



# Financial Report

BETTER (Building East Timor Through Education / Resources)  
Limited

ABN 25 628 666 026

For the year ended 30 June 2020

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# Statement of Profit or Loss and Other Comprehensive Income

## BETTER (Building East Timor Through Education / Resources) Limited For the year ended 30 June 2020

	2020	2019
<b>Income</b>		
Interest received	1	-
Donations	5,738	-
Donations in Kind (Non-cash)	10,600	-
Donations in Kind (Land Right of Use)	2,471	-
<b>Total Income</b>	<b>18,810</b>	<b>-</b>
<b>Expenses</b>		
Bank and processing fees	(68)	-
Depreciation and amortisation	(3,134)	-
Interest - Imputed (Right of Use)	(73)	-
Marketing	(4,490)	-
Goods and Equipment donated	(5,000)	-
Printing & Stationery	(25)	-
Subscriptions	(309)	-
Website expenses	(273)	-
Travel expenses	(1,568)	-
<b>Total Expenses</b>	<b>(14,939)</b>	<b>-</b>
<b>Net surplus for the year</b>	<b>3,870</b>	<b>-</b>
<b>Other comprehensive income</b>		
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>3,870</b>	<b>-</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

BETTER (Building East Timor Through Education / Resources) Limited

As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	2,403	-
Other receivables	3	203	-
<b>Total Current Assets</b>		<b>2,606</b>	<b>-</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	35,865	-
<b>Total Non-Current Assets</b>		<b>35,865</b>	<b>-</b>
<b>Total Assets</b>		<b>38,471</b>	<b>-</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other payables		34,601	-
<b>Total Current Liabilities</b>		<b>34,601</b>	<b>-</b>
<b>Total Liabilities</b>		<b>34,601</b>	<b>-</b>
<b>Net Assets</b>		<b>3,870</b>	<b>-</b>
<b>Equity</b>			
Retained earnings		3,870	-
<b>Total Equity</b>		<b>3,870</b>	<b>-</b>

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

**BETTER (Building East TimorThrough Education / Resources) Limited**  
**For the year ended 30 June 2020**

	2020	2019
<b>Equity</b>		
Opening Balance	-	-
<b>Increases</b>		
Net profit after tax	3,870	-
<b>Total Increases</b>	<b>3,870</b>	<b>-</b>
<b>Total Equity</b>	<b>3,870</b>	<b>-</b>

# Statement of Cash Flows

## BETTER (Building East Timor Through Education / Resources) Limited For the year ended 30 June 2020

	2020	2019
<b>Operating Activities</b>		
Cash donations received	5,738	-
Interest received	1	-
Cash payments from other operating activities	(3,336)	-
<b>Net Cash Flows from Operating Activities</b>	<b>2,403</b>	<b>-</b>
<b>Net Cash Flows</b>		
	<b>2,403</b>	<b>-</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	-	-
Net change in cash for period	2,403	-
Cash and cash equivalents at end of period	2,403	-

# Notes to the Financial Statements

## BETTER (Building East Timor Through Education / Resources) Limited For the year ended 30 June 2020

### 1. Statement of Significant Accounting Policies

The following is a summary of the material policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### **Basis of Preparation**

The Directors of BETTER (Building East Timor Through Education/Resources) Limited ("BETTER") present the financial report for the year ended 30 June 2020. The Financial Report is a special purpose financial report prepared for the Directors in order to satisfy the requirements of the constitution to prepare a financial report, and lodgement with the Australian Charities and Not-for-profit Commission ("ACNC").

These special purpose financial statements have been prepared in accordance with the requirements of Division 60 of the ACNC Regulatory 2013, and the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the AASB where applicable, and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Disclosures', as appropriate for non-for-profit oriented entities.

#### **Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### **New or amended Accounting Standards and Interpretations adopted**

##### AASB16

BETTER adopted AASB16 from 1 July 2019. The adoption of this standard had the impact of recognition of a gross Right of Use Asset for the land at Cailaco, Timor-Leste, which BETTER has a right to use and develop in a local partnership. The Right of Use Asset is taken up with a corresponding Liability which is reduced in kind each period by way of an entry via the profit and loss, reflecting a reasonable estimate of the fair value of the payments that would otherwise be due for the right to use the property had it not been gifted in kind.

#### **Revenue Recognition**

BETTER recognises revenue as follows:

##### Donations

Donations are recognised at the time in which the charity receives the cash for those donations, and that receipt is not contingent.

##### Donations in kind

Donations in kind which are gifted to the charity are recognised as revenue as the fair value of the goods or services which have been gifted. The fair value of those goods is determined by way of reference to the ordinary acquisition cost of the same or similar goods and services at the time of the gift.

The fair value of the time of volunteers has not been recorded in the period.

##### Interest received

Interest is recognised as revenue by the charity at the time the interest is received or otherwise applied on behalf of the entity (cash basis).

## Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks and other financial institutions, other short-term highly liquid investments, and term deposits held with financial institutions.

## Property Right of Use Asset

BETTER has a Right of Use Asset comprising unencumbered land in Cailaco, Timor-Leste which, in a local 3-way partnership it has the right to use and develop the land in order to further the objectives of the charity. The right to use the land is perpetual and does not have an ending period. The right to use the land has been gifted to the charity by local authorities.

The fair value of the land use gift is recognised over time through the statement of profit and loss as a donation in kind. The Right of Use Liability therefore reflects the amount fair value of the gifted right of use that has not been recorded through the profit and loss.

The Right of Use Asset has been determined based on comparable land acquisition prices in the area, and a quantitative methodology to determine a fair value of the implied lease payments for the land.

Depreciation of the Right of Use Asset, as well as an imputed interest as calculated, are recorded through the profit and loss as expenses.

## Goods and Services Tax

BETTER is registered for Goods and Services Tax ("GST"). Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Donations received do not attract GST. The net amount of GST recoverable from the ATO is included with other receivables in the balance sheet.

	2020	2019
<b>2. Cash and Cash Equivalents</b>		
<b>Bank Accounts</b>		
Cash at bank - Westpac Bank	2,403	-
<b>Total Cash and Cash Equivalents</b>	<b>2,403</b>	<b>-</b>
	2020	2019
<b>3. Other receivables</b>		
<b>Current</b>		
GST Receivable	203	-
<b>Total Other receivables</b>	<b>203</b>	<b>-</b>



	2020	2019
<b>4. Property, Plant and Equipment</b>		
<b>Right of Use Asset</b>		
Right of Use Asset - Land Cailaco, Timor-Leste	36,999	-
Less: accumulated amortisation	(2,467)	-
<b>Total Right of Use Asset</b>	<b>34,532</b>	<b>-</b>
<b>Computer Equipment</b>		
Computer Equipment	2,000	-
Less Accumulated Depreciation on Computer Equipment	(667)	-
<b>Total Computer Equipment</b>	<b>1,333</b>	<b>-</b>
<b>Total Property, Plant and Equipment</b>	<b>35,865</b>	<b>-</b>
	2020	2019
<b>5. Other liabilities</b>		
Right of Use Liability	(34,601)	-
<b>Total Other liabilities</b>	<b>(34,601)</b>	<b>-</b>

#### 6. Commitments and contingent liabilities

There were no material commitments or contingent liabilities at year end.

#### 7. Principal activities

The principal activity of BETTER during the financial year was to support the progression of East Timor through education / resources, and to assist children and young adults in East Timor to gain an education that will allow them to be gainfully employed.

#### 8. Events after the balance sheet date

The Board of Directors of BETTER have materially changed after 30 June 2020.

No other matters or circumstances have arisen since 30 June 2020 that have significantly affected, or may significantly affect, BETTER's operations, the results of those operations, or the state of affairs in future financial years.

#### 9. Reconciliation of results for the year to cashflows from operating activities

BETTER uses the direct method to present the Statement of Cash Flows. A reconciliation of cash flows arising from operating activities to profit or loss is provided below:

	2020	2019
<b>10. Reconciliation of results for the year to cashflows from operating activities</b>		
Net surplus for the year	3,870	-
<b>Non-cash items</b>		
Donations received in-kind	(13,071)	-
Goods and equipment donated	5,000	-
Right of Use Asset Expenses	2,540	-
Depreciation of PPE	667	-
Marketing expenses in-kind	3,600	-
<b>Changes in assets and liabilities</b>		
Decrease (increase) in other receivables	(203)	-
<b>Net cash provided by operating activities</b>	<b>2,403</b>	<b>-</b>

# Director Declaration

## BETTER (Building East Timor Through Education / Resources) Limited For the year ended 30 June 2020

The Directors declare that the charity is not a reporting entity. The Directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Directors declare that:

1. The financial statements and notes set out on pages 2 to 13 present fairly the Fund's financial position as at 30 June 2020, and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the Directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
3. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profit Commission Act 2012.

This declaration is made in accordance with a resolution of the Directors.

Signed for and on behalf of the Board of Directors:



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Director: Ornella Byak


Date:



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Director: Nathan Rossini

Date:



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Director: Andrew Simpson

Date: