

RONALD MCDONALD HOUSE CHARITIES (FIJI)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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RONALD MCDONALD HOUSE CHARITIES (FIJI)
STATEMENT BY TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018

We, being the trustees for Ronald McDonald House Charities (Fiji), state that in our opinion the accompanying financial statements as set out on pages 5 to 10 for the year ended 31 December 2018 are drawn up so as to give a true and fair view of the state of affairs of the Trust as at 31 December 2018 and the results of the year ended on that date.

Signed for and on behalf of the Board of Trustees

Dated this 10th day of May 2019.



Trustees



Trustees



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INDEPENDENT AUDIT REPORT

To the members of RONALD MCDONALD HOUSE CHARITIES (FIJI)

Opinion

We have audited the financial statements of Ronald McDonald House Charities (Fiji) which comprise the statement of financial position as at 31 December 2018, the income and expenditure statement for the year ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Trust are prepared, in all material respects, in accordance with the accounting policies in Note 2.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2(a) to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Trust to comply with financial reporting to the Trustees. As a result, the financial statements may not be suitable for another purpose. Our report is primarily intended for the Trust and Board of Trustees and should not be relied upon by parties other than the Trust or Board of Trustees.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the trustee's for the financial statements

The member of the Board of Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the entity's policies as outlined in Note 2, and for such internal control as the entity determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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 statements.



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INDEPENDENT AUDIT REPORT continued

Auditor's Responsibilities for the Audit of the Financial Statements *continued*

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees 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 Trust's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 Trust to cease to continue as a going concern.

We communicate with the trustees 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.

Ernst & Young
Chartered Accountants

Steven Pickering
Engagement Partner
Suva, Fiji

10 May 2019

RONALD MCDONALD HOUSE CHARITIES (FIJI)
 INCOME AND EXPENDITURE STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2018

	12 months to 31 December 2018 \$	6 months to 31 December 2017 \$
Revenue		
RMH room donation	107,767	8,155
Cash box collections	15,719	-
Water bottle contribution	10,368	-
All other income	14,964	-
Total revenue	<u>148,818</u>	<u>8,155</u>
Expenses		
Bank charges	-	43
Benefits (including retirement plan, health insurance, bonuses, etc.)	185	-
Equipment upgrades and refurbishments	166,798	-
Fund raising expenses	4,635	-
Insurance	985	-
Linens and laundry	113	-
Marketing expenses	5,853	11,471
Salaries	11,195	-
Supplies	1,864	-
Staff and volunteer professional development	1,741	-
Other expenses	5,438	120
Total expenses	<u>198,807</u>	<u>11,634</u>
(Deficit) for the year/period	<u>(49,989)</u>	<u>(3,478)</u>
Funds at the beginning of the year/period	229,244	232,722
Surplus funds at the end of the year/period	<u><u>179,255</u></u>	<u><u>229,244</u></u>

RONALD MCDONALD HOUSE CHARITIES (FIJI)
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2018

Funds balance	12 months to 31 December 2018 \$	6 months to 31 December 2017 \$
Accumulated funds		
Balance at 1 January	229,244	232,722
Net (loss)	<u>(49,989)</u>	<u>(3,478)</u>
Balance at 31 December	<u>179,255</u>	<u>229,244</u>

RONALD MCDONALD HOUSE CHARITIES (FIJI)
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2018

	Notes	12 months to 31 December 2018 \$	6 months to 31 December 2017 \$
Current assets			
Cash and cash equivalents	3	143,552	229,244
Other receivables	4	2,480	-
		<u>146,032</u>	<u>229,244</u>
Non-current assets			
Plant and equipment	5	35,971	-
		<u>35,971</u>	<u>-</u>
Total assets		<u>182,003</u>	<u>229,244</u>
Current liabilities			
Trade and other payables	6	2,748	-
Total liabilities		<u>2,748</u>	<u>-</u>
Net assets		<u>179,255</u>	<u>229,244</u>
Funds balance			
Accumulated funds		179,255	229,244
Total funds balance		<u>179,255</u>	<u>229,244</u>

Signed for and on behalf of the Trustees



 Trustees



 Trustees

1. GENERAL INFORMATION

The Trust is registered under the provisions of the Charitable Trust Act. It is organised for charitable, educational and scientific purposes and particularly for creating, finding and supporting programs that directly improve the health and wellbeing of children.

The objectives of the Trust includes the following:

- a) to assist in the development of programs aimed at improving access to health facilities in Fiji;
- b) to support temporary housing to ill children and their families;
- c) to provide mobile care facilities in underserved areas and communities which provide for primary health care;
- d) to assist in providing health care access to the children of the needy, the sick and the poor and anyone otherwise requiring such assistance;
- e) participating in and organising health care programmes and initiatives;
- f) provision of funds for the improvement or constructing of hospitals or health centres;
- g) networking with the local medical community or other professional communities in fostering an interest in the development of the Trust's mission;
- h) undertaking of training programmes to improve national capacity in the provision of healthcare to the communities;
- i) invitation to others inviting contributions, sponsorships, donations, bequests, real property, or any other form of property towards the purposes of this Trust; and
- j) fund raising and seeking sustainable finance for its Mission activities and programmes, in Fiji and for the benefit of the people in Fiji.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Set out hereunder are the significant accounting policies adopted by the Trust in the preparation of the financial statement of the Trust for the year ended 31 December 2018.

a) Basis of preparation

The financial statements have been prepared in accordance with historical cost convention and do not take into account changing money values or current valuations of non-monetary assets. The financial statements have been prepared in Fijian dollars.

b) Cash and cash equivalents

Cash in the Statement of Financial Position comprise of cash at bank balances at balance date.

c) Income tax

The entity is a not for profit organisation and as such is exempted from income tax under Part 7 of the Income Tax Regulations 2016.

d) Revenue

Revenue is recognised when received during the year.

e) Expenses

Expenses are recognised when paid during the year.

RONALD MCDONALD HOUSE CHARITIES (FIJI)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *continued*

f) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current year.

g) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such costs includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria is met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

A revaluation surplus is recorded in the other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the statement of comprehensive income, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Furniture and fittings	15%
Plant and equipment	15%

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

h) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost (inclusive of VAT where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Trustee. Amounts payable that have been denominated in foreign currencies have been translated to local currency using the rates of exchange ruling at the end of the financial period.

3. CASH AND CASH EQUIVALENTS

	12 months to 31 December 2018	6 months to 31 December 2017
	\$	\$
Cash on hand	200	-
ANZ Bank account balance	143,352	229,244
Cash and cash equivalents	<u>143,552</u>	<u>229,244</u>

RONALD MCDONALD HOUSE CHARITIES (FIJI)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

4. OTHER RECEIVABLES	12 months to 31 December 2018	6 months to 31 December 2017
	\$	\$
Prepayments	2,480	-
	<u>2,480</u>	<u>-</u>
5. PLANT AND EQUIPMENT	\$	\$
<i>Furniture and fittings</i>		
<i>Cost:</i>		
At 1 January	-	-
Additions	24,867	-
At 31 December	<u>24,867</u>	<u>-</u>
<i>Depreciation and impairment:</i>		
At 1 January	-	-
Depreciation	1,554	-
At 31 December	<u>1,554</u>	<u>-</u>
Net book value	<u>23,313</u>	<u>-</u>
<i>Plant and equipment</i>		
<i>Cost:</i>		
At 1 January	-	-
Additions	13,106	-
At 31 December	<u>13,106</u>	<u>-</u>
<i>Depreciation and impairment:</i>		
At 1 January	-	-
Depreciation	448	-
At 31 December	<u>448</u>	<u>-</u>
Net book value	<u>12,658</u>	<u>-</u>
Net book value as at 31 December	<u>35,971</u>	<u>-</u>
6. TRADE AND OTHER PAYABLES	\$	\$
Trade creditors	<u>2,748</u>	<u>-</u>

7. SUBSEQUENT EVENTS

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