



**Far East Broadcasting Co (Australia) and
Controlled Entities**

ABN 68 000 509 517

Financial Report

For the Year ended 30 September 2019

Far East Broadcasting Co (Australia) and Controlled Entities

ABN 68 000 509 517

Directors' Report

In respect of the financial year ended 30 September 2019, the directors of FEBC (Australia) submit the following report made out in accordance with a resolution of the directors.

Directors

The names of the directors of the company in office at the date of this report were:

Rodney Tant	Kuet Qeun Ho
Larry Podmore	David McDonald

Principal Activity

The principal activities during the financial year were to carry on the business of the organisation of support for Christian mission work through Gospel radio broadcasting throughout the world. No significant changes in the nature of these activities occurred during the year.

Operating Results

The total comprehensive income for the year was \$201,455. (Last year surplus of \$822,542). The major part of the prior year surplus arose from generous bequests received during that year.

Post-balance date events

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

Information regarding current Directors

Rodney Tant	M.Ed.(Admin.) B.Ed. Dip. Teach.	Board Chair; Finance & Compliance Committee; Marketing & Fundraising Committee
Kuet Qeun Ho	BE(Civil)Hons, MSc, GradDip(Org Learning)	Company Secretary
David McDonald	BEd, GradDipEc	Finance & Compliance Committee
Larry Podmore	BEng (Communications)	Governance & Risk Committee

**Far East Broadcasting Co (Australia) and Controlled Entities
Directors' Report (cont)**

Directors Meetings

The number of directors' meetings held in the period each director who hold office at the date of this report, and the number of meetings attended by each director, are as follows:

Director	Number of Board Meetings Held	Number of Board Meetings Attended
K Kingwell	1	1
KQ Ho	6	5
P Elliott	4	2
R Tant	6	6
V Hall	1	0
D McDonald	6	5
L Podmore	6	5

Company Structure

The entity is a company limited by guarantee. Under the Constitution, in the event of a shortfall of funds upon a winding up the members guarantee the obligations of the Company to the extent of \$20 per member. At balance date as there were 44 members (last year 47), the amount so guaranteed in total amounted to \$880.

Indemnification of Directors and Auditors

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Accounts) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial interest.

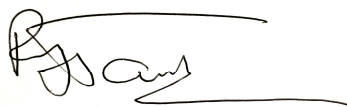
During the year the Company had paid a premium in respect of a contract to insure any Director, Secretary, Officer or Office Bearer, occupying a duly recognised position in the organisation under a Directors and Officers Liability Insurance Cover for \$2 million, covering the period 30 November 2018 to 30 November 2019.

Auditors Independence

The Directors have received a written declaration from the Auditors confirming that to the best of their knowledge and belief there have been no contraventions of the auditors independence requirements or any applicable code of professional conduct.

21 November 2019

For and on behalf of the board



Director

Far East Broadcasting Co (Australia) and Controlled Entities

ABN 68 000 509 517

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes satisfy the requirements of the Australian Charities and Not For Profits Commission Act 2012 including:

- (a) complying with Australian Accounting Standards - Reduced Disclosure Requirements; and
- (b) giving a true and fair view of the financial position as at 30 September 2019 and financial performance and cashflows for the year ended on that date; and

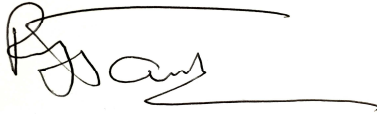
2. The provisions of relevant charitable fundraising legislation have been complied with.

3. Internal Controls exercised by the Organisation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

4. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-Profit Commission Regulation 2013.

Director



21 November 2019

AUDITORS INDEPENDENCE DECLARATION

To the Directors

We declare that, to the best of our knowledge and belief, during the year ended 30 September 2019 there have been no contraventions of any auditor independence requirements.

Shedden & Green Partners



Lawrence R Green FCA
Partner

21 November 2019

Suite 28, 19-21 Central Road, Miranda NSW 2228

**Far East Broadcasting Co (Australia) and Controlled Entities
Statement of Income and Other Comprehensive Income
For the Year ended 30 September 2019**

	2019	2018
Revenue		
Donations and gifts		
Monetary	1,521,111	1,319,185
Non-monetary	17,045	0
Bequests and Legacies	64,609	861,035
Grants - Other Australian	0	0
Other Income	71,805	44,053
Total Revenue	<u>1,674,571</u>	<u>2,224,273</u>
Expenditure		
International Aid and Development Programs		
Funds to International Programs	924,559	917,975
Program Support Costs	132,511	125,578
Community Education	253,777	241,937
Fundraising Costs - Public	220,757	137,067
Accountability and Administration	66,401	68,912
Non-monetary Expenditure	17,045	0
Total Expenses	<u>1,615,050</u>	<u>1,491,468</u>
Excess/(Shortfall) of Revenue over Expenditure	59,521	732,805
Other Comprehensive Income		
Fair Value Adjustment to Financial Assets	141,934	89,737
Total Comprehensive Income	<u>201,455</u>	<u>822,542</u>

Note: Direct and indirect costs have been allocated using an activity based absorption costing approach

The above Statement should be read in conjunction with the accompanying Notes

Far East Broadcasting Co (Australia) and Controlled Entities

**Statement of Changes in Equity
For the Year ended 30 September 2019**

		2019	2018
		\$	\$
Accumulated Funds	Note 14		
Accumulated funds at the beginning of the year		2,476,114	1,653,572
Operating Surplus/(Deficit)		201,455	822,542
Accumulated funds at the end of the year		<u>2,677,569</u>	<u>2,476,114</u>

Far East Broadcasting Co (Australia) and Controlled Entities
Balance Sheet
As at 30 September 2019

	Notes	2019 \$	2018 \$
Current Assets			
Cash and Cash Equivalents	4	54,011	32,422
Prepayments		0	43,933
Receivables	5	10,923	7,536
Financial Assets	6	<u>535,990</u>	<u>472,763</u>
Total Current Assets		<u>600,924</u>	<u>556,654</u>
Non-Current Assets			
Financial Assets	7	2,166,698	2,028,119
Property, Furniture and Equipment	8	<u>23,207</u>	<u>25,527</u>
Total Non-Current Assets		<u>2,189,905</u>	<u>2,053,646</u>
Total Assets		<u>2,790,829</u>	<u>2,610,301</u>
Current Liabilities			
Payables	9	55,849	82,088
Employment Benefit Provisions	11	<u>38,829</u>	<u>44,341</u>
Total Current Liabilities		<u>94,677</u>	<u>126,430</u>
Non-Current Liabilities			
Other Payables	12	100	100
Employment Benefit Provisions	11	<u>18,481</u>	<u>7,657</u>
Total Non-Current Liabilities		<u>18,581</u>	<u>7,757</u>
Total Liabilities		<u>113,259</u>	<u>134,187</u>
Net Assets		<u>2,677,570</u>	<u>2,476,114</u>
Accumulated Funds			
	14		
Balance brought forward		2,476,114	1,653,572
Surplus/(Deficit) for the year		<u>201,455</u>	<u>822,542</u>
Accumulated Funds carried forward		<u>2,677,570</u>	<u>2,476,114</u>

Far East Broadcasting Co (Australia) and Controlled Entities

Statement of Cash Flows

For the Year ended 30 September 2019

	Notes	2019 \$	2018 \$
Cash Flows from/(used in) Operating Activities			
Interest Received		26,529	37,200
Donations and Sundry Income		1,648,042	2,187,073
Less:			
Payments - wages, suppliers, projects and field workers support		<u>(1,578,901)</u>	<u>(1,513,758)</u>
Net cash flows from/(used in) operating activities		<u>95,669</u>	<u>710,514</u>
Cash Flows from Investing Activities			
(Increase)/Decrease in Other Receivables		(3,387)	6,120
Disposal/(Acquisition) of financial assets		<u>(64,906)</u>	<u>(704,307)</u>
Net cash flows from investing activities		<u>(68,293)</u>	<u>(698,187)</u>
Net increase (decrease) in cash held		21,588	12,328
Cash at the beginning of the financial year		<u>32,422</u>	<u>20,095</u>
Cash at the end of the financial year		<u><u>54,011</u></u>	<u><u>32,422</u></u>
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:			
Cash at bank and on hand		<u><u>54,011</u></u>	<u><u>32,422</u></u>
Reconciliation of net cash flows from/(used in) operating activities to operating surplus/(loss)			
Net Surplus/(Deficit)		201,455	822,542
Non-cash items			
Depreciation		2,320	2,320
Change in Fair Value of Financial Assets		(141,934)	(89,737)
<u>Changes in assets and liabilities:</u>			
(Increase)/Decrease in Prepayments		43,933	(43,933)
Increase/(decrease) in Creditors and Accruals		(26,240)	11,805
Increase/(decrease) in Staff Entitlement Provisions		<u>16,136</u>	<u>7,517</u>
Net cash flows from/(used in) operating activities		<u><u>95,669</u></u>	<u><u>710,514</u></u>

The accompanying notes form part of, and are to be read in conjunction with, this financial statement.

Far East Broadcasting Co (Australia) and Controlled Entities

Notes to the Financial Statements For the Year ended 30 September 2019

1 Significant Accounting Policies

The principal accounting policies adopted by FEBC are stated to assist in a general understanding of the accounts. The policies have been consistently applied.

The Financial Statements are general purpose statements that have been prepared in accordance with the requirements of the Australian Charities and Not for Profits Commission Act 2012 including Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB). 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 otherwise stated.

All amounts in this report are presented in Australian dollars.

a Basis of Accounting

The financial statements have been prepared under the historical cost convention and except where stated do not take into account current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

b Income

Income is brought to account when the Company's right to receive payments is established. The company receives donated services from volunteers. Where the fair value of the non-monetary donation is reasonably determinable the revenue and corresponding expense are recognised when the non-monetary donation is received. These are separately disclosed in the Income Statement.

c Expenses

Expenses and donations are taken up as they are incurred.

d Income Tax

The company is exempt from income tax due to its non-profit charitable nature.

e Property, Plant and Equipment

Property, plant and equipment are brought to account at cost valuation, less, where applicable, any accumulated depreciation or amortisation.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal.

The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

f Depreciation

Depreciable infrastructure, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the office of FEBC using, in all cases, the straight line method of depreciation. The capitalisation threshold for equipment is \$5,000.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Buildings and building modifications	2.5% (40 years) straight line
Plant and machinery	20% (5 years) straight line with nil residual value
Furniture and equipment	20% (5 years) straight line with nil residual value
Computer equipment and software	33% (3 years) straight line with nil residual value

Far East Broadcasting Co (Australia) and Controlled Entities

Notes to the Financial Statements For the Year ended 30 September 2019

Significant Accounting Policies

g Financial Instruments

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. The new standard makes potentially major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets. There has been no significant impact arising from the adoption of the new standard.

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Entity 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.

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 and 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 entities 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.

Subsequent measurement financial assets

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 Entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

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.

Far East Broadcasting Co (Australia) and Controlled Entities

Notes to the Financial Statements For the Year ended 30 September 2019

Significant Accounting Policies (continued)

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.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses -the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Entity's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Entity's financial liabilities include borrowings and trade and other payables. transaction costs unless the Entity 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).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

h Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Far East Broadcasting Co (Australia) and Controlled Entities
Notes to and forming part of the Accounts
For the Year ended 30 September 2019

Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Cash Flows

For the purpose of the statement of cash flows, cash includes cash on hand, cash at bank, and financial instruments immediately convertible into cash.

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 Tax 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 the expenses. Receivables and payables in the balance sheet are shown inclusive of GST.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both

Key Judgements - financial assets at fair value

The company holds managed funds as shown in Note 7 the carrying value of which is based on market value as at balance date. The value fluctuates from time to time. The directors are of the view that no provision for impairment is required at this time.

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.

2 Reporting entity

The Financial Statements comprise the following group entities (refer Note 17):

Far East Broadcasting Company (Australia)	ABN 68 000 509 517
FEBC Overseas Aid Fund	ABN 74 901 814 246
FEBC Relief Limited	ABN 87 617 872 287
FEBC Custodian Limited	ACN 161 928 105

FEBC is a member of Missions Interlink and complies with the Financial Standards set out in the MI Standards Statement. For the purposes of the Charitable Fundraising Act NSW FEBC is a prescribed organisation under Section 7(1) (b) of the Act to which the Act (apart from Section 48 regarding Board remuneration) does not apply.

3 Members Guarantee

The Company is limited by Guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the Company. At 30 September 2019 the number of members was 44 (at last year 47).

Far East Broadcasting Co (Australia) and Controlled Entities
Notes to the Financial Statements
For the Year ended 30 September 2019

	2019	2018
	\$	\$
4 Cash		
Cash on hand	170	170
Cash at Bank	<u>53,840</u>	<u>32,252</u>
	<u>54,010</u>	<u>32,422</u>
5 Receivables		
Other Receivables	<u>10,923</u>	<u>7,536</u>
6 Financial Assets - Current - Short Term Deposits - at amortised cost		
Westpac Bank Ltd	94,034	100,045
FEBC Relief BFS Savings	81,027	-
FEBC Relief Westpac	11,678	120,825
BFS 31 days Notice Account	170,643	200,671
Rabo Direct	<u>178,608</u>	<u>51,222</u>
	<u>535,990</u>	<u>472,763</u>
7 Financial Assets - Non-Current		
At cost - Term Deposits		
Baptist Financial Services	580,000	300,000
Rabo Direct	200,000	200,000
At Fair Value through Other Comprehensive Income		
Warakirri	470,798	418,889
Pengana	359,097	330,249
Australian Ethical Trust	<u>556,803</u>	<u>778,981</u>
	<u>2,166,698</u>	<u>2,028,119</u>
8 Property, Furniture and Equipment		
Freehold Property		
Suite 1, Crusade House, Caringbah	52,816	52,816
Suite 8, Crusade House, Caringbah	<u>40,000</u>	<u>40,000</u>
Total Cost	92,816	92,816
Less Accumulated Depreciation	<u>(69,609)</u>	<u>(67,289)</u>
	<u>23,207</u>	<u>25,527</u>
Furniture, Fittings and Office Equipment - at cost	52,872	52,872
Less Accumulated Depreciation	<u>(52,872)</u>	<u>(52,872)</u>
	<u>-</u>	<u>-</u>
Total Property Plant and Equipment	<u>23,207</u>	<u>25,527</u>
9 Payables		
Trade Creditors & Accruals	45,557	72,525
Superannuation and PAYG Withholding	<u>10,291</u>	<u>9,564</u>
	<u>55,849</u>	<u>82,088</u>
10 Interest Free Loan Payable - Current	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
11 Employee Benefit Provisions		
Current		
Annual Leave	26,138	24,206
Long Service Leave	<u>12,691</u>	<u>20,135</u>
	<u>38,829</u>	<u>44,341</u>
Non Current		
Long Service Leave	18,481	7,657
	<u>18,481</u>	<u>7,657</u>
	<u>57,310</u>	<u>51,998</u>
12 Other Payables		
Other	<u>100</u>	<u>100</u>
13 Field Staff Provisions		
Field Staff Retirement & Resettlement	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Far East Broadcasting Co (Australia) and Controlled Entities
Notes to the Financial Statements
For the Year ended 30 September 2019

	2019	2018
	\$	\$
14 Accumulated Funds		
Designated:		
Project Support	166,324	234,299
Project FEBC Relief	62,105	133,408
Non Designated	2,449,139	2,108,406
Total Funds	<u>2,677,568</u>	<u>2,476,113</u>

15 Contingent Assets and Liabilities

As at 30 September 2019, the company had no contingent assets or liabilities. (2018: nil)

16 Commitments for Expenditure

As at 30 September 2019, the company had no commitments for capital expenditure. (2018: nil)

17 Related Parties

FEBC Custodian Limited

This entity is controlled by the company and was established solely to act as trustee for the FEBC Overseas Aid Fund. The company has no material assets and no liabilities.

FEBC Relief Limited

The sole member of this entity is FEBC Australia. FEBC Relief, a DGR Item 1 entity, was established in March 2017 and is an ACNC registered charitable public benevolent institution able to provide benevolent services in Australia and overseas. Many of these services previously were provided through the overseas aid fund.

FEBC Overseas Aid Fund

This is a fund of FEBC, established under Rules set out by the Australian Taxation Office. It is an Item 2 DGR Fund into which tax deductible donations may be made for projects which fit within the objectives of FEBC and which are also eligible for tax deductibility. These donations are then forwarded to an item 1 Deductible Gift Recipient typically under a Memorandum of Understanding or Agreement as regards project expenditure and outcomes.

An overview of the movements of this fund and assets and liabilities of the fund is as follows:

Donations received	-	42,803
Project expenditure	-	(42,803)
Administration and fundraising	-	-
	<u>-</u>	<u>-</u>
Net surplus/(deficit)	-	-
Assets		
Bank account	100	100
Liabilities	-	-
	<u>-</u>	<u>-</u>
Net Assets	<u>100</u>	<u>100</u>
Balance of funds brought forward	100	100
Surplus/(deficit) for the year	-	-
Balance of funds carried forward	<u>100</u>	<u>100</u>

The balance of funds carried forward, if any, is fully committed to be expended on the projects for which funds were raised.

Directors of FEBC

The following persons held the office of directors at any time during the year:

Peter Elliott	ceased 03/08/2019
Vanessa Hall	ceased 09/02/2019
Kuet Qeun Ho	
Kenneth Kingwell	ceased 09/02/2019
Rodney Tant	
David McDonald	
Larry Podmore	

No director received any remuneration.

Far East Broadcasting Co (Australia) and Controlled Entities
Notes to the Financial Statements
For the Year ended 30 September 2019

	2019	2018
	\$	\$
18 Financial Instruments and Risk		
<p>The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, interest free loans from supporters, listed Australian equities and securities.</p> <p>FEBC raises funds for overseas projects and regularly remits those funds to the field agencies with the result that generally no significant funds are held. The operating bank account and the current and non-current term deposits are held in Australian banks which have been subject to government guarantee.</p>		
Financial Assets		
Cash and cash equivalents	54,010	32,422
Trade and other Receivables	10,923	7,536
Financial Assets at amortised cost	1,315,990	972,763
Financial Assets at fair value through other comprehensive income	1,386,698	1,528,119
Total Financial Assets	<u>\$ 2,767,621</u>	<u>\$ 2,540,841</u>

The Board of Directors' overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. There is no currency risk as funds are held in Australian currency and there are no foreign currency commitments.

Market risk is limited to financial assets at fair value. A 1.0% fluctuation in market price would result in a change in administration income by:

\$ 9,159	\$ 11,092
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The exposure to interest rate risk (based on funds held at balance date) is:

For a change of 1.0% in interest rates administration income would change by:	\$ 13,700	\$ 10,052
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19 Key Management Personnel

The total remuneration paid to key management personnel of the Company is:	\$ 180,553	\$ 187,726
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Directors were not remunerated.

20 Events after the end of 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 years.

21 Company details

The registered office and principal place of business of the company is:
 Far East Broadcasting Company (Australia)
 Level 1
 365 Kingsway
 Caringbah NSW 2229



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

SHEDDEN & GREEN PARTNERS

ABN 43 723 342 276

INDEPENDENT AUDIT REPORT

To: The Members of Far East Broadcasting Co (Australia) and Controlled Entities

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Far East Broadcasting Co (Australia) and Controlled Entities, which comprises the Balance Sheet as at 30 September 2019, and the Statement of Income and Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration.

In our opinion,

- (1) the financial report of Far East Broadcasting Co (Australia) and Controlled Entities has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, and the ACFID Code of Conduct including:
 - (a) giving a true and fair view of the registered entity's financial position as at 30 September 2019 and of its financial performance for the year then ended; and
 - (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- (2) The financial reports and associated records have been properly kept in accordance with the Charitable Fundraising Act and its regulations.
- (3) Monies received as a result of fundraising appeals conducted during the year have been properly accounted for and applied in accordance with the Charitable Fundraising Act and its regulations.

Basis for opinion

We conducted the 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 *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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.

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Responsibility of Those Charged with Governance for the Financial Report

The responsible entities 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 of the financial report is appropriate to meet the requirements of the ACNC Act, ACFID and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities 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 responsible entities 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 responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.


Auditor's Responsibilities for the Audit of the Financial Report

The audit 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 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 responsible entities.
- Conclude on the appropriateness of responsible entities' 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 the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of the 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 those charged with governance 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 the audit.



Shedden & Green Partners
Lawrence R Green FCA – Partner

21 November 2019