



Financial Statements

For the year Ended 31 December 2020

ACC International Missions Ltd

ABN: 66 077 367 223

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2020

Account	Note	2020	2019
REVENUE			
Donations and bequests		2,994,984	3,439,617
Revenue from providing goods or services		8,266	34,826
Revenue from government including grants		660,155	0
Interest and investment revenue		13,423	12,743
Other revenue		5,736	32,300
Notional rent income	1(g)	25,500	25,500
TOTAL REVENUE		3,708,065	3,544,986
EXPENSES			
Employment benefits		434,789	368,508
Charitable activities in Australia		396,800	0
Charitable activities outside Australia			
Disbursements to missionaries		1,625,830	1,577,003
Disbursements to overseas programs		672,209	869,374
Total Charitable activities outside Australia		2,298,038	2,446,377
Other expenses			
Promotions, conferences and travel		66,816	180,374
Building and utilities		22,019	38,118
Notional rent expense	1(g)	25,500	25,500
Other operating expenses		115,561	109,768
Depreciation of property, plant and equipment	7	15,983	11,577
Amortisation of intangible assets	8	6,000	0
Impairment losses	8	0	15,670
Total Other expenses		251,880	381,006
TOTAL EXPENSES		3,381,507	3,195,891
Surplus/(Deficit) for the year		326,558	349,094
Total comprehensive income for the year		326,558	349,094

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2020

Account	Note	31 Dec 2020	31 Dec 2019
ASSETS			
Current assets			
Cash and cash equivalents	3	647,890	378,736
Trade and other receivables	4	69,630	3,284
Financial assets	5	600,000	450,000
Other current assets	6	3,125	38,971
Total Current assets		1,320,645	870,991
Non-current assets			
Property, plant and equipment	7	74,497	80,676
Intangible assets	8	24,000	30,000
Total Non-current assets		98,497	110,676
TOTAL ASSETS		1,419,142	981,667
LIABILITIES			
Current Liabilities			
Trade and other payables	9	20,342	20,101
Short-term provisions	10	332,615	221,938
Total Current Liabilities		352,957	242,039
TOTAL LIABILITIES		352,957	242,039
Net Assets		1,066,185	739,627
EQUITY			
Reserves	12	1,247,554	996,667
Accumulated funds		(181,369)	(257,040)
TOTAL EQUITY		1,066,185	739,627

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2020

	Accumulated funds	Missionary Support Reserve	Missionary Travel Reserve	Total
Statement of Changes in Equity				
Opening Balance	(257,040)	955,717	40,950	739,627
Surplus/(deficit) for the year	326,558	0	0	326,558
Transfers to and from reserves				
Missionary support reserve	(291,837)	291,837	0	0
Missionary travel reserve	40,950	0	(40,950)	0
Total transfers	(250,887)	291,837	(40,950)	0
Closing Balance	(181,369)	1,247,554	0	1,066,185

For the year ended 31 December 2019

	Accumulated funds	Missionary Support Reserve	Missionary Travel Reserve	Total
Statement of Changes in Equity				
Opening Balance	(258,555)	566,748	82,340	390,553
Surplus/(deficit) for the year	349,094	0	0	349,094
Transfers to and from reserves				
Missionary support reserve	(388,969)	388,969	0	0
Missionary travel reserve	41,390	0	(41,390)	0
Total transfers	(347,579)	388,969	(41,390)	0
Closing Balance	(257,040)	955,717	40,950	739,627

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2020

Account	Note	2020	2019
Operating Activities			
Receipts from donors and other operating income		3,600,745	3,542,633
Payments to missionaries, employees and other operating expenses		(3,185,210)	(3,198,601)
Interest received		13,423	12,743
Net Cash Flows from Operating Activities	4	428,958	356,774
Investing Activities			
Redemption (placement) of term deposits		(150,000)	(100,000)
Payment for intangible assets		0	(45,670)
Payment for property, plant and equipment	7(a)	(9,804)	(32,743)
Net Cash Flows from Investing Activities		(159,804)	(178,413)
Net Cash Flows		269,154	178,362
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period		378,736	200,374
Net change in cash for period		269,154	178,362
Cash and cash equivalents at end of period	17	647,890	378,736

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. Summary of significant accounting policies

(a) General information

The financial report covers **ACC International Missions Ltd** (“the Company”) as an individual entity. **ACC International Missions Ltd** is a company limited-by-guarantee and a charity registered in Victoria with the Australian Charities and Not-for-profits Commission (“ACNC”).

(b) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (“AASB”), and the *Australian Charities and Not-for-profits Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(c) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) 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 (“ATO”).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(e) Income tax

No current or deferred income tax assets or liabilities have been raised by the Company as it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Company is a registered charity under the ACNC.

(f) Revenue and other income

Donations, other gifts, and bequests are recognised as revenue when received. Where funds have been received for a specific ministry or project that meets the present legal obligation test, they will be allocated to the specific ministry, held in trust until such time as they are expended.

Gifts in kind are recognised at their fair value at the date that the Company gains control of the donated goods.

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 GST.

(g) Rental income and expense

Australian Christian Churches Property Ltd (ACN: 602 178 567) as trustee for the Australian Christian Churches Charitable Trust (ABN: 19 745 435 842) owns the property at 5/2 Sarton Road, Clayton VIC. This Property was purchased with Specific Gifts given by members of the ACC movement that were designated for World Missions purposes. The Trustee has resolved to recognize the Property within the accounts of the Trust as being designated for the purposes of World Missions, in particular for the benefit of the entities **ACC International Missions Ltd** and ACC International Relief Inc. (ABN: 26 077 365 434).

The directors have estimated the market value of rental costs to be \$25,500 per annum. This notional value has been recognised as revenue and an expense in the statement of profit or loss.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held-at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Trade and other receivables

Trade and other receivables include amounts due from members as well as amounts receivable from the ATO for tax receivable in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(j) Financial instruments

i. Initial recognition and measurement

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

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

ii. Classification and subsequent measurement of financial assets

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

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

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

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

Classifications are determined by both:

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

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

iii. Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposits.

iv. Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

v. Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital.

vi. Classification and measurement of financial liabilities

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

(k) Leases

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(l) Other assets

Other assets include payments made towards expenses that will be incurred in future reporting periods. These prepayment amounts include subscriptions-in-advance, recoverable deposits, and other arrangements where the amount relating to the future periods has a material impact on the measurement of the expense.

The amounts which are expected to be applied within 12 months of the end of the reporting period are classified as current assets; any other amounts are classified as non-current assets.

(m) Property, Plant and Equipment

i. Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised in the statement

of profit and loss. A formal assessment of recoverable amount is made when impairment indicators are present.

ii. Depreciation

The depreciable amount of all fixed assets is calculated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

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

- Equipment, furniture, fittings: 10 – 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss.

(n) Intangible assets

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(o) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(p) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

i. Short-term employee benefits

Provision is made for the Company's liability for short-term employee benefits arising from services rendered by employees to balance date, including wages and salaries. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

ii. Long-term employee benefits

Provision is made for employee's long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

iii. Provision for field worker benefits - Resettlement

The Company is required by its spiritual appointment agreement with field workers to provide benefits accessible at the end of a mission term, in lieu of annual or long service leave. These benefits are accrued over the period of a field worker's term of service. The term of service varies based on the mission circumstances and a mission can end earlier than anticipated. The Company does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

iv. Provision for field worker airfares and freight - Travel

The Company is required by its spiritual appointment agreement with field workers to contribute to the costs of compulsory company travel and repatriation to Australia. The Company provides for these future expenses by way of amounts accrued during a field worker's term of service, as specified in the agreement. The Company discharges these obligations in response to relevant claims from field workers for current and/or previously incurred expenses, whereby the value of the obligation is limited to the amounts accrued on behalf of the field worker. The Company does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(q) Other liabilities

Other liabilities include amounts received for revenue or other income which have not yet been recognised as revenue. These income-received-in-advance amounts represent associated performance obligations which are outstanding at the end of the reporting period.

Obligations that are expected to be discharged within 12 months of the end of the reporting period are classified as current liabilities; all other obligations are classified as non-current liabilities.

(r) Critical accounting estimates and judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

i. Key judgment – donation income

ACC International Missions Ltd receives funds from individual supporters and churches in Australia. Revenue is recognised when amounts are received, and the Company have control over those funds. There is an inherent risk that some funds collected by third parties maybe not be passed on to the Company in full. This risk is beyond the internal control environment of the Company.

The directors assert that **ACC International Missions Ltd** is not entitled to recognise those funds collected by the churches as revenue until the funds are received by the Company.

2. Key management personnel disclosures

The total remuneration paid to key management personnel of the Company is as follows:

Account Name	Note	2020	2019
2. Key management disclosures			
Remuneration to key management personnel		205,743	161,520

3. Cash and cash equivalents

Account Name	Note	2020	2019
3. Cash and cash equivalents			
Cash at bank		647,890	378,736
Total Cash and cash equivalents		647,890	378,736

4. Trade and other receivables

Account Name	Note	2020	2019
4. Trade and other receivables			
Trade receivables		990	1,657
JobKeeper receivable		68,400	0
GST receivable		239	1,627
Total Trade and other receivables		69,630	3,284

5. Financial assets

Account Name	Note	2020	2019
5. Financial assets			
Long term deposit - amortised cost		600,000	450,000
Total Financial assets		600,000	450,000

6. Other assets

Account Name	Note	2020	2019
6. Other assets			
CURRENT			
Prepayments		3,125	38,971
Total CURRENT		3,125	38,971
Total Other assets		3,125	38,971

7. Plant and Equipment

Account Name	Note	2020	2019
7. Plant and equipment			
Equipment, furniture, and fittings - at cost		136,178	126,374
Less accumulated depreciation		(61,681)	(45,698)
Total Plant and equipment		74,497	80,676

(a) Movements in carrying amounts

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

For the year ended 31 December 2020

Asset Type	Opening Value	Purchases	Disposals	Depreciation	Closing Value
Building & Fittings	71,496	0	0	8,750	62,747
Furniture	2,162	0	0	630	1,531
Networking & Server Hardware	3,199	0	0	2,166	1,033
Other Equipment	790	1,228	0	445	1,574
Portable Electronic Devices	3,029	8,576	0	3,993	7,612
Total	80,676	9,804	0	15,983	74,497

8. Intangible assets

Account Name	Note	2020	2019
8. Intangible assets			
Intangible assets - at cost		30,000	45,670
Less amortisation		(6,000)	0
Impairment loss		0	(15,670)
Total Intangible assets		24,000	30,000

9. Trade and other payables

Account Name	Note	2020	2019
9. Trade and other payables			
CURRENT			
Trade payables		9,886	9,146
Accrued expense		8,500	5,047
Payroll payables		105	2,758
Fringe benefits		1,851	3,150
Total CURRENT		20,342	20,101
Total Trade and other payables		20,342	20,101

10. Provisions

Account Name	Note	2020	2019
10. Provisions			
CURRENT			
Provision for employee entitlements		95,205	58,683
Provision for field worker benefits		135,865	135,997
Provisions for field worker travel		101,545	27,259
Total CURRENT		332,615	221,938
NON-CURRENT			
Provision for employee entitlements		0	0
Total NON-CURRENT		0	0
Total Provisions		332,615	221,938

11. Other liabilities

The Company did not recognise any amounts for income-received-in-advance as at 31 December 2020 (31 December 2019: None).

12. Reserves

Account Name	Note	2020	2019
12. Reserves			
Missionary Support Reserves		1,247,554	955,717
Missionary Travel Reserves		0	40,950
Total Reserves		1,247,554	996,667

(a) Missionary Support Reserve

This reserve relates to funds collected on behalf of field workers and their field activities which have not been disbursed to them at year end.

(b) Missionary Travel Reserve

In previous years, this reserve related to funds collected from field workers for repatriation to Australia which exceeded the amount calculated for the Provision for field worker airfares and freight. However, with increased restrictions upon international travel and the inherent uncertainty of other travel-incidentals (such as quarantine costs), the Provision is now measured at the value of collected amounts rather than an estimation of estimated travel costs. As such, for the sake of current and future financial reports, the Missionary Airfares Reserve is measured as having a Nil value.

13. Financial risk management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Account Name	Note	2020	2019
Financial assets - amortised cost			
Cash and cash equivalents	3	647,890	378,736
Trade and other receivables	4	69,630	3,284
Long term deposits	5	600,000	450,000
Total Financial assets - amortised cost		1,317,520	832,020
Financial liabilities - amortised cost			
Trade and other payables	9	20,342	20,101
Total Financial liabilities - amortised cost		20,342	20,101

14. Other related party transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

ACC International Missions Ltd shares its building resources with ACC International Relief Inc. and any outgoing expenses were shared between both entities.

15. Contingencies

In the opinion of the directors, the Company did not have any contingencies as at 31 December 2020 (31 December 2019: None).

16. Events after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

17. Cash flow information

(a) Reconciliation of result from operations with (deficit)/surplus for the year

Account Name	Note	2020	2019
Reconciliation			
Surplus/(Deficit) for the year		326,558	349,094
Non-cash flows			
depreciation	7	15,983	11,577
amortisation and impairment	8	6,000	15,670
notional rent income	1(g)	(25,500)	(25,500)
notional rent expense	1(g)	25,500	25,500
Net non-cash flows		21,983	27,247
Changes in assets and liabilities			
(increase)/decrease in trade and other receivables	4	(66,346)	82
(increase)/decrease in other assets	6	35,846	8,888
increase/(decrease) in trade and other payables	9	241	(6,575)
increase/(decrease) in provisions	10	110,677	(21,962)
increase/(decrease) in other liabilities	11	0	0
Net changes in assets and liabilities		80,417	(19,567)
Cash flow from operations		428,958	356,774

18. Company details

The registered office and the principal places of business of the Company is:

ACC International Missions Ltd

5/2 Sarton Road

CLAYTON VIC 3168

Declaration by Directors

The directors of the company declare that:

1. The financial report and notes, as set out on pages 1 to 17, are in accordance with *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with applicable Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that **ACC International Missions Ltd** 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 Board of Directors.

Director  _____

Director John Hunt
John Hunt (Mar 25, 2021 07:23 GMT+10) _____

Dated **Mar 25, 2021** _____

15 March 2021

The Directors
ACC International Missions Ltd
5/2 Sarton Rd
CLAYTON VIC 3168

AUDITOR'S INDEPENDENCE DECLARATION

This declaration is made in connection with our audit of the financial report of the company for the year ended 31 December 2020 and in accordance with the provisions of the Australian Charities and Not-for-profits Commission Act 2012.

I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to this audit;
- No contraventions of the Code of Professional Conduct in relation to this audit.

Yours faithfully,



Matthew Williams
CB Audit Pty Ltd t/as Platinum Audits (Qld)
Registered Company Auditor No. 470848

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ACC INTERNATIONAL MISSIONS LTD

Report on the Audit of the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of ACC International Missions Ltd, which comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the financial report of ACC International Missions Ltd has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2020 and of its financial performance and cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibility of the Directors' for the Financial Report

The Directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members.

The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Report

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our my opinion. 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.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors 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 registered entity'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 report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- 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 communicate with the Directors 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.

A handwritten signature in blue ink, appearing to read 'M. Williams', with a small dot above the 'i'.

Matthew Williams
CB Audit Pty Ltd t/as Platinum Audits (Qld)
Registered Company Auditor No. 470848

26 March 2021