



graceworks  
MYANMAR

# 2022/2023 Annual Report



# Contents

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*The people of Myanmar are still contending with aftershocks from the twin crises of the military coup and COVID-19. This year another was added – Cyclone Mocha. And yet, the resilience and determination of those we engage with is inspiring.*

*Limited global attention, withdrawn support and ongoing access issues make traditional development practice challenging. We have ended this year committed to thinking differently so we can continue providing real, desperately needed support.*

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Cover image: photo by Ban Yido on Unsplash



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## Our purpose

Co-creating opportunities by building capacity and partnering for long-term value to empower community-based development

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## Our vision

**Communities reclaiming better quality of life by 2025**

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**ACFID**  
MEMBER

*GraceWorks Myanmar is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory, we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.*

## Our values



### Social justice

People have inherent value and capacity. We work alongside people in Myanmar to support them in gaining the freedoms they need to achieve the quality of life they desire. Integrity is at the heart of everything we do as we seek to address injustices with positive, long-term development that contributes to breaking the cycle of poverty.

### Empowerment

People don't live in sectors. Only NGOs do. That's why we approach everything from a holistic perspective. We aim for sustainable outcomes that empower people through processes and results. We are more interested in enabling the good ideas of local people than simply delivering our own.

### Equity

We emphasise respect and inclusivity for all, regardless of gender, religion, ethnicity, age or background, and seek to address marginalisation and exclusion based on these factors. We are driven by compassion and cultural sensitivity. We invest in building understanding and challenging our own thinking so that we are part of long-term change rather than band-aid solutions.

### Partnership

Genuine two-way partnerships that emphasise self-sustainability are central to our contribution in Myanmar. We focus on grassroots partners and projects founded in mutual accountability and transparency.

### Capacity building

We work to increase the capacity of our partners, rather than creating dependency on us. Success in the long-term will mean we've done ourselves out of a job. Participatory processes give us the opportunity for mutual learning. They make the journey as important as the destination so that we contribute to home-grown development capacity.

# CEO and Chair report



Extraordinary people achieving extraordinary outcomes is the story of this report. We refer to the incredible individuals, families and communities that have engaged with GWM over many years in various capacities, surviving multiple disasters, including the COVID-19 pandemic, military coup and, most recently, Cyclone Mocha in Rakhine State. Ongoing conflicts between the Burmese military and various resistance forces add to the challenges to survive and stay safe. Ongoing pressures include sourcing the most basic of needs – like finding shelter, food security, safe drinking water and medical supplies. To describe the devastation communities have experienced, and continue to journey through, highlights their resilience and encapsulates their story.

Resilience is a process – an outcome of successfully adapting to difficult or challenging life experiences, especially through mental, emotional and behavioural flexibility and adjustment to external and internal demands. This description in part provides an insight into the amazing ability and determination of Myanmar's people in their struggle to survive.

GWM communities, together with our Country Director and Lead Facilitator, have survived the impacts of these incredible struggles *and* supported surrounding villages and communities, joining with other agencies to deliver emergency aid.

The capacity to expand GWM's focus of community development has been reduced in the past year due to the military coup and cyclone, coupled with a significant drop in available grants and donor support.

Against this backdrop, villages continue to function within the GWM community development model. This is a testament to the success of the program as these communities survive independently as self-sustaining cohorts throughout ongoing, cumulative disasters. There has been an increase in trade and a greater awareness of each other's struggles, particularly between Buddhist and Muslim people groups, fostered by GWM's everyday peacebuilding program. Joint community development projects continue to grow as communities, which previously had no relationship, actively pursue engagement with each other, resulting in a strengthening of resilience and friendship.

Bringing hope, creating opportunities and building resilience remain key focus areas of GWM's commitment to families and communities. We remain optimistic and committed to our goals, inspired by our in-country team who refuse to give up and continue to build on the positive aspects of community life. They endlessly find ways to create new opportunities to enhance the wellbeing of families and neighbours.

We thank our donors and supporters for their commitment and ongoing support, together with the unwavering dedication of our Board who continue to provide the governance that sustains the overall wellbeing and professional framework for our operating entities. Thank you for joining us on the continuing journey.

PSimmons

Peter Simmons  
Founder and CEO

RFaggotter

Veronica (Ronnie) Faggotter  
Chairperson

# Board of Directors



## Ronnie Faggotter – Chairperson

Experienced in small business ownership, and public housing for more than 20 years; Director of the South Australian Government’s State Recovery Office from 2005 to 2019; Fund Administrator for the South Australian State Emergency Relief Fund to April 2022.



## Des Collinson – Treasurer

A former founding partner of a chartered accountancy practice in Adelaide; an accounting practitioner for more than 40 years prior to retiring; a former director of Australia Medic Alert Foundation; a Fellow of the Institute of Chartered Accountants in Australia and New Zealand.



## Dr Rob Cunningham

Experienced in trauma-based work in child protection, youth mental health and international disasters for more than 20 years; experienced in Australian Government responses to emergency and disaster settings nationally and internationally; holds a PhD focused on the long-term impact of sport-for-development programs on young people in post-conflict settings.



## Clay O’Brien

A leader in access to finance and economic development including microfinance across several countries; a sought-after advisor to development agencies, respected across the global microfinance network; former Managing Director of AYANI Inclusive Financial Sector Consultants; former Managing Director of an investment bank with a career start as a lawyer.



## Theresa Drewer

An education specialist with 19 years’ experience as a classroom teacher in Australia and the United States; skilled in supporting students from low-socioeconomic backgrounds; graduate of a Master of Education and postgraduate studies in Christian worldviews.



## Zoe Solomon

A skilled evaluator, project manager, community worker, and governance, risk and compliance professional; experienced in executive administration and project roles in not-for-profit organisations; graduate of a Bachelor of Applied Science (Psychology) and Master of ICD.



## Elizabeth Graetz

A business and marketing strategy consultant with 20 years’ experience; part of GWM’s first CDE training team (2012/2013); graduate of a Master of International & Community Development (ICD), B. Business, B. Creative Industries; Fellow of the Aust. Marketing Institute, Certified Practising Marketer.



## Peter Simmons

### CEO/representing officer to the board

An expert in community development in Myanmar; experienced in business and community leadership for more than 35 years; Fellow of the Institute of Managers and Leaders; graduate of a Master of ICD.

# Corporate governance



## Board of Directors

During the year, the Board comprised seven members: Ronnie Faggotter (Chairperson), Des Collinson (Treasurer), Dr Rob Cunningham, Theresa Drewer (joined in November 2022), Elizabeth Graetz, Clay O'Brien and Zoe Solomon. Peter Simmons (CEO) was a board member until October 2022, when the board agreed to separate the CEO role from the board.

## Audit

The Treasurer ensures an external financial audit is undertaken of each financial year's records. The audit report and accounts are forwarded to the Chairperson and board members.

## Annual General Meeting

The end of the financial year for GWM is 30 June. The Board may determine the date, time and place of the GWM Annual General Meeting (AGM). The notice convening the AGM specifies the meeting is an annual general meeting. The ordinary business of the AGM is to:

- Confirm the minutes of the previous AGM and any general meeting held since that meeting
- Receive board reports on the activities and status of GWM
- Review the transactions of GWM during the previous financial year.

In the event of a board member position becoming vacant, a vote will be taken during the AGM to appoint a replacement board member, as nominated by current board and GWM members prior to the AGM. A two-thirds majority of the quorum present is required.

## Organisational structure

### **Head office – Legal entity – GraceWorks Myanmar Inc**

Responsible for setting the purpose, roles, structure, values, vision and mission of GWM; defining long, mid and short-term strategies; defining and managing governance including policies and delegations of authority; managing the brand; owning intellectual property; attracting funding; providing strategic functional and operational support; executing strategy; providing operational support and guidance.

### **Myanmar country office – Legal entity – GWM Company Limited**

Responsible for following, implementing and/or aligning with all frameworks set by head office; developing in-country processes as required; managing in-country human resources and assets including allocated funding; managing and implementing in-country functions and all operations including sector portfolios, programs and projects; informing and implementing strategy; adding proactive value.

### **GWM implementing body – Legal entity – various**

Responsible for upholding all relevant policies and corporate practices, including values, as a delegated entity of GWM; implementing programs and projects within their defined parameters; providing timely information and feedback to the country and/or head office to support GWM in protecting all stakeholders and fulfilling all commitments. A GWM implementing body will typically be established to meet regional/local authority requirements or otherwise provide a notable implementation advantage as a distinct entity

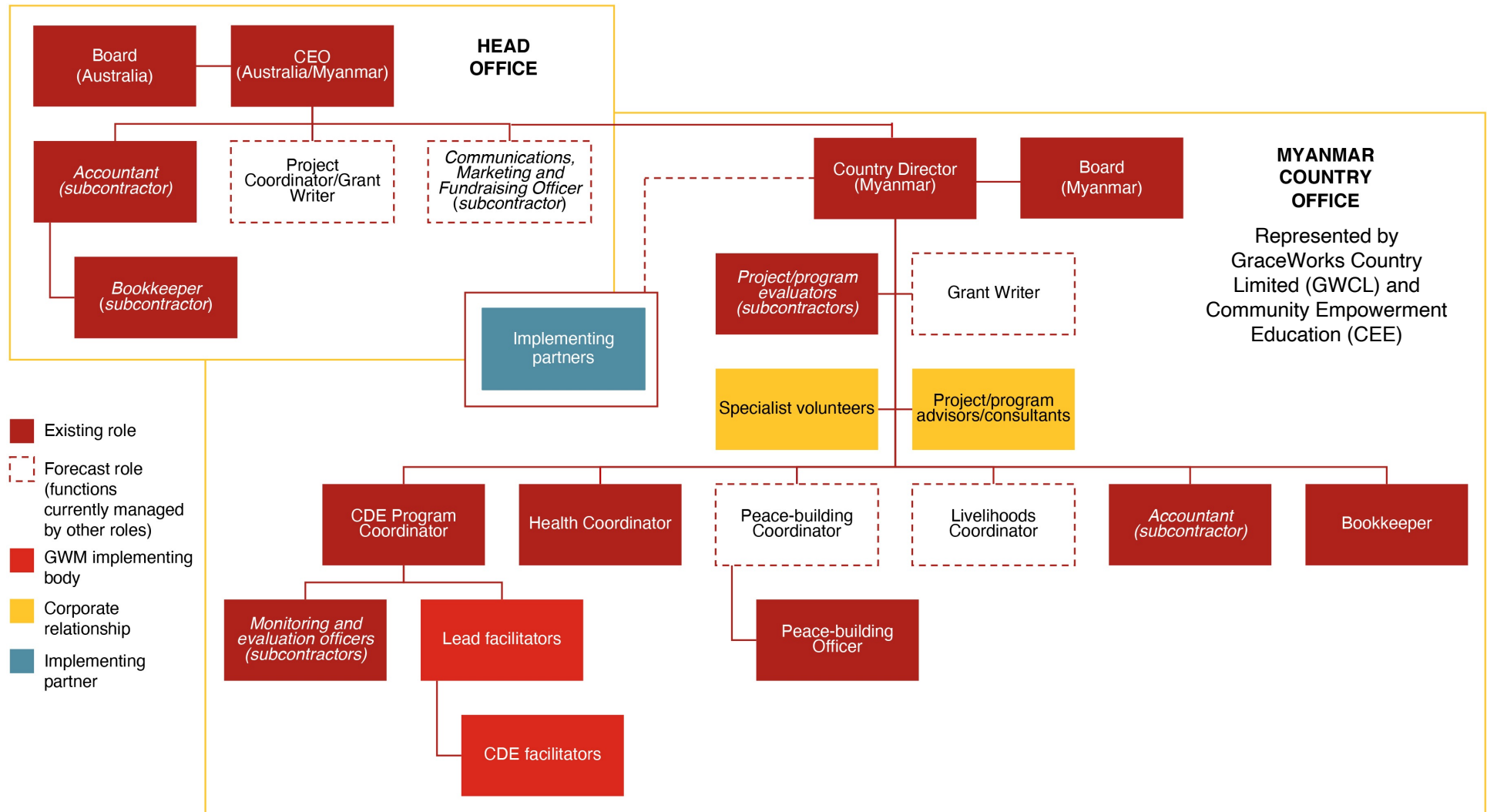
### **Corporate relationship**

Responsible for upholding all relevant policies and corporate practices, including values, while acting on behalf of GWM; supporting GWM activities within the agreed bounds of the relationship; protecting and enhancing intellectual property as relevant.

### **Implementing partner – Legal entity – various**

As an independent organisation, identified by GWM's head office and managed by GWM's country office, implementing partners are responsible for upholding ethical values and supporting a transparent, sharing relationship with GWM; upholding agreed policy and behavioural standards; delivering agreed activities in line with agreed goals; providing timely information and feedback for mutual benefit.

# Organisational chart





## INSIGHT

### Enough for one month

May 2023

I am Daw Than Khin, living in North Sanpya Ward, Sittwe, Rakhine State. There are six members in my family. All of us are odd job men and women. The Mocha cyclone hit our house badly and it was totally damaged. We had to make a tent and temporarily live there. So far, we do not have enough money to repair our house. Even for daily survival, it is a very hard time now for us. We all are disappointed because there are no jobs and money. In addition, my husband and son are not well.

In this juncture, last Saturday, the chief of the ward and team informed me that my family would receive humanitarian aid – rice and some other items – on Sunday. So all the urgent, needy families in our ward had to come to the dharmayone (a place for Buddhist community and religious activities) and receive the aid donated by CEE. Now we have rice and some other items and I hope that it will be enough for one month for survival. CEE is the first local non-government organisation coming and providing rice and other items to the needy people in our ward after the Mocha cyclone. I wish that all who are working with CEE could help more as there are many other people in need of help.

*Note: CEE is GWM's implementing body in Rakhine State*

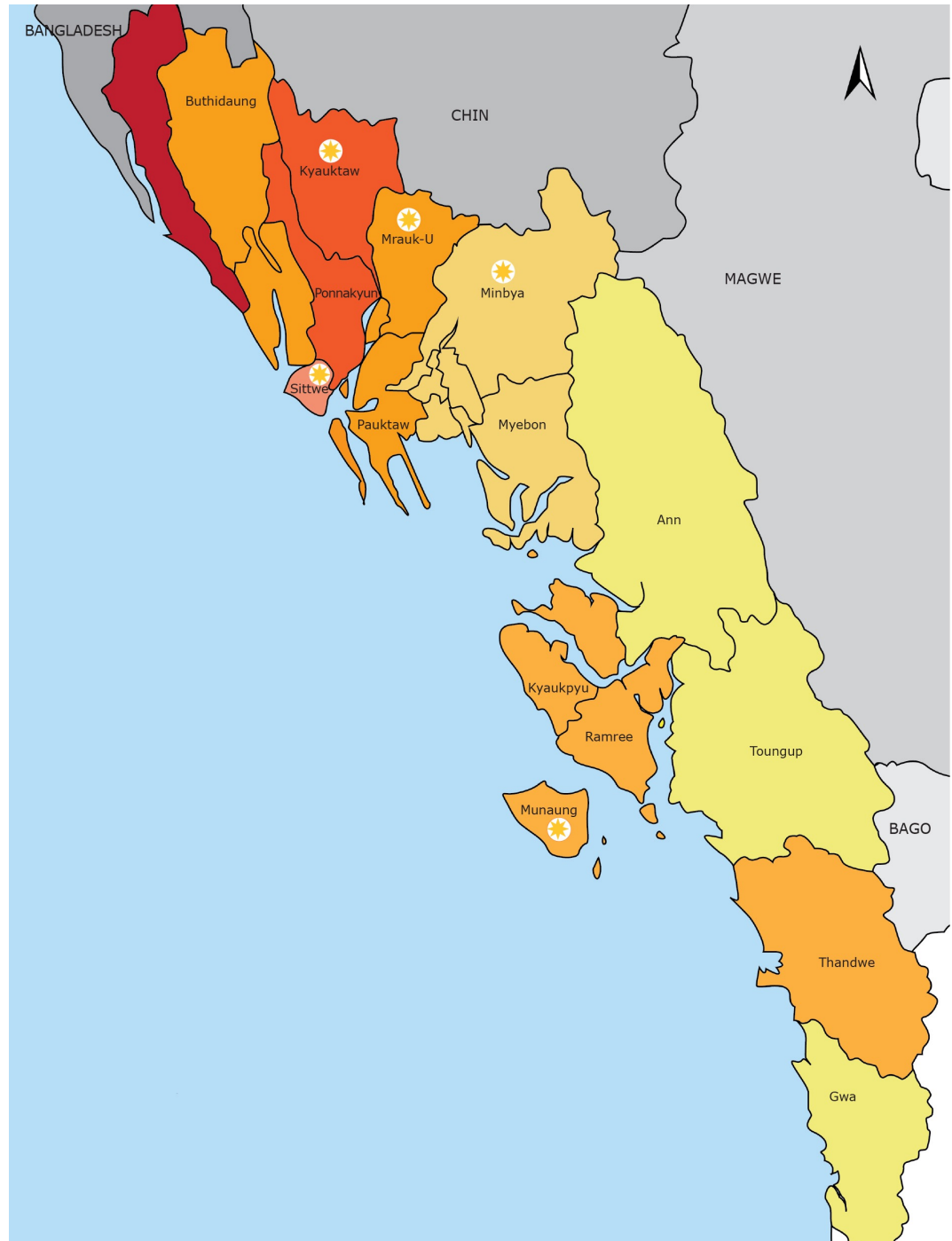
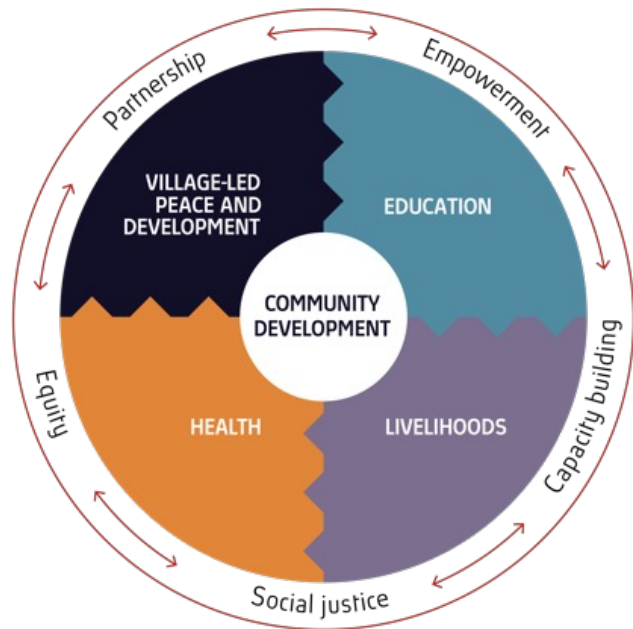
*Photo of Daw Than Khin with our Country Director*



# Impact – scope

GWM is a community development organisation. We partner with local organisations and individuals who are working in communities, helping them achieve improvement and sustainability in their quality of life, while building their capacity. Our sectors are detailed in the diagram below.

We primarily exist to serve people in Myanmar who experience poverty, vulnerability and marginalisation, with a heavy focus on community-level work, supporting them in gaining the freedoms and capacity to achieve the life they desire. During the reporting period, GWM has managed programs or projects in Rakhine State and Yangon Division. The map highlights the current locations where we have CDE facilitators in Rakhine State.



# Impact – projects

GWM’s program/project activity remains substantially reduced due to the impacts of the military coup in particular. The table below details our activities from July 2022 to June 2023.

Program/project	Focus	Impact
Building peace and capacity through CDE (Rakhine State)	Muslim and Buddhist communities building social harmony and working together – continuing from GWM’s last funded CDE program to include completing three village projects (one new bridge and two road repairs), five sessions of everyday peacebuilding training and three sessions of CDE training	<ul style="list-style-type: none"> <li>• 6 facilitators in 12 villages</li> <li>• 23,200 villagers directly benefiting</li> <li>• 38,000 villages indirectly benefiting</li> </ul>
WASH program (Manaung Island and Northern Rakhine)	Introducing WASH principles and practices via the manufacture of bio-sand filters and associated training in their use	<ul style="list-style-type: none"> <li>• 12 villages – 6 on Manaung Island and 6 in Northern Rakhine</li> <li>• 304 bio-sand filters manufactured and distributed</li> </ul>
Emergency village care packs (Central and Northern Rakhine)	Providing packs containing basic emergency supplies	<ul style="list-style-type: none"> <li>• Approximately 2,500 people benefiting</li> </ul>
Cyclone Mocha humanitarian aid (Rakhine State)	Rebuilding houses, ensuring safe drinking water and providing food via an NGO cohort working together (Living Water, Fida, Judson Baptist Church (Singapore) and local organisations)	<ul style="list-style-type: none"> <li>• 1,050 households benefiting</li> </ul>

*Photo by Ban Yido on Unsplash*



# Village-led peace and development



The Muslim and Buddhist communities that were part of our three-year CDE and peacebuilding work continued to build on the gains made through that initiative. This includes restoring their relationships through everyday peacebuilding activities.

## Education

In Rakhine State, our team supported local children in gaining the opportunity to learn at a local education centre.

*Photo of community members discussing everyday peacebuilding at a local Buddhist monastery chapel*



## Health

A retired medical doctor and medical ultrasound consultant used GWM's portable ultrasound to support pregnant women. While not a formal GWM activity, it offers an example of the positive ripple effect of past work on communities today.

## Livelihoods

GWM did not progress livelihoods initiatives during the last year but began exploring the development of new work in this space.



## INSIGHT

### WASH on Manaung Island

February 2023

I am Nyi Lay from Ohwa village and a general worker at the Basic Education Middle School. My family lives in the compound of the school. It is my privilege to express how beneficial the bio-sand filters (BSFs) are to me and my family and school children. Living in the rural area, our villagers get access to water from the pond and easily drink. Many of the villagers get affected by the unclean water. Fortunately, our villagers were introduced to the BSFs by CEE. Since getting access to safe drinking water from BSFs, our life has changed. We have no more health problems from water borne disease. It makes us and my family healthier. As my family live in the compound of the school, during break or lunch time, children (some children are from our village and some are from the neighbouring villages attending the middle school in our village) come to my house and drink water from the BSFs. Surprisingly, I have to fill water more than five times a day. The reason is that children drink the water and they know it is good for their health. I am very glad to see children drinking water from the BSFs. I am extremely glad to have this access to get safe drinking water through CEE. The water quality through the technology of BSFs is good. I really thank CEE for bringing this technology to our village.

*Photo of Nyi Lay*



## INSIGHT

### When the last rice ran out...

May 2023

I am Daw Harsinar, living in Aungbara (Aungmingalar Ward), Sittwe, Rakhine State. There are eight members in my family. My husband is paralysed. One of my sons is tailoring but has no regular income. It depends on daily work. The Mocha cyclone wiped out our house and now we are living in a tent. It is not strongly built. We have no money to rebuild our house. It is a very hard time to have daily food for my family now. As having hardship, I think that it would be better if the Mocha cyclone killed all of us.

Last Sunday, honestly speaking, after having lunch, I had no more rice to cook for another meal in the evening. While I was cooking, the chief of the ward informed me that my family would get aid (rice and some other items). After hearing the news, I could not find any words to express how happy I felt. It is like a dawn after midnight. As the chief and team arranged to receive the aid at the chief's house, without having any problems, I received rice and some other items supported by CEE. I think that it will cover three weeks to survive for my family. I pray to Allah that CEE would be able to donate more to needy people.

*Daw Harsinar with our Country Director*

# Financial report



## Summary overview

The financial year was challenging but as expected. We ended the year with a deficit of \$17,074.90, which is covered by consolidated funds and proactive plans for FY2023/2024.

We had limited income during the financial year, resulting from low donations and grant activity. The military coup has dramatically affected the ability and scope of GWM to raise funds because donors have been reluctant to support activities in Myanmar. Global focus on the war in Ukraine also meant philanthropic groups, donors and members of the public directed financial support to that worthy effort, previously designated for Myanmar.

In parallel to lower income, ongoing expenses were down substantially compared to previous years.

As we do not present consolidated financial reports that include the activities of GWCL and CEE, the full picture of GWM's activity is not captured in our financial reports. In this financial year, more than \$57,000 was raised by GWCL/CEE and distributed directly within Myanmar to communities that suffered devastation from Cyclone Mocha. Acknowledging the tragic circumstances, we are proud of the local capacity building this demonstrates. In addition, we have retained donations within the period of this report while we clarify new programs and projects for the year ahead.

*GWM's financial statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct.*

## Board declaration

The Board of GraceWorks Myanmar Inc states that the accompanying concise financial report is presented fairly in accordance with applicable Australian Accounting Standards and is consistent with the Association's 30 June 2023 financial report. In the 30 June 2023 financial report, the Board declares that the financial statements are special purpose financial statements prepared to satisfy the financial reporting requirement of the Associations Incorporations Act of Victoria and the Australian Charities and Not for Profits Commission. The Board has determined that the association is not a reporting entity. The financial statements have been prepared on an accrual basis. They are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets. The financial statements and notes give a true and fair view of the financial position as at 30 June 2023 and performance of the association for the year then ended. In the Board's opinion, there are reasonable grounds to believe that GraceWorks Myanmar Inc will be able to pay its debts as and when they become due and payable. This statement has been made in accordance with a resolution of the Board.

**Ronnie Faggotter**, Chairperson

**Peter Simmons**, CEO

**Des Collinson**, Treasurer

# Income statement and statement of financial position



## Graceworks Myanmar Inc.

### INCOME STATEMENT FOR THE YEAR ENDED 30/06/2023

	2023	2022
<b>REVENUE</b>		
Donations and gifts	13,238.78	26,801.00
Monetary		
Non-monetary		
Grants		
Commercial Activities Income		
Other Income	1,050.00	975.00
<b>TOTAL REVENUE</b>	<b>14,288.78</b>	<b>27,776.00</b>
<b>EXPENDITURE</b>		
International Programs	3,830.80	106,421.75
Community Education		
Fundraising Costs	619.80	177.00
Accountability and Administration	6,432.01	23,911.48
Commercial Activities Expenditure		
Non-monetary Expenditure		
Other Expenditure	20,481.07	32,060.77
<b>TOTAL EXPENSES</b>	<b>31,363.68</b>	<b>162,571.00</b>
<b>SURPLUS/(DEFICIT)</b>	<b>- 17,074.90</b>	<b>- 134,795.00</b>

*GWM manages accounts on a cash basis. An excess or shortfall in revenue over expenditure relates to the timing of grant income received versus transfer of allocations made to Myanmar.*

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	2022 (\$)	2023 (\$)
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	26,658	9,583
Trade and other receivables	-	-
Other	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>26,658</b>	<b>9,583</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	4,000	4,000
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,000</b>	<b>4,000</b>
<b>TOTAL ASSETS</b>	<b>30,658</b>	<b>13,583</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS</b>	<b>30,658</b>	<b>13,583</b>
<b>EQUITY</b>		
Retained surpluses/(deficits)	30,658	13,583
<b>TOTAL EQUITY</b>	<b>30,658</b>	<b>13,583</b>

These summary financial statements are derived from, and consistent with, the full audited financial statements.



# Not-For-Profit - Association Report

Graceworks Myanmar Inc.  
For the year ended 30 June 2023



# Income and Expenditure Statement

Graceworks Myanmar Inc.  
For the year ended 30 June 2023



	2023	2022
<b>Income</b>		
Donations	14,288.78	27,776.10
<b>Total Income</b>	<b>14,288.78</b>	<b>27,776.10</b>
<b>Gross Surplus</b>		
	<b>14,288.78</b>	<b>27,776.10</b>
<b>Expenditure</b>		
Motor Vehicles	8,019.69	10,982.36
Travel and Accommodation	6,278.86	5,272.24
Accountancy & Bookkeeping Services	-	3,559.08
Bank Fees	91.25	312.44
Computer Costs	1,172.45	129.50
Conferences and Seminars	28.80	133.18
Consultant fees	4,500.00	18,280.23
Fees and Licence	191.71	-
Fundraising Costs	619.80	-
General Expenses	1,754.87	3,093.32
Minor Plant & Equipment	-	90.00
Printing, Stationery, Postage & Office Expenses	730.76	809.49
Project Costs sent to Myanmar	3,830.80	106,421.75
Promotion and Marketing	-	177.37
Rent	-	5,400.00
Repairs and Maintenance	-	826.18
Stripe Account Fees	30.18	328.41
Subscriptions & Memberships	3,592.16	5,582.50
Telephone & Internet	522.35	1,059.68
Web design and maintenance	-	113.70
<b>Total Expenditure</b>	<b>31,363.68</b>	<b>162,571.43</b>
<b>Current Year Surplus/ (Deficit) Before Income Tax Adjustments</b>	<b>(17,074.90)</b>	<b>(134,795.33)</b>
<b>Current Year Surplus/(Deficit) Before Income Tax</b>	<b>(17,074.90)</b>	<b>(134,795.33)</b>
<b>Net Current Year Surplus After Income Tax</b>	<b>(17,074.90)</b>	<b>(134,795.33)</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Assets and Liabilities Statement

Graceworks Myanmar Inc.

As at 30 June 2023



	NOTES	30 JUN 2023	30 JUN 2022
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents		9,093.42	26,071.29
<b>Total Current Assets</b>		<b>9,093.42</b>	<b>26,071.29</b>
<b>Non-Current Assets</b>			
Plant and Equipment and Vehicles	7	4,000.00	4,000.00
Other Non-Current Assets		490.47	587.50
<b>Total Non-Current Assets</b>		<b>4,490.47</b>	<b>4,587.50</b>
<b>Total Assets</b>		<b>13,583.89</b>	<b>30,658.79</b>
<b>Net Assets</b>		<b>13,583.89</b>	<b>30,658.79</b>
<b>Member's Funds</b>			
Capital Reserve		13,583.89	30,658.79
<b>Total Member's Funds</b>		<b>13,583.89</b>	<b>30,658.79</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

# Notes to the Financial Statements

## Graceworks Myanmar Inc. For the year ended 30 June 2023



### 1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

#### Income Tax

Graceworks Myanmar Inc. is exempt from income tax.

#### Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

#### Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

#### Provisions

Provisions are recognised when the association 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.

#### Cash on Hand

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

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



### Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

### Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

### Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

### Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and 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.



### Accounts Payable and Other Payables

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

	2023	2022
<b>2. Cash on Hand</b>		
Graceworks Myanmar Inc - 30% Admin Fees	807.71	5,088.13
Operating Account No 1	8,211.62	19,610.60
Operating Account No 2	74.09	74.09
USD Bank Account (AUD Equivalent)	-	1,298.47
<b>Total Cash on Hand</b>	<b>9,093.42</b>	<b>26,071.29</b>
	2023	2022

### 3. Trade and Other Receivables

### 4. Related Party Transactions

#### Interest in Contracts

During the year the association entered into a contract with [Insert company name] Pty Ltd to provide accounting and taxation services to the association. [Insert name], who is a committee member of the association, is also the managing director of [Insert company name] Pty Ltd. During the year [\$insert amount] was paid to [Insert company name] Pty Ltd for its services.

	2023	2022
<b>Members Loan Accounts</b>		
	2023	2022

### 5. Financial Assets

	2023	2022
	2023	2022

### 6. Land and Buildings

	2023	2022
	2023	2022

### 7. Plant and Equipment, Motor Vehicles

<b>Motor Vehicles</b>		
Motor Vehicles at Cost	7,500.00	7,500.00
Accumulated Depreciation of Motor Vehicles	(3,500.00)	(3,500.00)
<b>Total Motor Vehicles</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>Total Plant and Equipment, Motor Vehicles</b>	<b>4,000.00</b>	<b>4,000.00</b>
	2023	2022

### 8. Intangibles

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



	2023	2022
<b>9. Trade and Other Payables</b>		
	2023	2022
<b>10. Tax Payable</b>		
	2023	2022
<b>11. Deferred Income</b>		
	2023	2022
<b>12. Provisions</b>		
	2023	2022
<b>13. Employee Entitlements</b>		
	2023	2022
<b>14. Loans</b>		

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

## Movements in Equity

Graceworks Myanmar Inc.  
For the year ended 30 June 2023



	2023	2022
<b>Equity</b>		
Opening Balance	30,658.79	165,454.12
<b>Increases</b>		
Profit for the Period	(17,074.90)	(134,795.33)
<b>Total Increases</b>	<b>(17,074.90)</b>	<b>(134,795.33)</b>
<b>Total Equity</b>	<b>13,583.89</b>	<b>30,658.79</b>

# Statement of Cash Flows - Direct Method

Graceworks Myanmar Inc.  
For the year ended 30 June 2023



	2023	2022
<b>Operating Activities</b>		
GST	-	1,652.68
Cash receipts from other operating activities	14,288.78	27,776.10
Cash payments from other operating activities	(31,363.68)	(166,511.76)
<b>Net Cash Flows from Operating Activities</b>	<b>(17,074.90)</b>	<b>(137,082.98)</b>
<b>Investing Activities</b>		
Proceeds from sale of property, plant and equipment	-	3,500.00
Other cash items from investing activities	97.03	(433.67)
<b>Net Cash Flows from Investing Activities</b>	<b>97.03</b>	<b>3,066.33</b>
<b>Financing Activities</b>		
Proceeds from borrowings	-	5,346.71
Repayment of borrowings	-	(8,750.75)
Other cash items from financing activities	-	(4,547.65)
<b>Net Cash Flows from Financing Activities</b>	<b>-</b>	<b>(7,951.69)</b>
<b>Net Cash Flows</b>	<b>(16,977.87)</b>	<b>(141,968.34)</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	26,071.29	168,039.63
Net change in cash for period	(16,977.87)	(141,968.34)
Cash and cash equivalents at end of period	9,093.42	26,071.29



## True and Fair Position

Graceworks Myanmar Inc.  
For the year ended 30 June 2023



Annual Statements Give True and Fair View of Financial Position and Performance of the Association

We, Zoe Solomon, and Veronica Faggotter, being members of the committee of Graceworks Myanmar Inc., certify that –

The statements attached to this certificate give a true and fair view of the financial position and performance of Graceworks Myanmar Inc. during and at the end of the financial year of the association ending on 30 June 2023.

Signed:

*EM Faggotter*

Dated:

*29/10/2023*

Signed:

*ZSolomon*

Dated:

*30/10/2023*

# Auditor's Report

Graceworks Myanmar Inc.  
For the year ended 30 June 2023



Independent Auditors Report to the members of the Association

We have audited the accompanying financial report, being a special purpose financial report, of Graceworks Myanmar Inc. (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2023, the income and expenditure statement for the year then ended, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

## Committee's Responsibility for the Financial Report

The committee of Graceworks Myanmar Inc. is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Act and the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

## Opinion

In our opinion, the financial report presents fairly, in all material respects (or gives a true and fair view), the financial position of Graceworks Myanmar Inc. as at 30 June 2023 and (of) its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the Act.

In our opinion, the ACFID code compliant financial statements comply with the requirements of the ACFID Code of Conduct.

## Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Graceworks Myanmar Inc. to meet the requirements of the Act. As a result, the financial report may not be suitable for another purpose.

Auditor's signature:

  
David Cooper B Comm MIPA NTAA

Auditor's address:

Certum Accountants Australia Pty Ltd  
4/17-19 Fenwick Street Geelong 3220  
Phone 03 5277 9600

# Compilation Report

## Graceworks Myanmar Inc. For the year ended 30 June 2023



Compilation report to Graceworks Myanmar Inc..

We have compiled the accompanying special purpose financial statements of Graceworks Myanmar Inc., which comprise the asset and liabilities statement as at 30 June 2023, income and expenditure statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

### The Responsibility of the Committee Member's

The committee of Graceworks Myanmar Inc. are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

### Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

### Assurance Disclaimer

[Required if this report has not been audited]

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.



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