

Transform Global Limited

ABN: 39 628 777 944

SPECIAL PURPOSE FINANCIAL REPORT

For the year ended 30 June 2021

Transform Global Limited
ABN: 39 628 777 944

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For the year ended 30 June 2021

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DIRECTORS:

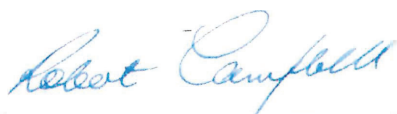
ROBERT CAMPBELL RCA, CA
VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA

AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Directors of Transform Global Limited

In relation to our audit of the financial report of Transform Global Limited for the year ended 30 June 2021, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- c) No contraventions of any applicable code of professional conduct in relation to the audit



Robert John Campbell, CA CPA
Registered Company Auditor number 334773
Director Australian Audit
Perth, Western Australia
Dated: Wednesday, 10 November 2021

DIRECTORS:

ROBERT CAMPBELL RCA, CA
VIRAL PATEL RCA, CA
ALASTAIR ABBOTT RCA, CA
CHASSEY DAVIDS RCA, CA

INDEPENDENT AUDITOR'S REPORT

To the members of Transform Global Limited

Report on the Audit of the Financial Report Opinion

We have audited the financial report of Transform Global Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Transform Global Limited is in accordance with the Corporations Act 2001 and Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the period then ended; and
- complying with Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Basis for 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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 *Corporations Act 2001* and 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.

Responsibilities of the Directors for the Financial Report

The directors of the company 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 *Corporations Act 2001* and is appropriate to meet 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.

Responsibilities of the Directors for the Financial Report (continued)

In preparing the financial report, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional skepticism 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 Company'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 Company'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 Company 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.

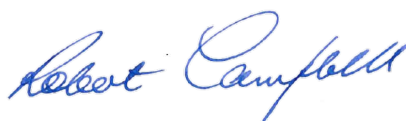
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, Transform Global Limited has complied with 60-30(3)(b), (c) and (d) of the *ACNC Act*:

- by providing us with all information, explanation and assistance necessary for the conduct of the audit;
- by keeping financial records sufficient to enable a financial report to be prepared and audited; and
- by keeping other records required by Part 3-2 of the *ACNC Act*, including those records required by Section 50-5 that correctly record its operations, so as to enable any recognised assessment activity to be carried out in relation to the entity.

Robert John Campbell, CA CPA
Registered Company Auditor number 334773 Director
Australian Audit
Perth, Western Australia
Dated: Wednesday, 10 November 2021



Transform Global Limited

ABN: 39 628 777 944

Board of Directors' Report For the Year Ended 30 June 2021

The Board presents the report on Transform Global Limited for the financial period ended 30 June 2021. The Board have been in office since the incorporation of the Company on 30 September 2018 to the date of this report unless otherwise stated.

The Directors are:

Mark Patterson	Director
Kenneth Loughton	Director
Geoffrey Woodward	Director
Ken Lee	Director (commenced: October 2020)

During the period, Transform Global Limited applied the accounting policies described in Note 1 to these financial statements.

PRINCIPAL ACTIVITIES

The principal activity of the company during the financial year was the provision of food, clothing, education, medical care and training in life skills to people suffering the effects of poverty in Cambodia.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

The net surplus of Transform Global Limited for the financial period ended 30 June 2021 amounted to \$188,932 (2020: \$385,630).

AFTER REPORTING DATE EVENTS

There has not arisen in the interval between the end of the financial year and the date of the report any item, transaction or event of a material and unusual nature that in the opinion of the directors is likely to substantially affect the operations of the company, the results of those operations, or the company's state of affairs in future financial years.

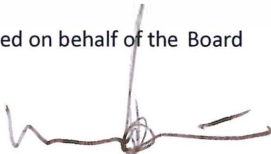
FUTURE DEVELOPMENTS

The company will continue to carry on the principal activities noted above. There are no likely developments in the activities in future years which will affect the results and therefore require disclosure.

AUDITOR'S INDEPENDENCE

A copy of the Auditor's Independence Declaration, as required under s.60-40 of the Australian Charities and Not for Profits Commission Act 2012, is included in page 3 of this financial report and forms part of the Directors' Report for the year ended 30 June 2021.

Signed on behalf of the Board



Date: Wednesday, 10 November 2021

Transform Global Limited

ABN: 39 628 777 944

**Statement by the Board of Directors
For the year ended 30 June 2021**

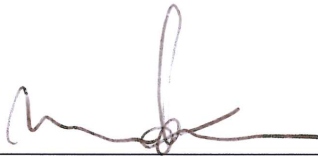
In the opinion of the Board of Directors of Transform Global Limited:

The financial report presents a true and fair view of the financial position of Transform Global Limited as at 30 June 2021, and its performance for the period ended on that date, in accordance with the accounting policies described in note 1 to these financial statements and the Australian Charities and Not-for-profits Commission Regulation 2013.

The operations of Transform Global Limited have been carried out in accordance with its constitution.

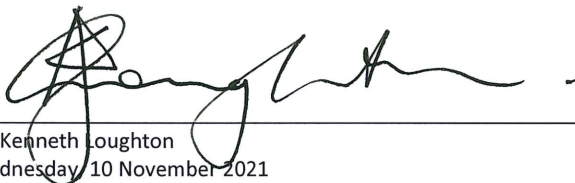
At the date of this statement, there are reasonable grounds to believe that Transform Global Limited will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the board of Directors by:



Director: Mark Patterson

Date: Wednesday, 10 November 2021



Director: Kenneth Loughton

Date: Wednesday 10 November 2021

Transform Global Limited

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Statement of Profit or Loss and other Comprehensive Income For the year ended 30 June 2021

	Note	For the year ended 30 June 2021 \$	For the year ended 30 June 2020 \$
Australia income:			
Sponsorships received		2,221,860	1,555,246
Donations received in Australia		1,839,820	2,990,742
Other income		109,777	56,235
<i>Total Australia income</i>		4,171,457	4,602,223
In-country income:			
Other income		6,813	9,926
<i>Total In-country income</i>		6,813	9,926
Total revenue from operating activities		4,178,270	4,612,149
Australia expenses			
Employment		(416,483)	(182,726)
Building		-	(2,698)
Head office operations		(242,995)	(232,937)
<i>Total Australia expenses</i>		(659,478)	(418,361)
In-country expenses:			
Employment		(1,276,455)	(1,262,740)
Building		(945,222)	(1,199,399)
Children fixed		(758,091)	(1,038,374)
Centre operations		(164,919)	(98,904)
Head office operations		(90,427)	(59,396)
Gifts		(87,820)	(71,196)
Training		-	-
Events		-	(73,221)
Other		(6,926)	(4,928)
<i>Total In-country expenses</i>		(3,329,860)	(3,808,158)
Total expenses from operating activities		(3,989,338)	(4,226,519)
Surplus from operating activities		188,932	385,630
Other comprehensive income		-	-
Total comprehensive income		188,932	385,630

These notes should be read in conjunction with the attached audit report

Transform Global Limited

ABN: 39 628 777 944

Statement of Financial Position

For the year ended 30 June 2021

	Notes	As at 30 June 2021 \$	As at 30 June 2020 \$
Current assets			
Cash and cash equivalents	1	500,547	501,519
Trade and other receivables		12,231	74,668
Total current assets		512,778	576,187
Non-current assets			
Property, plant and equipment		344,111	95,095.00
Other non-current assets	2	154,184	188,547
Total non-current assets		498,295	283,642
Total assets		1,011,073	859,829
Current liabilities			
Payables	3	201,105	195,742
Current provisions	4	83,374	89,790
Total current liabilities		284,479	285,532
Non-current liabilities			
Loans		-	-
Total non-current liabilities		-	-
Total liabilities		284,479	285,532
NET ASSETS		726,594	574,297
Equity			
Retained earnings		726,594	574,297
TOTAL EQUITY		726,594	574,297

These notes should be read in conjunction with the attached audit report

Transform Global Limited

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Statement of Cash Flows For the year ended 30 June 2021

		For the year ended 30 June 2021	For the year ended 30 June 2020
	Notes	\$	\$
Cash flows from operating activities			
Receipts from operations		4,240,707	4,540,501
Payments to suppliers and employees		(3,902,457)	(4,184,228)
Net cash generated by operating activities	5	<u>338,250</u>	<u>356,273</u>
Cash flows from investing activities			
In-country bond for rental properties		-	20,970
Purchase of property, plant and equipment		(339,222)	(95,906)
Net cash (used in) investing activities		<u>(339,222)</u>	<u>(74,936)</u>
Cash flows from financing activities			
Loans and borrowings		-	-
Net cash generated by financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		(972)	281,336
Cash and cash equivalents at the beginning of the financial year		501,519	214,887
Foreign currency movements		-	5,295
Cash and cash equivalents at the end of the financial year		<u>500,547</u>	<u>501,519</u>

These notes should be read in conjunction with the attached audit report

Transform Global Limited

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Statement of Changes in Equity

For the year ended 30 June 2021

	Retained earnings	Foreign currency reserve	Total
	\$	\$	\$
Balance at 30 June 2019	178,220	-	178,220
Total comprehensive loss for the year	385,630	-	385,630
Foreign currency reserve	-	10,447	10,447
Balance at 30 June 2020	563,850	10,447	574,297
Total comprehensive loss for the year	188,932	-	188,932
Foreign currency reserve	-	(36,635)	(36,635)
Balance at 30 June 2021	752,782	(26,188)	726,594

These notes should be read in conjunction with the attached audit report

Transform Global Limited

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Notes to the Financial Statements For the year ended 30 June 2021

General information

The financial statements are for Transform Global Limited (the entity) and Transform Cambodia, an entity registered in Cambodia. Transform Global Limited was incorporated in Australia on 13 September 2018. The entity is a Company limited by guarantee registered with the Australian Charities and Not-for-profits Commission (ACNC).

Transform Cambodia is operating a project with the approval of the Ministry of Education, Youth and Sport of the Kingdom of Cambodia. The name of the project is Holistic Child Education and Development. The amounts presented in the financial statements have been rounded to the nearest Australian dollar.

Basis of preparation

The Board of Directors have prepared the financial statements on the basis that the entity is a non-reporting entity because there are no users who are dependent on its general-purpose financial statements. The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012. This financial report has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and the disclosure requirements of the following Australian Accounting Standards:

- AASB 101 - Presentation of Financial Statements
- AASB 107 - Cash Flow Statements
- AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1048 - Interpretation of Standards
- AASB 1054 - Australian Additional Disclosures

Statement of significant accounting policies

a) Income Tax

The entity is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997. The entity is endorsed as a Public Benevolent Institution by the Australian Taxation Office.

Property, Plant and Equipment (PPE)

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Furniture and equipment

Furniture and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciable amount of all fixed assets is depreciated 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 the furniture and equipment is 33%. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

b) 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 in the income and expenditure statement.

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Notes to the Financial Statements For the year ended 30 June 2021

c) Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end-of-reporting-period market yields on corporate bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

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. The directors judge that there are no material long term employee benefits at 30 June 2021.

d) Provisions

Provisions are recognised when the entity 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.

e) Cash and Cash Equivalents

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

f) Revenue and Other Income

The Directors have considered the application of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-profits entities and conclude that all material sources of revenue do not arise from contracts with sufficiently specific performance obligations. As a result, revenue is recognized in accordance with AASB 1058 Income for Not-for-Profit entities.

Donations and bequests are unrestricted funds and are recognised as revenue when received.

Sponsorships are specific purpose donations and as such are restricted funds to be applied to running of the Education Centres in Cambodia and may not be used for administration purposes.

Sponsorships are recognised as revenue when received.

Interest revenue is recognised as it accrues.

All revenue is stated net of the amount of goods and services tax (GST).

g) Goods and Services Tax (GST)

Investments held are initially recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

h) Receivables

Receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

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Notes to the Financial Statements For the year ended 30 June 2021

i) Trade and Other Payables

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

j) Comparative Figures

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

k) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2021. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

l) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the entity that may be indicative of impairment triggers.

m) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Australian dollar, which is also the functional currency of the entity.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the entity, using average exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the profit or loss.

Transform Global Limited

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Notes to the Financial Statements For the year ended 30 June 2021

	For the year ended 30 June 2021	For the year ended 30 June 2020
	\$	\$
1. Cash and cash equivalents		
Cash at bank - held in Australia	109,661	164,672
In-country cash at bank	333,798	274,495
In-country cash on hand	57,088	62,352
	500,547	501,519
2. Other non-current assets		
In-country Bond for rental properties	154,184	188,547
	154,184	188,547
3. Payables		
Australia payables	16,374	15,141
In-country employee benefits	184,731	176,341
In-country other payables	-	4,260
	201,105	195,742
4. Current Provisions		
Australia employee leave provision	24,024	23,746
In-country employee leave provision	59,350	66,044
	83,374	89,790
5. Reconciliation to Cash Flows from Operations		
Net surplus for the period	188,932	385,630
Non-operating cash flows in net profit (loss):		
Foreign currency movements	(11,099)	(4,381)
Depreciation	83,778	-
Bonds written off as rents	15,255	-
Change in Assets and Liabilities		
(Increase)/decrease in receivables	62,437	(74,668)
Increase/(decrease) in payables	5,363	21,721
Increase/(decrease) in provisions	(6,416)	27,971
Net cash provided by operating activities	338,250	356,273

6 Auditor's Remuneration

In the course of the year ending 30 June 2021, the Auditor received the following remuneration (excluding GST):

	For the year ended 30 June 2021	For the year ended 30 June 2020
	\$	\$
Audit fees	7,000	7,000
Other fees	-	-
	7,000	7,000

7 Segment information

Transform Global Limited operates predominantly in one business and geographic segment, being in the provision of food, clothing, education, medical care and training in life skills to people suffering the effects of poverty.

8 Subsequent events

There have been no events since 30 June 2021 that have had a material effect on the financial statements (2020: None).

9 Transform Global Limited details

The principal place of business of Transform Global Limited is Suite 6, Level 1, 1200 Hay Street, West Perth WA 6005. The registered office of business of Transform Global Limited is Suite 6, Level 1, 1200 Hay Street, West Perth WA 6005.