 2021 with 10 Runners (and counting). Per previous years, runners are individually raising money by asking for friends & family to sponsor them for the event.	3,965
December 2020 & January 2021	Virtual Silent Auction(H)	A Virtual Silent Auction was organised and run by Alex Box. The Auction was run online where bidders were able to put a bid in. Winners were announced via Zoom with a presentation on Spur Afrika at the conclusion of the event.	2,275
Various	Other Fundraising events (I)	The Christmas campaign continued for another year, and we raised funds through the sale of Christmas cards and tags, with all proceeds going directly to Spur Afrika.	2,854

Spur Afrika Australia Limited
Notes to the financial statements
For the year ended 30 June 2021

2020 **2021**
\$ **\$**

Note 5. Expenses

Donation transfers to Spur Afrika Kenya	<u>(142,000)</u>	<u>(176,670)</u>
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Our donation transfers to Spur Afrika Kenya has increased by \$35,000 in the 2021 FY compared to the 2020 FY. This increase was mainly due to the additional funds required for the Kisumu Project expansion and for the 10 additional children added to the sponsorship program in Kibera. The finance team met in October 2020 to collaboratively work on the annual budgeting process to determine the funds required by Kenya for the following calendar year (2021).

Note 6. Cash and Cash Equivalents

2020 **2021**
\$ **\$**

NAB Business Account #7509 – General Fund	563	13,618
NAB Savings Account #7517 – General Fund	81,474	62,078
NAB Savings Account #1007 – Community Centre Fund	12,975	7,975
Steer 31 ¹	50,000	50,000
	<u>145,012</u>	<u>133,671</u>

¹ On 8th February 2020, the board of Directors resolved to open a new Steer 31 Account to hold funds not yet transferred to Spur Afrika Kenya. A Steer 31 Account is a debenture issued by Baptist Financial Services Limited (“BFS”) on an interest free basis. BFS uses funds held in a Steer 31 Account to make loans to Steer Incorporated (“Steer”). Steer then invests the funds in term deposits, first mortgage secured loans or bank bills. Steer then periodically distributes the earnings gained on the loan to a nominated not-for-profit organisation. In the Company’s case, the earnings are distributed back to us. A Steer 31 Account has no fixed period. Should we need to withdraw our loan (in part or whole), Steer will refund it with 31 days written notice (effective from 1st January 2017). As of 30 June 2021, the variable interest rate on Steer 31 Accounts remains at 4% per annum.

2021
\$

Note 7. Retained Earnings

Opening Retained Earnings carried forward at 1 July 2020	145,012
Profit/(loss) for the period	(11,341)
Closing Retained Earnings as at 30 June 2021	<u>133,671</u>

Note 8. Reviewer’s remuneration

The reviewer provides services to the Company on an honorary basis.

Note 9. Commitments for expenditure

The Company has no outstanding commitments for expenditure at balance date.

Spur Afrika Australia Limited
Notes to the financial statements
For the year ended 30 June 2021

Note 10. Contingent liability

The Company had no contingent liabilities at balance date.

**Spur Afrika Australia Limited
Independent Reviewer's report**

**Spur Afrika Australia Limited
Directors' declaration**

As stated in Note 1(a) to the financial statements, in the Directors' opinion, the Company is not a reporting entity because there are no users dependent on general purpose financial reports. *This financial report is a special purpose financial report that has been prepared in accordance with the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board to the extent described in Note 1(a).*

The directors of the company declare that:

(a) the financial statements and notes set out on pages 3 to 10:

- (i) comply with Australian Accounting Standards and other mandatory professional reporting requirements as detailed above, and the *Corporations Regulations 2001*; and
- (ii) give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



10/01/2022

Zhen-Guang Chua
Board Treasurer



10/01/2022

Rosalie Lui
Managing Director and Chairperson

Melbourne, Victoria

**Spur Afrika Australia Limited
Independent Reviewer's report**

To the Board of Spur Afrika Australia Limited

Scope

I have reviewed the accompanying financial report, being a special purpose financial report, of Spur Afrika Australia Limited, which comprises the Statement of Financial Position as at 30 June 2021, and the Statement of Comprehensive Income and Cash Flow Statement for the year ended 30 June 2021.

I have performed a review of the financial report in order to state whether anything has come to my attention that would indicate that the financial report is not presented fairly. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Board.

The financial report has been prepared for distribution to the Board members only. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the Board members, or for any purpose other than that for which it was prepared.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Statement

Based on my review, which is not an audit, nothing has come to my attention that causes me to believe that the financial report of Spur Afrika Australia Limited does not satisfy the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012.

In my opinion, the financial report presents fairly the financial position of Spur Afrika Australia Limited as at 30 June 2020 and its financial performance and its cash flows for the year ended 30 June 2020 and are prepared in accordance with its accounting policies.



JENNY CHAN
Certified Practising Accountant 1068155

10/1/2022