

Volunteer Service Abroad: Te Tūao Tāwāhi Incorporated

For the year ended

30 June 2023

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Directory

Council

Dr Simon Mark (Chair)
Dana MacDiarmid (Deputy Chair)
Simon Trotter
Tiffany Babington
Helen McGregor
Ilze Gotelli

Registered office

77 Thorndon Quay
Wellington 6144

Nature of business

A development agency which finds, selects and places people who volunteer to share their skills with people in developing countries to help them build a better future for themselves and their children.

Charities Commission Registration number:

CC36739



Other than in our capacity as auditor we have no relationship with, or interest in, the Group. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group.

Other matter

The corresponding figures in the service performance information of the Group, being those measures related to the year ended 30 June 2022, were not audited.

Information other than the performance report and auditor's report

The members of Council are responsible for the annual report, which includes information other than the consolidated financial statements, service performance information and auditor's report.

Our opinion on the performance report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If, based upon the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Council's responsibilities for the performance report

The member of Council are responsible, on behalf of the Entity, for;

- ▶ the preparation and fair presentation of the consolidated financial statements and service performance information in accordance Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board;
- ▶ service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board; and
- ▶ such internal control as the Council members determine is necessary to enable the preparation of consolidated financial statements and service performance information that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the members of Council are responsible for assessing on behalf of the entity the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council members either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the performance report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and service performance information are 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 International Standards on Auditing (New Zealand) and NZ AS 1 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 performance report.

A further description of our responsibilities for the audit of the performance report is located at the External Reporting Board website: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-17>. This description forms part of our auditor's report.

The logo for Ernst & Young, featuring the company name in a stylized, cursive script.

Chartered Accountants
Wellington
26 September 2023

Statement of Comprehensive Revenue and Expenses

Volunteer Service Abroad: Te Tūao Tāwāhi Incorporated

For the year ended 30 June 2023

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR YEAR ENDED 30 JUNE 2023

	Notes	Parent 30 June 2023	Parent 30 June 2022	Group 30 June 2023	Group 30 June 2022
		\$	\$	\$	\$
INCOME					
Revenue from non-exchange transactions					
Government grants		8,145,639	5,336,620	8,145,639	5,336,620
Fundraising		123,152	336,994	123,152	336,994
Other income		90,216	66,807	90,216	66,807
		8,359,007	5,740,421	8,359,007	5,740,421
Revenue from exchange transactions					
Investment income		129,902	18,574	149,652	24,330
Membership subscriptions		4,459	3,548	4,459	3,548
Other income		137,109	61,920	137,109	61,920
		271,470	84,042	291,220	89,798
TOTAL REVENUE		8,630,477	5,824,463	8,650,227	5,830,219
EXPENDITURE					
Volunteer Programme expenses		7,037,985	4,264,500	7,037,985	4,264,500
Communications and Fundraising		1,124,550	815,237	1,124,550	815,237
Head Office		335,006	292,604	335,006	292,604
Governance		32,601	6,197	32,601	6,197
Revenue Growth		-	7,310	-	7,310
Dunlop Fund		1,079	49,211	1,079	49,211
VSA Foundation administration expense		-	-	20,357	20,783
Unrealised loss/(gain) on investments		-	-	(128,581)	302,083
TOTAL EXPENDITURE		8,531,221	5,435,059	8,422,997	5,757,925
NET SURPLUS FOR THE YEAR	5	99,256	389,404	227,230	72,294
OTHER COMPREHENSIVE REVENUE AND EXPENSE					
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		99,256	389,404	227,230	72,294

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

Volunteer Service Abroad: Te Tūao Tāwāhi Incorporated

For the year ended 30 June 2023

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2023

	Parent - 30 June 2023							
	Accumulated Funds	Dunlop Fund	Garret Fund	Development Education Fund	Legacies Reserve	Programme Development Fund	Cyclone Gita Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2022	2,982,259	101,956	1,639	27,448	563,844	6,017	1,111	3,684,274
2023 Surplus/(Deficit)	99,256	-	-	-	-	-	-	99,256
Transfer of Dunlop Fund Expenditure	1,080	(1,080)	-	-	-	-	-	-
Transfer of Bequests to Legacy Fund	100,000	-	-	-	(100,000)	-	-	-
Transfer of Legacies Expenditure-Pacific Partnerships	87,005	-	-	-	(87,005)	-	-	-
Transfer of Legacies Expenditure-Grace Memorial Fund	50	-	-	-	(50)	-	-	-
Transfer to Tindall Foundation	6,130	-	-	-	-	-	-	6,130
Closing Special Funds 30 June 2023	3,275,780	100,876	1,639	27,448	376,789	6,017	1,111	3,789,660

	Parent - 30 June 2022							
	Accumulated Funds	Dunlop Fund	Garret Fund	Development Education Fund	Legacies Reserve	Programme Development Fund	Cyclone Gita Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2021	2,870,043	125,087	1,639	27,448	263,525	6,017	1,111	3,294,870
2022 Surplus/(Deficit)	389,404	-	-	-	-	-	-	389,404
Transfer of Dunlop Fund Expenditure	23,131	(23,131)	-	-	-	-	-	-
Transfer of Bequests to Legacy Fund	(363,932)	-	-	-	363,932	-	-	-
Transfer of Legacies Expenditure-Pacific Partnerships	29,297	-	-	-	(29,297)	-	-	-
Transfer of Legacies Expenditure-Grace Memorial Fund	9,437	-	-	-	(9,437)	-	-	-
Transfer of Legacies Expenditure-Solomons Covid Reponse	24,879	-	-	-	(24,879)	-	-	-
Closing Special Funds 30 June 2022	2,982,259	101,956	1,639	27,448	563,844	6,017	1,111	3,684,274

	Group - 30 June 2023							
	Accumulated Funds	Dunlop Fund	Garret Fund	Development Education Fund	Legacies Reserve	Programme Development Fund	Cyclone Gita Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2022	5,688,422	101,956	1,639	27,448	563,844	6,017	1,111	6,390,437
2022 Surplus/(Deficit)	227,230	-	-	-	-	-	-	227,230
Transfer of Dunlop Fund Expenditure	1,080	(1,080)	-	-	-	-	-	-
Transfer of Bequests to Legacy Fund	100,000	-	-	-	(100,000)	-	-	-
Transfer of Legacies Expenditure-Pacific Partnerships	87,005	-	-	-	(87,005)	-	-	-
Transfer of Legacies Expenditure-Grace Memorial Fund	50	-	-	-	(50)	-	-	-
Transfer to Tindall Foundation	6,130	-	-	-	-	-	-	6,130
Closing Special Funds 30 June 2023	6,109,917	100,876	1,639	27,448	376,789	6,017	1,111	6,623,797

	Group - 30 June 2022							
	Accumulated Funds	Dunlop Fund	Garret Fund	Development Education Fund	Legacies Reserve	Programme Development Fund	Cyclone Gita Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2021	5,893,316	125,087	1,639	27,448	263,525	6,017	1,111	6,318,143
2022 Surplus/(Deficit)	72,294	-	-	-	-	-	-	72,294
Transfer of Dunlop Fund Expenditure	23,131	(23,131)	-	-	-	-	-	-
Transfer of Bequests to Legacy Fund	(363,932)	-	-	-	363,932	-	-	-
Transfer of Legacies Expenditure-Pacific Partnerships	29,297	-	-	-	(29,297)	-	-	-
Transfer of Legacies Expenditure-Grace Memorial Fund	9,437	-	-	-	(9,437)	-	-	-
Transfer of Legacies Expenditure-Solomons Covid Reponse	24,879	-	-	-	(24,879)	-	-	-
Closing Special Funds 30 June 2022	5,688,422	101,956	1,639	27,448	563,844	6,017	1,111	6,390,437

Statement of Financial Position


Volunteer Service Abroad: Te Tūao Tāwāhi Incorporated
As at 30 June 2023

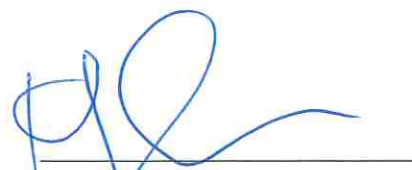
STATEMENT OF FINANCIAL POSITION FOR YEAR ENDED 30 JUNE 2023

	Note	Parent 30 June 2023	Parent 30 June 2022	Group 30 June 2023	Group 30 June 2022
		\$	\$	\$	\$
TOTAL ACCUMULATED FUNDS		3,275,780	2,982,259	6,109,917	5,688,422
Dunlop Fund		100,876	101,956	100,876	101,956
Garrett Fund		1,639	1,639	1,639	1,639
Development Education Fund		27,448	27,448	27,448	27,448
Legacies Reserve		376,789	563,844	376,789	563,844
Programme Development Fund		6,017	6,017	6,017	6,017
Cyclone Gita Fund		1,111	1,111	1,111	1,111
TOTAL SPECIAL FUNDS		513,880	702,015	513,880	702,015
TOTAL FUNDS EMPLOYED		3,789,660	3,684,274	6,623,797	6,390,437
Represented By:					
CURRENT ASSETS					
Cash	6	1,303,628	4,950,752	1,308,365	4,958,371
Receivables from exchange transactions		5,309,689	72,063	5,309,689	72,063
GST Receivable		-	142,234	-	142,234
Accrued income		68,990	5,030	68,990	5,030
Funds held at Branches		5,991	5,862	5,991	5,862
Prepayments and deposits		236,389	143,403	236,389	143,403
Investments		3,050,757	-	5,887,530	2,705,286
TOTAL CURRENT ASSETS		9,975,444	5,319,344	12,816,954	8,032,249
CURRENT LIABILITIES					
Employee Entitlements		203,801	146,980	203,801	146,980
Provisions	13	94,346	77,014	94,346	77,014
Accounts payable		478,428	386,811	485,801	393,553
GST payable		481,204	-	481,204	-
Grants in advance	14	5,104,361	1,063,380	5,104,361	1,063,380
Income in advance		-	4,209	-	4,209
Funds held in Trust		63,523	78,517	63,523	78,517
Branch Funds held in Trust		5,991	5,862	5,991	5,862
TOTAL CURRENT LIABILITIES		6,431,654	1,762,773	6,439,027	1,769,515
NET CURRENT ASSETS		3,543,790	3,556,571	6,377,927	6,262,734
NON CURRENT ASSETS					
Intangible assets (software)	7	-	2,128	-	2,128
Plant and Equipment	8	245,870	125,575	245,870	125,575
TOTAL NON CURRENT LIABILITIES		245,870	127,703	245,870	127,703
TOTAL NET ASSETS		3,789,660	3,684,274	6,623,797	6,390,437

These financial statements should be read in conjunction with the notes to the financial statements.

Signed for and on behalf of the Council who authorised these financial statements for issue on 23 September 2023:


Council Chairperson


CEO

Cash flow Statement

Volunteer Service Abroad: Te Tūao Tāwāhi Incorporated
For the year ended 30 June 2023

CASHFLOW STATEMENT FOR YEAR ENDED 30 JUNE 2023

	Parent 30 June 2023 \$	Parent 30 June 2022 \$	Group 30 June 2023 \$	Group 30 June 2022 \$
Cash flows from Operating activities				
<i>Cash was provided from:</i>				
Receipts from Customers	7,230,340	6,540,101	7,230,338	6,540,100
Interest Received/(Paid)	118,055	18,574	137,806	24,330
	7,348,395	6,558,675	7,368,144	6,564,430
<i>Cash was applied to:</i>				
Payments to Suppliers	(8,365,396)	(5,327,426)	(8,256,540)	(5,662,826)
GST Paid/(received)	623,438	(65,017)	623,438	(65,017)
	(7,741,958)	(5,392,443)	(7,633,102)	(5,727,843)
Net cash Inflow (Outflow) from Operating Activities	(393,563)	1,166,232	(264,958)	836,587
Cash flows from Investing activities				
<i>Cash was applied to:</i>				
Net Investments	(3,050,757)	1,213,309	(3,182,244)	1,528,231
Net Property, Plant and Equipment	(202,804)	(52,072)	(202,804)	(52,072)
Net cash Inflow (Outflow) from Investing Activities	(3,253,561)	1,161,237	(3,385,048)	1,476,159
Net Increase (Decrease) in Cash Held	(3,647,124)	2,327,469	(3,650,006)	2,312,746
Balance 1 July	4,950,752	2,623,283	4,958,371	2,645,625
Balance as at 30 June	1,303,628	4,950,752	1,308,365	4,958,371
Cash at 30 June	1,303,628	4,950,752	1,308,365	4,958,371

Notes to the Financial Statements

1 Reporting entity

The reporting entity is Volunteer Service Abroad Te Tūao Tāwāhi Incorporated (the “Society”). The Group is Volunteer Service Abroad Te Tūao Tāwāhi Incorporated and Volunteer Service Abroad Foundation. The Society is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005.

The financial statements are presented for the year ended 30 June 2023.

These financial statements and the accompanying notes summarise the financial results of activities carried out by the Society and Group. The Society provides volunteer services to find, select and place people who volunteer in developing countries.

The financial statements have been prepared on a going concern basis. The Ministry of Foreign Affairs and Trade (MFAT) are the major funder for Volunteer Service Abroad (VSA) and have funded VSA for 60 years. The current funding agreement with MFAT has been in place since 2018 and expired on 30 June 2023. MFAT has signed a new funding agreement to commit funding for a further two years until 30 June 2025. The two parties continue to work together in strengthening international development for countries in the Pacific and with COVID-19 border restrictions being lifted in both New Zealand and the Pacific, VSA is forecast to place up to 159 volunteers into these areas in the 2024 financial year.

These financial statements have been approved and were authorised for issue by the Council on 23 September 2023.

2 Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (“NZ GAAP”). They comply with Public Benefit Entity International Public Sector Accounting Standards (“PBE IPSAS”) and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Society is a not-for-profit public benefit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Council has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (“RDR”) disclosure concessions.

3 Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

3.1 *Basis of measurement*

These financial statements have been prepared on the basis of historical cost unless otherwise specified below in the accounting policies.

3.2 *Functional and presentational currency*

The financial statements are presented in New Zealand dollars (\$), which is the Society's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

3.3 *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Society and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from non-exchange transactions

Grant Revenue

Grant revenue includes grants given by government agencies, other charitable and philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, and repayment is required if such conditions are not fulfilled, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

Fundraising

Fundraising revenue is recognised as funds and donations are received.

Volunteer Service Abroad Foundation

Volunteer Service Abroad Foundation income consists of grants extended to Volunteer Service Abroad for operational use.

Revenue from exchange transactions

Membership fees

Fees and subscriptions received in exchange for monthly access to members' facilities are initially recorded as revenue in advance and recognised in revenue evenly over the membership period.

Interest and dividend revenue

Interest revenue is recognised as it accrues, using the effective interest method.

3.4 *Financial instruments*

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the financial instrument.

The Society derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Society has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Society has transferred substantially all the risks and rewards of the asset; or
- the Society has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenditure.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Society's cash and cash equivalents, term deposits and receivables from exchange transactions fall into this category of financial instruments.

Fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The Foundation's investments in managed funds fall into this category of financial instruments.

Impairment of financial assets

The Society assesses at reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Society first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Society determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

Financial liabilities

The Society's financial liabilities include trade and other creditors (excluding GST and PAYE) and deferred revenue (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value and are measured subsequently at amortised cost using the effective interest method.

3.5 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.6 Short term investments (term deposits)

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

3.7 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset, except for land and buildings. Land and buildings are not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

- Furniture and equipment: 3 to 8 years straight line
- Motor vehicles 4 to 5 years straight line

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

3.8 *Intangible assets*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

The Society does not hold any intangible assets that have an indefinite life.

The amortisation periods for the Society's assets are as follows:

- Software 3 to 5 years straight line

3.9 *Leases*

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

3.10 *Employee benefits*

Wages, salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

3.11 *Income Tax*

Due to its charitable status, the Society is exempt from income tax.

3.12 *Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

3.13 Equity

Equity is the community's interest in the Society, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Society's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

Special funds reserve

This is a restricted equity reserve created by the Society for the purpose of financing special projects, such capital replacement of certain significant assets. The use of these funds is restricted to the specific purpose of the projects.

4 Significant accounting judgements, estimates and assumptions

No significant accounting judgements, estimates or assumptions have been made in the preparation of the Society's financial statements.

5 Components of net surplus

Surplus before tax includes the following specific expenses:

	Parent		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$
Surplus before tax includes the following specific expenses:				
Audit fees	46,989	36,694	46,989	39,140
Leasing and rental costs	344,111	291,016	344,111	291,016
Depreciation	84,637	103,386	84,637	103,386
Loss/(gain) on disposal assets	1,636	(24,840)	1,636	(24,840)
Foreign exchange (Gain) Loss	(43,792)	(53,647)	(43,792)	(53,647)
COVID-19 expenditure	267	4,626	267	4,626

6 Cash and cash equivalents

Cash and cash equivalents include the following components:

	Parent		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$
Cash and cash equivalents include the following components:				
Cash at bank	1,303,628	4,950,752	1,308,365	4,958,371
Total cash and cash equivalents	<u>1,303,628</u>	<u>4,950,752</u>	<u>1,308,365</u>	<u>4,958,371</u>

7 Intangible Assets

30 June 2023	Parent	Group
	Software	Software
	\$	\$
Cost	361,040	361,040
Accumulated depreciation	<u>(361,040)</u>	<u>(361,040)</u>
Net book value	<u><u>-</u></u>	<u><u>-</u></u>
30 June 2022	Parent	Group
	Software	Software
	\$	\$
Cost	361,040	361,040
Accumulated depreciation	<u>(358,912)</u>	<u>(358,912)</u>
Net book value	<u><u>2,128</u></u>	<u><u>2,128</u></u>

Reconciliation of the carrying amount at the beginning and end of the period:

30 June 2023	Parent	Group
	Software	Software
	\$	\$
Opening balance	2,128	2,128
Additions	-	-
Disposals	-	-
Amortisation	<u>(2,128)</u>	<u>(2,128)</u>
Closing balance	<u><u>-</u></u>	<u><u>-</u></u>

8 Property, plant and equipment

30 June 2023	Parent			Group		
	Motor Vehicles	Furniture and equipment	Total	Motor Vehicles	Furniture and equipment	Total
	\$	\$	\$	\$	\$	\$
Cost	423,644	931,544	1,355,188	423,644	931,544	1,355,188
Accumulated depreciation	(285,546)	(823,772)	(1,109,318)	(285,546)	(823,772)	(1,109,318)
Net book value	138,098	107,772	245,870	138,098	107,772	245,870

30 June 2022	Parent			Group		
	Motor Vehicles	Furniture and equipment	Total	Motor Vehicles	Furniture and equipment	Total
	\$	\$	\$	\$	\$	\$
Cost	320,897	834,585	1,155,482	320,897	834,585	1,155,482
Accumulated depreciation	(237,361)	(792,546)	(1,029,907)	(237,361)	(792,546)	(1,029,907)
Net book value	83,536	42,039	125,575	83,536	42,039	125,575

Reconciliation of the carrying amount at the beginning and end of the period:

30 June 2023	Parent			Group		
	Motor Vehicles	Furniture and equipment	Total	Motor Vehicles	Furniture and equipment	Total
	\$	\$	\$	\$	\$	\$
Opening balance	83,536	42,039	125,575	83,536	42,039	125,575
Additions	102,747	101,137	203,884	102,747	101,137	203,884
Disposal & Write Back on Disposal	-	(1,080)	(1,080)	-	(1,080)	(1,080)
Current year depreciation	(48,185)	(34,324)	(82,509)	(48,185)	(34,324)	(82,509)
	138,098	107,772	245,870	138,098	107,772	245,870

9 Related party transactions

There were no related party transactions during the financial year (2022: \$Nil).

10 Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 related Party Disclosures, are the members of the Executive Management Team, including the CEO and those that have specific responsibility for delegated authority, which constitutes the governing body of the Society. No remuneration is paid to members of the Council. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

Parent/Group

	2023	2022
Total remuneration	721,514	699,504
Number of persons	4	4

11 Leases

As at the reporting date, the Society has entered into the following non-cancellable operating leases:

	Parent 2023	Group 2023	Parent 2022	Group 2022
	\$	\$	\$	\$
Not later than one year	203,854	203,854	200,982	200,982
Later than one year and no later than five years	288,794	288,794	492,648	492,648
	492,648	492,648	693,630	693,630

12 Categories of financial assets and liabilities

The carrying amount of financial instruments presented in the Statement of Financial Position relate to the following categories of assets and liabilities:

	Parent		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$
Financial assets				
<i>Loans and receivables</i>				
Cash	1,303,628	4,950,752	1,308,365	4,958,371
Investments	3,050,757	-	3,050,757	-
Receivables from non-exchange transactions	-	-	-	-
Receivables from exchange transactions	5,309,689	72,063	5,309,689	72,063
	<u>9,664,074</u>	<u>5,022,815</u>	<u>9,668,811</u>	<u>5,030,434</u>
<i>Financial assets at fair value through surplus or deficit</i>				
Investments	-	-	2,836,773	2,705,286
Intercompany investment - VSA Foundation	-	-	-	-
	<u>9,664,074</u>	<u>5,022,815</u>	<u>12,505,584</u>	<u>7,735,720</u>
Financial liabilities				
<i>At amortised cost</i>				
Accounts payable	478,428	386,811	485,801	393,553
Grants in advance	5,104,361	1,063,380	5,104,361	1,063,380
	<u>5,582,789</u>	<u>1,450,191</u>	<u>5,590,162</u>	<u>1,456,933</u>

13 Provisions

	Parent		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$
Provision for volunteer resettlement	50,040	14,375	50,040	14,375
Provision for lease incentive	44,306	62,639	44,306	62,639
Total provisions	<u>94,346</u>	<u>77,014</u>	<u>94,346</u>	<u>77,014</u>

14 Grants in advance

Grants in advance represents the funding from the Ministry of Foreign Affairs and Trade for the period 1 July 2022 to 30 June 2023. It includes any amount repayable to MFAT resulting from the current financial year underspend.

	Parent		Group	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	\$	\$	\$	\$
Ministry of Foreign Affairs and Trade	5,104,361	1,063,380	5,104,361	1,063,380
Total grants in advance	<u>5,104,361</u>	<u>1,063,380</u>	<u>5,104,361</u>	<u>1,063,380</u>

15 Capital commitments

There were no capital commitments at the reporting date. (2022: \$Nil).

16 Contingent assets and liabilities

There are no contingent assets for liabilities at the reporting date. (2022: \$Nil).

17 Events after the reporting date

The Council and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Volunteer Service Abroad Incorporated (2022: \$Nil).