

INF Limited

ABN 34 114 162 042

Financial Report For the year ended 16 July 2019

INF Limited - Directors' report 2018/19

In the past year two separate research projects have looked at the history of INF.

The first project asked people in Myagdi District what had helped bring about change in the community over the past 20-30 years. The community members mentioned INF as a significant influence in bringing about positive change. The second research project was exploring the change process within INF that resulted in the creation of INF Nepal. Both projects show different aspects of INF's work. The first is in helping communities bring about positive change in their lives; helping people experience life to the full. The other is in ordered change within the INF organisation to enable and support the most effective work in health and livelihoods.

The past year has seen some significant changes within INF International as we seek to support the work of INF Nepal.

A change in the structure of the Board has enabled INF International to fulfil its governance and support functions and help the INF family "own" the work of INF International in more practical ways. I would like to thank the outgoing board members for their service, contribution to the life and governance of INF, and their wise counsel.

People and communities are the focus of INF's work, and having the right people is a critical element of INF's work. The Board of INF International and wider family of INF said goodbye and thank you to two significant people in the past year.

Alastair Seaman ended his term as International Director in December 2018. His wise leadership of the organisation, his love of Nepal and Nepali people, and his desire to build and strengthen relationships within the INF family was greatly valued and appreciated. We thank him for his five years of service as International Director.

Chris Drew, along with his family, left INF in July 2019 after ably serving for five years as Nepal Country Director of INF International. Chris led the Kathmandu team with care, capably supported the expatriate team and was a valued support to the INF Nepal leadership and Board. Chris also managed a difficult and painful reduction in staff in the Nepal Country Office to provide for a more financially sustainable organisation that could maximise the funding that was directed towards supporting the expatriate team and the work of INF Nepal.

The Board is also pleased that it has found another "right" person in Phil Morris who arrived in Nepal in July to start as Nepal Country Director. We welcome his skills and wisdom, his experience as former INF Australia CEO, and his commitment to, and vision for the work of INF.

The impact of INF/I's partnership with INF/N remains huge and this report describes some of what has been achieved in the last year. However, it has been a difficult year for the team at INF/I's Nepal Country Office in Kathmandu. Liaison Manager, Jay Budhathoki passed away just after the year-end following a shock diagnosis for cancer in May and we continue to grieve his loss and pray for his wife and son. Jay's illness coincided with a change in Nepal government policy which blocked the processing of visas for INF volunteers for some time, which had a significant impact on the work of INF/I and INF/N.

INF International is grateful for all those who provide support to the work of INF: expatriate volunteers and their supporters, Nepali staff, donors, and those who remember and pray for INF around the world. Thank you for the way that you have each contributed to INF in the past year.

Phil Lindsay
Chair of the Board
November 2019



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

SHEDDEN & GREEN PARTNERS

ABN 43 723 342 276

INDEPENDENT AUDIT REPORT

To: The Members of INF Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of INF Limited, which comprises the Income Statement for the year ended 15 July 2018, Statement of Financial Position, Statement of Changes in Accumulated Funds and Reserves and the Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration.

In our opinion the financial report of INF Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 15 July 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted the audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Those Charged with Governance for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters

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relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

The audit objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Shedden and Green Partners
Lawrence R Green FCA – Partner



11 November 2018
Miranda NSW

INF LIMITED - DIRECTORS DECLARATION

The directors of the company declare that:

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

- (a) complying with Accounting Standards; and
- (b) giving a true and fair view of the financial position as at 16 July 2019 and financial performance and cashflows for the year ended on that date; and

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

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



Philip Jonathan Morris
Nepal Country Director

Sydney



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

SHEDDEN & GREEN PARTNERS

ABN 43 723 342 276

11 November 2019

The Board of Directors
INF Limited
1 – 5 View St
CHATSWOOD NSW 2067

Independence of the Auditors

We declare that, to the best of our knowledge and belief, during the year ended 16 July 2019 there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully

Lawrence R Green FCA

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INF LIMITED
INCOME STATEMENT FOR THE YEAR ENDED 16 JULY 2019
(In Nepali Rupees)

	Notes	2017/18 NRs	2017/18 Nrs
Revenues from continuing operations			
Donor Grants -INF Nepal	3a	338,266,192	431,111,138
Donor Grants	3a	575,971	2,362,387
Donations	3b	7,628,725	1,057,040
Income deferred to future periods	4	(2,640,337)	-
Grants from Organisational member & Seconding Agencies	3c	3,402,059	7,898,027
Investment income	5	4,912,604	6,573,841
Primary Study Centre		2,931,500	1,277,800
Other Income		93,697	
Total Income		355,170,411	450,280,232
Expenses from continuing operations			
Staff Costs	7	6,661,798	7,330,530
Travel and Subsistence		88,387	172,538
Staff Training		341,380	214,945
Awareness Research & Monitoring		28,999	43,760
Material & Operational		672,156	903,772
Grants to other organizations	3d	340,205,279	432,300,794
Premises, Utilities & Equipment (incl. Depreciation)		1,785,661	5,879,865
Transport & Vehicle Expenses		1,511,504	1,541,607
Publicity materials and media costs		161,066	327,833
Minor Capital Expenditure written off		158,388	74,597
Programme Administration		848,727	568,208
Organisation & Others		2,390,585	2,910,342
Total Expenses		354,853,929	452,268,792
Other revenues and expenses			
Foreign Currency gain/(loss)		(245,824)	664,061
Gain/(Loss) on disposal of major and minor capital equipment		(70,657)	0
Doubtful Debt Provision		0	159,890
Total Non-Operational Activities		(316,481)	823,951
Net result for the year		(0)	(1,164,608)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

INF LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 16 JULY 2019
(In Nepali Rupees)

	Note	2018/19 NRs	2017/18 NRs
Current Assets			
Cash and cash equivalents	8	106,788,406	115,447,833
Trade and other receivables	9	1,180,754	2,563,468
Pre-payments	9a	858,000	221,000
Total Current Assets		108,827,160	118,232,301
Non-Current Assets			
Property, Plant & Equipment	10	1,009,028	1,761,801
Total Non-Current Assets		1,009,028	1,761,801
Total Assets		109,836,188	119,994,102
Current Liabilities			
Trade and other payables	11	75,582,299	85,055,396
Total Current Liabilities		75,582,299	85,055,396
Non-Current Liabilities			
Provisions	12	317,146	1,001,963
Total Non-Current Liabilities		317,146	1,001,963
Total Liabilities		75,899,445	86,057,359
Net Assets		33,936,743	33,936,743
Accumulated Fund and Reserves			
Unrestricted			
General funds	2	12,471,903	13,019,575
Member support funds	2	1,708,775	3,117,375
Designated funds	2	17,222,682	14,121,445
Restricted		2,533,383	3,678,348
Total Accumulated Fund and Reserves		33,936,743	33,936,743

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

INF LIMITED**STATEMENT OF CHANGE IN ACCUMULATED FUND AND RESERVES FOR THE YEAR ENDED 16 JULY 2019**

(In Nepali Rupees)

	Unrestricted			Restricted	Total
	General	Member Support	Designated		
At 15 July 2017	6,764,345	3,833,654	15,419,050	9,084,302	35,101,351
Net transfer from Special Purpose Funds	(306,639)	329,078	395,690	(418,130)	-
Result from Operations for the year	6,561,868	(1,045,358)	(1,693,295)	(4,987,824)	- 1,164,608
At 15 July 2018	13,019,575	3,117,375	14,121,445	3,678,348	33,936,743
Net transfer from Special Purpose Funds	(2,271,046)	(263,327)	379,510	2,154,863	-
Result from Operations for the year	1,723,374	(1,145,273)	2,721,726	(3,299,828)	-
At 16 July 2019	12,471,903	1,708,775	17,222,682	2,533,383	33,936,743

The above statement of changes in accumulated funds and reserves should be read in conjunction with the accompanying notes.

INF LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 16 JULY 2019**

(In Nepali Rupees)

		2018/19 Nrs	2017/18 Nrs
Cash inflow/(outflow) from operating activities	Note		
Payments			
Salaries and benefits	7	(6,661,798)	(7,330,530)
Suppliers & Other		(357,826,023)	(482,151,011)
Receipts			
Grant & Donations		346,470,889	366,157,605
Grants from Organisational Members Seconding Agencies		3,402,059	7,898,027
Interest received on bank deposits		4,912,604	8,133,803
Other Operational income		1,201,231	69,217,354
Net Cash outflow from Operating Activities	15	<u>(8,501,039)</u>	<u>(38,074,751)</u>
Cash Flows from Investing Activities			
Payments to acquire major capital equipment		-	-
Payments to acquire minor capital equipment		(158,388)	(74,597)
Net Cash outflow from Investing Activities		<u>(158,388)</u>	<u>(74,597)</u>
Net decrease in cash and cash equivalents		<u>(8,659,427)</u>	<u>(38,149,349)</u>
Cash and cash equivalents at the beginning of the year		115,447,833	153,597,182
Cash and cash equivalents at the end of the year	8	<u>106,788,406</u>	<u>115,447,833</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. Summary of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards' reduced disclosure requirements of the Australian Accounting Standards Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs.

Amounts in the financial report have been prepared in Nepalese rupees, as this is the functional currency for INF International and the majority of transactions for the company are carried out in this currency.

The financial report was authorised for issue on the date of signing.

Going concern

The financial statements have been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 16 July 2019 the entity has incurred a net deficit of Nil and has cash assets and net assets as at that date of NRs 10,67,88,406 and NRs 3,39,36,743 respectively.

Accordingly, based on the cash position and net asset position of the entity at year end, the directors are of the opinion that the entity can continue as a going concern.

Statement of compliance

The financial report complies with Australian Accounting Standards - Reduced Disclosure Requirements, which includes Australian Equivalents to International Financial Reporting Standards (AIFRS).

b) Depreciation

Property, plant & equipment are stated at historical cost less accumulated depreciation. Property, plant & equipment are depreciated at rate based upon their economic useful lives to the organisation, using the straight line method. The expected useful lives are as follows:

New vehicle	7 years
Second hand vehicle	3 years
Motorbikes	5 years
Second hand motorbikes	3 years
Computer & equipment	3 years
Photocopies	3 years
Generators	5 years
Mechanical or Electrical equipment	7 years
Furniture & fitting	7 years
Buildings	10 years [Temporary construction on the rented building]
All items from "old INF"	per original time scale

c) Revenue Recognition

All incoming resources accruing to INF Limited during the year are recognised in the Income Statement as soon as it is prudent and practicable to do so. Gifts in kind for use by INF Limited are included in the accounts at their approximate market value at the date of receipt.

Bank interest and other investment income

Bank interest and other investment income is accounted for on an accruals basis using the effective interest rate method. INF Limited holds funds on behalf of INF Nepal in addition to a current account between the two organisations. No interest accrues on the INF Nepal current account balance.

Donated services

INF members and other volunteers fill key employment positions across the various INF programmes. Whilst there is no physical payment made for this contribution, there is a cost attached to this service that is borne by either an INF National Council, seconding agency or personally by the volunteer themselves. INF International second the majority of its expatriate volunteers into NGOs in Nepal, mainly INF Nepal. These accounts do not report the income and costs incurred within Nepal for expatriates which are borne directly by the National Councils and other Seconding Agencies. The value of the expatriate's contribution to INF is determined by calculating the cost of an equivalent Nepali staff member's costs in the same position and grade. The value of the contribution is shown in the accounts as intangible income and expenses.

d) Income Tax

INF International is exempt from income tax as it is an income tax exempt charity under section 50-5 of the Income Tax Assessment Act 1997.

e) Employee Entitlements

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

f) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash includes cash on hand, call deposits with banks or financial institutions which mature within a three month period or less.

g) Property, plant and equipment

Fixed assets which have a purchase cost greater than NRs 50,000 are capitalised and stated at cost less accumulated depreciation.

h) Inventories

Inventories are stated at the lower of cost or net realisable value, determined on a first-in first-out basis.

i) Foreign currencies

Transactions in foreign currencies are converted at the Nepal rate of exchange ruling at the date of the receipt or payment of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date and gains or losses arising thereon are included in the Income Statement.

J) Financial Instruments

INF International does not have any derivatives. All regular purchases and sales of financial assets are recognised on trade date i.e. the date INF international commits to purchase the asset. Financial assets are derecognised when the right to receive cashflows from the financial assets have expired or been settled.

K) Reliance on donation and grant income

INF International is dependant upon regular receipt of donations and grant income for both the continuance and furtherance of its objectives and functioning.

2. Segment of Expenditure

The accounts are divided into various funds used for specified purposes.

The INF International unrestricted funds are operating funds for INF International comprising

- INF General Fund is the general operating fund for INF International and its members;

The INF International Member Support Funds are the operating funds for the following activities:-

- Primary Study Centres
- Language and Orientation Training

The INF Limited Expat Volunteers Support fund relates to the direct costs of expat volunteer support in Nepal, including expat volunteers Language and Orientation Training costs and security subsidy. A charge is made to each expat volunteer or their sending agency to cover these costs.

The Designated funds are set aside at the discretion of the Management Group or their delegated authority. Designated funds are as follows:

- Special Reserve was created during 1998. The principal is owned by INF Limited, and is available for emergency use, in particular the rapid evacuation of expatriates should this ever be necessary. Interest received from this reserve (the funds are invested separately from other INF Limited money) is designated to assist in the funding of educational scholarships for Nepali staff in INF Limited and INF/N Central office;
- Staffs Development Fund is for professional development for staff as approved by the Management Group.
- Fixed Asset Management Fund covers the written down value of equipment and vehicles held for use within INF.
- Staff Redundancy Fund provides for the contingent redundancy costs of INF staff, in the event of a reduction in no. of employment needs of INF International.
- Strategic Development fund -relating to develop new strategic & development work.
- Communicaton & publicity -relating to development INF Products to communicate and education worldwide supporters.

The Restricted Purpose Funds are created for activities, for which money has been contributed specifically for these programmes. These are:

- INF Partnership Program - relating to the operating costs of seconded expatriates in the Nepal health system;
- INF/Nepal grant fund for the activities run by INF/N.
- INF Nepal Designated fund -which was created for the purpose of INF Nepal related costs.

3a DONOR GRANTS	2018/19	2017/18
GRANTS RECEIVED	Nrs	Nrs
On behalf of INF Nepal	338,400,514	431,111,138
	338,400,514	431,111,138
St James Church		40,513.17
INF United Kingdom		
INF NewZealand		
INF Australia	441,649	2,165,289
INF North America		
EMMS		156,584.34
Others	134,322	
	575,971	2,362,386
	2018/19	2017/18
	Nrs	Nrs
3b DONATIONS		
INF UK		170,908
INF North America		271,125
INF Australia		
Others	7,628,725	84,507
EMMS International		530,501
	7,628,725	1,057,040
	2018/19	2017/18
	Nrs	Nrs
3c INCOME FROM ORGANISATIONAL MEMBERS AND SECONDING AGENCIES		
Baptist Missionary Society (BMS)	735,000	1,742,200
INF Australia	630,000	1,264,919
INF United Kingdom	483,000	1,216,404
Deutsche Missiongemeinschaft (DMG)	252,000	446,301
Missionshaus Bibelschule Wiedenest (MBW)		147,600
CMS Australia	756,000	1,348,800
INF Nezewaland	252,000	521,953
SP Canada	115,500	545,650
Others	178,559	664,200
	3,402,059	7,898,027
	2018/19	2017/18
	Nrs	Nrs
3d GRANTS TO OTHER ORGANISATIONS		
Grants to INF Nepal from overseas	340,205,279	431,420,769
Grant to other Ogranisation		880,025
Grant to INF Nepal	340,205,279	432,300,794
	2018/19	2017/18
	Nrs	Nrs
4 DEFERRED TO FUTURE PERIOD		
Income to future period	2,640,337	-
	2,640,337	-
	2018/19	2017/18
	Nrs	Nrs
5 INVESTMENT INCOME		
Bank interest	4,912,604	6,573,841
	4,912,604	6,573,841

6 OTHER INCOMING RESOURCES

	2018/19	2017/18
	Nrs	Nrs
Other income	93,697	-
	93,697	-

7 STAFF COSTS

	2018/19	2017/18
	Nrs	Nrs
Salaries and wages	5,855,689	6,233,616
Staff benefits	125,164	155,587
Other staff costs	680,946	941,327
	6,661,798	7,330,530

Staff numbers

	No.	No.
Full Time Nepali Staff	8.00	9.00
Part Time Nepali Staff	1.00	1.00
Daily Waged Nepali Staff	1.00	3.00
	10.0	13.0
Expatriate Volunteer Staff	4.0	4.0
	14.0	17.0

8 CASH AND CASH EQUIVALENTS

	2018/19	2017/18
Cash at bank in NRs in Nepal	505,939	472,874
Cash at bank in NRs currency in Nepal	29,815,159	26,536,650
Term Deposit	55,000,000	52,500,000
Cash at bank in foreign currency in Nepal	2,941,843	10,094,644
Cash at bank in foreign currency in United Kingdom	13,878,131	12,311,515
Cash at bank in foreign currency in Australia	4,647,335	13,532,150
	<u>106,788,406</u>	<u>115,447,833</u>

9 TRADE AND OTHER RECEIVABLES

	2018/19	2017/18
	Nrs	Nrs
Income received in Advance : Australia	-	409,562
Sundry debtors	1,180,754	2,153,905
	<u>1,180,754</u>	<u>2,563,468</u>

9a Prepayments

	2018/19	2017/18
	Nrs	Nrs
Prepayments	858,000	221,000
	<u>858,000</u>	<u>221,000</u>

10 PROPERTY, PLANT AND EQUIPMENT

	2018/19	2017/18
	Nrs	Nrs
Motor Vehicle		
At Cost	874,477	1,136,820
Less: Accumulated Depreciation	(262,343)	(262,343)
	<u>612,134</u>	<u>874,477</u>
Motor Bikes		
At Cost	110,750	132,900
Less: Accumulated Depreciation	(22,150)	(22,150)
	<u>88,600</u>	<u>110,750</u>
Computer Equipments		
At Cost	92,796	330,128
Less: Accumulated Depreciation	(92,796)	(237,332)
	<u>-</u>	<u>92,796</u>
Office Equipments		
At Cost	639,536	900,121
Less: Accumulated Depreciation	(331,242)	(260,585)
	<u>308,294</u>	<u>639,536</u>
Building (Leasehold)		
At Cost	44,242	97,564
Less: Accumulated Depreciation	(44,242)	(53,322)
	<u>(0)</u>	<u>44,242</u>
Total Property, Plant & Equipment	<u>1,009,028</u>	<u>1,761,801</u>

Reconciliation	2018/19	2016/17
Motor Vehicle		
Carrying value at beginning of year	874,475	1,136,819
Additions	-	-
Depreciation	(262,343)	(262,344)
Disposals	-	-
Carrying value at end of year	<u>612,132</u>	<u>874,475</u>
Motor Bikes		
Carrying value at beginning of year	110,750	132,900
Additions	-	-
Depreciation	(22,150)	(22,150)
Disposals	-	-
Carrying value at end of year	<u>88,600</u>	<u>110,750</u>
Computer Equipments		
Carrying value at beginning of year	92,796	330,128
Additions	-	-
Depreciation	(92,796)	(237,332)
Disposals	-	-
Carrying value at end of year	<u>-</u>	<u>92,796</u>
Office Equipments		
Carrying value at beginning of year	639,537	900,121
Additions	-	-
Depreciation	(260,584)	(260,585)
Disposals	(70,659)	-
Carrying value at end of year	<u>308,294</u>	<u>639,537</u>
Building		
Carrying value at beginning of year	44,242	97,564
Additions	-	-
Depreciation	(44,242)	(53,322)
Disposals	-	-
Carrying value at end of year	<u>-</u>	<u>44,242</u>
Totals		
Carrying value at beginning of year	1,761,800	2,597,533
Additions	-	-
Depreciation	(682,115)	(835,732)
Disposals	(70,659)	-
Carrying value at end of year	<u>1,009,027</u>	<u>1,761,801</u>
11 TRADE AND OTHER PAYABLES	2018/19	2017/18
	Nrs	Nrs
Accrued expenses	140,095	543,112
Sundry creditors	3,891,691	1,263,905
Rental & Others Tax payable	251,568	147,816
Amounts owing to INF Nepal	66,449,937	82,708,534
Amounts owing to Sending Agencies	105,205	392,029
Income reived in Advance	4,743,804	-
	<u>75,582,299</u>	<u>85,055,396</u>
12 PROVISIONS		
Employee entitlements	317,146	1,001,963
	<u>317,146</u>	<u>1,001,963</u>

13 CONTINGENT ASSETS/LIABILITIES : None

14 Reconciliation of net result for the year to the Cash flow	2018/19 Nrs	2017/18 Nrs
Net result for the year	(0)	(1,164,608)
Depreciation	893,483	893,483
(Increase)/Decrease in inventories	110,356	110,356
(Increase)/Decrease in debtors	(36,863)	(36,863)
Increase/(Decrease) in creditors	(13,613,871)	(13,613,871)
Increase/(Decrease) in INFN creditors	(3,683,539)	(3,683,539)
Minor capital equipment	81,508	81,508
Net cash flow from operating activities	<u>(11,095,560)</u>	<u>(17,413,534)</u>

15 FINANCIAL INSTRUMENTS

a) Financial Risk Management

The company's financial instruments consist of cash at bank, trade and other receivables, trade and other payables, loans from INF Nepal.

b) Fair values

All assets and liabilities recognised in the statement of financial position, whether they are carried at cost or at fair value, are recognised at amounts that represents a reasonable approximation of fair value unless otherwise stated in the

INF International holds the following financial instruments:

	2018/19 NRs	2017/18 NRs
Financial assets		
Cash and cash equivalents	106,788,406	115,447,833
Trade and other receivables	1,180,754	2,563,468
Other financial assets	858,000	221,000
	<u>108,827,160</u>	<u>118,232,301</u>
Financial liabilities		
Trade and other payables	75,582,299	85,055,396
Net financial assets	<u>33,244,861</u>	<u>33,176,905</u>

16 Segregation of report between Nepal and Australia
(In Nepali Rupees)

	Notes	2018/19			2017/18		
		Australia	Nepal	Total (NRs)	Australia	Nepal	Total (NRs)
Revenues from continuing operations							
Donor Grants -INF Nepal	3a	19,112,462	319,153,731	338,266,192	105,995,956	325,115,182	431,111,138
Donor Grants	3a	441,649	134,322	575,971	2,165,289	197,098	2,362,387
Donations	3b	234,573	7,394,152	7,628,725	22,617	1,034,423	1,057,040
Income Deferred to Future Periods	3a	-	2,640,337	2,640,337	-	-	-
Grants from Organisational member & Seconding Agencies	3c	1,874,000	1,528,059	3,402,059	2,612,215	5,285,812	7,898,027
Primary Study Centre			2,931,500	2,931,500		1,277,800	1,277,800
Investment income	5	9,416	4,903,188	4,912,604	7,511	6,566,331	6,573,841
Other Income		-	93,697	93,697	-	-	-
Total Income		21,672,099	333,498,311	355,170,411	110,803,587	339,476,645	450,280,232
Expenses from continuing operations							
Staff Costs	7		6,661,798	6,661,798	2,036,462	5,294,068	7,330,530
Travel and Subsistence			88,387	88,387		172,538	172,538
Staff Training			341,380	341,380		214,945	214,945
Awareness Research & Monitoring			28,999	28,999		43,760	43,760
Material & Operational			672,156	672,156		903,772	903,772
Grants to other organizations	3d	19,112,462	321,092,818	340,205,279	105,995,956	326,304,838	432,300,794
Premises, Utilities & Equipment (incl. Depreciation)			1,785,661	1,785,661	427,424	5,452,441	5,879,865
Transport & Vehicle Expenses			1,511,504	1,511,504		1,541,607	1,541,607
Publicity materials and media costs			161,066	161,066		327,833	327,833
Minor Capital Expenditure written off			158,388	158,388		74,597	74,597
Programme Administration			848,727	848,727		568,208	568,208
Organisation & Others		377,470	2,013,115	2,390,585	444,302	2,466,040	2,910,342
Total Expenses		19,489,931	335,363,998	354,853,929	108,904,144	343,364,648	452,268,792
Other revenues and expenses							
Foreign Currency gain/(loss)			- 245,824	(245,824)		664,061	664,061
Gain/(Loss) on disposal of major and minor capital equipment			- 70,657	(70,657)		-	-
Doubtful Debt Provision			-	0		159,890	159,890
Total Non-Operational Activities		0	(316,481)	(316,481)	0	823,951	823,951
Net result for the year		2,182,168	(2,182,168)	(0)	1,899,444	(3,064,052)	(1,164,608)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

17 KEY MANAGEMENT PERSONNEL DISCLOSURES

Name	Role
Mr. Ian Philip Lindsay	Chair
Mr. Terry Matthew Stevens	Treasurer
Roger John Vickers	Director
John Reynolds	Director
Krishna Bahadur Adhikari	Director
Ravindra George Underwood	Director
Dhanmaya Gurung	Director

(b) Compensation of key management personnel

	2018/19		2017/18
	<i>NRS</i>		<i>NRS</i>
Short term benefits	-	-	-
	-	-	-

18 RELATED PARTY DISCLOSURES

No related party transactions occurred during the year ended 16 July 2018 except for the item disclosed in note 12 being payable to INF Nepal at normal terms and conditions.

INF International also receives donations from related INF organisations in various countries.

19 COMMITMENTS

Operating lease commitments – company as lessee

The company has entered into commercial leases on its premises. These leases have an average life of between 1 and 2 years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 16 July 2018 are as follows:

	2018/19		2017/18
	<i>NRS</i>		<i>NRS</i>
Within one year	630,000		1,045,200
After one year but not more than five years	-		-
More than five years	-		-
	630,000		1,045,200

20 EVENTS SUBSEQUENT TO BALANCE DATE

In Dec 2015, a new five year General Agreement was signed between INF International and the Government of Nepal. This Agreement provides a legal basis for INF International's operations in Nepal for the next five years and as such provides a mechanism for funds to continue to be raised for project work and for the continued status of INF International as a sustainable and viable entity.