

Transform Global Limited

ABN: 39 628 777 944

SPECIAL PURPOSE FINANCIAL REPORT

For the year ended 30 June 2022

Transform Global Limited
ABN: 39 628 777 944

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For the year ended 30 June 2022

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DIRECTORS:

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

AUSTRALIAN AUDIT



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 2022, 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: 8 March 2023

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 2022, 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 2022 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.

Emphasis of Matter – Negative Net Assets

We draw your attention to the Negative Net Assets of the Company at 30 June 2022. This arises from a significant downturn in donations. The cash flow of the Company was supported by an interest free loan from a related party of two of the directors, Loughton Patterson Pty Ltd. The loan amount was \$ 1,812,164 at 30 June 2022. The related party will not call in this loan within the next five years. Directors are instigating actions to restore the level of donations to support the operations of the Company.

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

Australian Audit

Perth, Western Australia

Dated: 8 March 2023

Transform Global Limited

ABN: 39 628 777 944

Board of Directors' Report for the Year Ended 30 June 2022

The Board presents the report on Transform Global Limited for the financial period ended 30 June 2022. 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

During the period, Transform Global Limited applied the accounting policies described in Note 3 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.

OPERATING RESULT

The net surplus of Transform Global Limited for the financial period ended 30 June 2022 amounted to a loss of (\$1,893,695) (2021: Restated Surplus \$161,758). The significant loss was a result of a decline in donations which were \$293,767 for the year ending 30 June 2022 (2021: \$ 1,839,820). The cash flow for the year was supported by a loan from Loughton Patterson Pty Ltd of \$1,821,164. This is a non-current interest free loan at the date of this report.

SIGNIFICANT CHANGES

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

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.

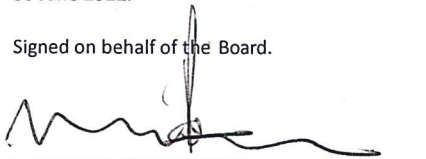
FUTURE DEVELOPMENTS

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 2022.

Signed on behalf of the Board.



Date: 8 March 2023

Transform Global Limited

ABN: 39 628 777 944

**Statement by the Board of Directors
For the year ended 30 June 2022**

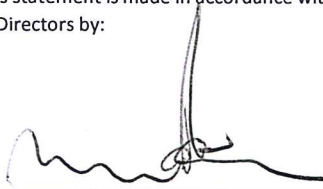
In the opinion of the Board of Directors of Transform Global Limited:

The financial report presents a true and fair view of the financial position of Transform Global Limited as at 30 June 2022, 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: 8 March 2023



Director: Kenneth Loughton

Date: 8 March 2023

Transform Global Limited

ABN: 39 628 777 944

Statement of Profit or Loss and other Comprehensive Income For the year ended 30 June 2022

	Note	For the year ended 30-Jun-22 \$	For the year ended 30-Jun-21 Restated \$
Australia income:			
Sponsorships received		2,324,007	2,221,860
Donations received in Australia		293,767	1,839,820
Other income		6,880	109,778
<i>Total Australia income</i>		<u>2,624,654</u>	<u>4,171,458</u>
In-country income:			
Transform Life income		8,600	-
Other income		2,229	6,813
<i>Total In-country income</i>		<u>10,829</u>	<u>6,813</u>
Total revenue from operating activities		<u>2,635,483</u>	<u>4,178,271</u>
Australia expenses			
Employment		(498,155)	(416,484)
Depreciation		(4,165)	(5,099)
Head office operations		(213,509)	(237,896)
<i>Total Australia expenses</i>		<u>(715,829)</u>	<u>(659,479)</u>
In-country expenses:			
Employment		(1,431,156)	(1,276,455)
Building		(205,782)	(238,929)
Children fixed		(769,296)	(758,091)
Centre operations		(418,286)	(373,816)
Head office operations		(84,303)	(90,427)
Gifts		(103,105)	(87,820)
Transform Life expenses		(132,812)	(26,321)
Lease interest		(44,126)	(74,549)
Depreciation and amortisation		(543,245)	(405,787)
<i>Total In-country expenses</i>		<u>(3,732,111)</u>	<u>(3,332,195)</u>
Total expenses from operating activities		<u>(4,447,938)</u>	<u>(3,991,674)</u>
Surplus from operating activities		(1,812,457)	186,597
Other comprehensive income		(81,238)	(24,839)
Total comprehensive income		<u>(1,893,695)</u>	<u>161,758</u>

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 2022

		As at 30-Jun-22	As at 30-Jun-21 Restated
	Notes	\$	\$
Current assets			
Cash and cash equivalents	6	690,075	500,547
Trade and other receivables		4,060	12,231
Prepayments		37,864	-
Total current assets		731,999	512,778
Non-current assets			
Property, plant and equipment	7	398,730	344,111
Right-of-use assets	8	636,610	636,020
Total non-current assets		1,035,340	980,131
Total assets		1,767,339	1,492,909
Current liabilities			
Payables	9	350,803	201,104
Lease liabilities - current	11	312,164	394,542
Current provisions	10	132,434	83,376
Total current liabilities		795,401	679,022
Non-current liabilities			
Lease liabilities - non-current	11	201,672	87,294
Non-current provisions – long service leave		12,013	-
Loan - interest free	14	1,821,164	-
Total non-current liabilities		2,034,849	87,294
Total liabilities		2,830,250	766,316
NET ASSETS		(1,062,911)	726,593
Equity			
Retained earnings		(1,140,914)	752,781
Reserve		78,003	(26,188)
TOTAL EQUITY		(1,062,911)	726,593

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 2022

		For the year ended 30-Jun-22	For the year ended 30-Jun-21
	Notes	\$	\$
Cash flows from operating activities			
Receipts from operations		2,635,484	4,240,707
Payments to suppliers and employees		(3,613,243)	(3,527,971)
Net cash generated by operating activities	12	(977,759)	712,736
Cash flows from investing activities			
Purchase of property, plant and equipment		(259,335)	(339,222)
Net cash (used in) investing activities		(259,335)	(339,222)
Cash flows from financing activities			
Lease rentals paid		(394,542)	(374,486)
Loans and borrowings		1,821,164	-
Net cash generated by financing activities		1,426,622	(374,486)
Net increase in cash and cash equivalents		189,528	(972)
Cash and cash equivalents at the beginning of the financial year		500,547	501,519
Cash and cash equivalents at the end of the financial year		690,075	500,547

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

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Statement of Changes in Equity

For the year ended 30 June 2022

	Retained earnings \$	Foreign currency reserve \$	Total \$
Balance at 30 June 2020	563,850	10,447	574,297
Total comprehensive loss for the year	161,758	-	161,758
Prior period adjustment	27,173	-	27,173
Foreign currency reserve	-	(36,635)	(36,635)
Balance at 30 June 2021	752,781	(26,188)	726,593
Total comprehensive loss for the year	(1,893,695)	-	(1,893,695)
Foreign currency reserve	-	104,191	104,191
Balance at 30 June 2022	(1,140,914)	78,003	(1,062,911)

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

Transform Global Limited

ABN: 39 628 777 944

Notes to the Financial Statements For the year ended 30 June 2022

1: 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.

2: 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

3: 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 are 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 2022

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 2022.

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.

Transform Global Limited

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Notes to the Financial Statements For the year ended 30 June 2022

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) Leases - the Company as a lessee

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets if there are leases present. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

(i) Right-of-use asset

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings 2 to 7 years

If ownership of the leased asset transfers to the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(ii) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability are as follows:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date.
- the amounts expected to be payable by the lessee under residual value guarantees.
- the exercise price of a purchase option reasonably certain to be exercised by the Company.
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for termination of a lease, if the lease term reflects the Company exercising the option to terminate the lease.

The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(ii) Adoption of short-term leases or low value asset exemptions

The Company has elected to apply the recognition exemption to its short-term leases of offices (i.e., leases with a term of a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets. The Company has also elected to apply the recognition exemption for leases of low-value assets to leases of photocopiers that are low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

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Notes to the Financial Statements For the year ended 30 June 2022

k) Comparative Figures

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

l) 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 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

4: 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.

5: 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
ABN: 39 628 777 944

Notes to the Financial Statements
For the year ended 30 June 2022

	For the year ended 2022	For the year ended 2021 Restated
	\$	\$
6. Cash and cash equivalents		
Cash at bank - held in Australia	88,727	109,661
In-country cash at bank	549,099	333,798
In-country cash on hand	52,248	57,088
	690,074	500,547
7. Non-current assets - property, plant and equipment		
Furniture & Equipment	39,340	37,750
Less: Accumulated depreciation	(24,742)	(20,577)
	14,598	17,173
Furniture and fittings	107,560	90,877
Less: Accumulated depreciation	(64,266)	(30,292)
	43,294	60,585
Computer and electrical equipment	378,701	177,629
Less: Accumulated depreciation	(142,063)	(30,593)
	236,638	147,036
Transform Life - C&E Tablets	58,976	53,459
Less: Accumulated depreciation	(22,102)	(1,731)
	36,874	51,728
Media Equipment	45,354	16,004
Less: Accumulated depreciation	(16,587)	(4,834)
	28,767	11,170
Music Equipment	69,644	64,557
Less: Accumulated depreciation	(32,465)	(9,482)
	37,179	55,075
Resource Library	1,380	1,344
	1,380	1,344
Total property plant & equipment	398,730	344,111

(a) Movements in property, plant & equipment

Year ended 30 June 2022

Written down value at the start of year	344,111
Additions - In-country	257,745
Additions - Australia	1,590
Depreciation expense	(204,716)
Written down value at the end of year	398,730

Notes to the Financial Statements
For the year ended 30 June 2022

	For the year ended 2022	For the year ended 2021 Restated
	\$	\$
8. Right of use assets		
The Company's current value of right of use assets are as follows:		
In-country right-of-use assets	997,660	980,649
Less accumulated depreciation of in-country right-of-use assets	(361,050)	(344,629)
Total right of use assets	636,610	636,020
9. Payables		
Australia payables	9,016	16,374
In-country employee benefits	341,787	184,730
	350,803	201,104
10. Current Provisions		
Australia employee leave provision	27,478	24,026
In-country employee leave provision	104,956	59,350
	132,434	83,376
11. Right of use lease liabilities		
The Company's current value of right of use lease liabilities are made up as follows:		
Right of use lease liability		
Opening right of use lease liability balance	481,836	935,957
Add: New right of use lease liabilities	361,640	-
Less: right of use lease repayments	(394,542)	(374,486)
Bonds movements	18,412	(154,184)
Interest on Leases	46,490	74,549
Closing right of use lease liability balance	513,836	481,836
(a) Lease commitments		
Minimum Lease Payments Due		
Within 1 year	312,164	394,542
1 to 5 years	201,672	87,294
After 5 years	-	-
Total Minimum Lease Payments Due	513,836	481,836
12. Reconciliation to Cash Flows from Operations		
Net surplus for the period	(1,893,695)	161,758
Non-operating cash flows in net profit (loss):		
Foreign currency movements	104,191	(11,099)
Foreign currency translation differences on non-operating items	20,722	
Lease Interest	44,126	74,549
Depreciation	204,716	83,778
Lease amortisation	342,694	327,108
Bonds written off as rents	18,411	15,254
Change in Assets and Liabilities		
(Increase)/decrease in receivables	(29,693)	62,437
Increase/(decrease) in payables	149,698	5,365
Increase/(decrease) in provisions	61,071	(6,414)
Net cash provided by operating activities	(979,759)	712,736

Notes to the Financial Statements
For the year ended 30 June 2022

13: The effect of a change in accounting Policy

The aggregate effect of change in accounting policy on the annual financial statement for the year ended 30 June 2021 due to First-time adoption of AASB 16 Leases

In accordance with AASB 16 Leases, Transform Global Ltd opted for full retrospective application of the standard and restated the comparative figures as at 30 June 2021. The right-of-use asset and the corresponding liability were recognised as on 30 June 2021 and the comparative figures were adjusted in the statement of profit or loss and other comprehensive income.

	Previously reported \$	Adjustment	Reclassification	Restated \$
2021				
Statement of profit or loss and comprehensive income				
Total revenue	4,178,271	-	-	4,178,271
<i>Australia expenses</i>				
Depreciation			(5,099)	(5,099)
Head office expenses	(242,995)		5,099	(237,896)
<i>Total Australia expenses</i>	(659,479)	-	-	(659,479)
<i>In-country expenses:</i>				
Building	(945,222)	374,483	331,810	(238,929)
Lease interest	-	(74,549)	-	(74,549)
Depreciation and amortisation	-	(327,108)	(78,679)	(405,787)
Centre operations	(164,919)	-	(208,897)	(373,816)
Transform Life expenses	-	-	(26,321)	(26,321)
Other expenses	(6,926)	-	6,926	-
<i>Total In-country expenses</i>	(3,329,860)	(27,174)	24,839	(3,332,195)
<i>Foreign exchange differences</i>	-	-	(24,839)	(24,839)
Total comprehensive income	188,932	(27,174)	-	161,758
Statement of financial position				
Total current assets	512,778	-	-	512,778
Property, plant and equipment	344,111	-	-	344,111
Other non-current assets	154,184	(154,184)	-	-
Right-of-use assets	-	636,020	-	636,020
<i>Total non-current assets</i>	498,295	481,836	-	980,131
<i>Total assets</i>	1,011,073	481,836	-	1,492,909
Lease liabilities	-	(394,542)	-	(394,542)
<i>Total current liabilities</i>	(284,480)	(394,542)	-	(679,022)
Lease liabilities	-	(87,294)	-	(87,294)
Total non-current liabilities	-	(87,294)	-	(87,294)
Total liabilities	(284,480)	(481,836)	-	(766,316)
<i>Net assets</i>	726,593	-	-	726,593
Total comprehensive income	188,932	(27,174)	-	161,758
Prior period adjustment arising from AASB 16 adoption		27,174		27,174
Total equity	726,593	-	-	726,593

14: Related Party Information

The Company's main related parties are as follows:

(a) Key management personnel

Key management personnel remuneration for the year ending 30 June 2022 was \$102,472 including superannuation.

(b) Remuneration of the Board.

Board directors are not remunerated by the Company.

(c) Transactions with other related parties

During the year, the Company received an interest free loan of \$1,821,164 from Loughton Patterson Pty Ltd which is a controlled entity of two of the Company's directors – Mr Mark Patterson and Mr. Ken Loughton. The Loan will not be called in within the next five years.

Transform Global Limited

ABN: 39 628 777 944

Notes to the Financial Statements For the year ended 30 June 2022

15: Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 30 June 2022 (30 June 2021: \$nil).

16: Events after the end of the reporting period

No matters or circumstances not otherwise disclosed have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

17: Auditor's Remuneration

In the course of the year ending 30 June 2022, the Auditor received the following remuneration (excluding GST):

	For the year ended 30 June 2022	For the year ended 30 June 2021
	\$	\$
Audit fees	7,000	7,000
Other fees	2,100	-
	9,100	7,000

18: 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.

19: Transform Global Limited details.

The principal place of business of Transform Global Limited is 1 Thorogood St Burswood WA 6100 The registered office of business of Transform Global Limited is 1 Thorogood St Burswood WA 6100.