christians against poverty
CAP

2018 Annual Report

Message from the Chief Executive

Rosie Kendall

Chief Executive Officer, CAP Australia

Money holds an immense power over people's lives. Through our work with thousands of Australians we have seen first hand the ability it has to destroy families when it gets out of control. Over the last 19 years since CAP Australia launched, household debt has continued to increase. In 2017 it reached record highs.

That's why I believe more than ever that CAP has been called for "such a time as this". CAP is able to speak truth over the power money has and we're believing for more people set free. I know that what we are doing will become increasingly valuable over the next few years. CAP Australia – partnered with the Church – is well-positioned to be a solution to the growing problem of debt.

I am pleased to report that 2018 (which ended my first full financial year as CEO) has been a solid year. We've seen an increase in our income – both one-off and regular. We've maintained a stable position from which we can build with strength and I am confident that we have a good foundation to build on for the coming years.

With joy I can report that CAP has helped over 1,200 people, both practically and spiritually. All 1,200 of these clients have been prayed for, most of them accepting prayer for specific situations they are facing. Of these people many have been given a fresh view of the church and decided to try it out for themselves. You can see more of the numbers in the impact report on page 5.

I'm truly in awe of our supporters who give so faithfully. It's a privilege to receive such generosity and encouragement. Thank you to everyone who has given - I am inspired to see how people are stewarding their finances to build God's kingdom!

In 2019 we are buckling down and taking another look at our strategy for growth. This is exciting stuff. We are looking at ways in which we can partner with the church faster and more efficiently. We will be examining barriers for churches getting involved with CAP and developing a strategy to see increased growth across the nation. We have made plans to significantly invest into this for 2019 so I am looking forward to seeing where this will take us. I would love it if you could join me in praying for wisdom during this season of reflection and planning for the future.

Rosie Kendall
Chief Executive Officer, CAP Australia

Message from the Board Chair

Paul Derham

*Chairman of the Board,
CAP Australia*

As this year closes I'm filled with confidence about the future of CAP.

I'm grateful for Rosie's strong leadership during the year - providing stability and vision to CAP Australia, and then taking maternity leave and smoothly transitioning to Phill Pickering as interim CEO for 5 months, until February 2019 when she returns.

I am pleased that in 2018 we were able to achieve a surplus. We have seen a measurable increase in our income, both regular and one-off. This is encouraging to see and gives us a good starting place for 2019.

I feel confident about this coming year and what God has planned for CAP. I'm overjoyed to know that CAP has helped more families than ever before, and has the unique opportunity to treat them as people, not problems.

I look forward to sharing more inspirational stories of people made whole as CAP delivers help through an amazing network of passionate people and their local churches.

Thank you to everyone who has supported CAP in this season and we pray you are continually blessed.

Paul Derham
Chairman of the Board

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For the Year Ended 31 December 2018

FINANCIAL STATEMENTS

Impact Report 2018

In partnership with you & the local church together we have seen...

949 Children helped

1249 Adults helped

2198 Total helped

$14,169,518 Total debt cleared

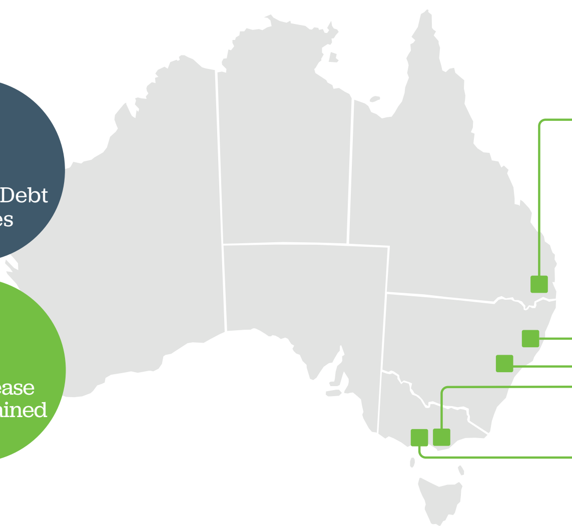
264 Debt free clients

922 First appointments

2100 CAP Money Course Delegates

3 new CAP Debt Centres

3 CAP Release Groups trained



Currumbin Waters CAP Debt Centre
C3 Currumbin - Currumbin QLD

Mayfield CAP Debt Centre & CAP Release Group
The Grainery Church - Newcastle NSW

Hornsby CAP Debt Centre
Sovereign Grace Church - Sydney NSW

Seaford CAP Release Group
Gateway Church - Langwarrin VIC

Keilor CAP Release Group
Keilor City Church - Melbourne VIC

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2018

	Note	2018 $	2017 $
Revenue	3	**2,465,680**	2,363,457
Employee benefits expense		**(1,529,031)**	(1,625,186))
Office expenses		**(164,358)**	(159,536)
Event expenses		**(138,509)**	(120,775)
Travel and entertainment expenses		**(133,279)**	(136,954)
Rent and outgoings		**(110,314)**	(108,439)
Marketing and appeal expenses		**(89,443)**	(74,136)
CAP UK management fees	13	**(51,455)**	(41,185)
Depreciation and amortisation expense		**(39,568)**	(25,789)
Other expenses		**(140,528)**	(141,629)
Surplus/(deficit) for the year		**69,195**	(70,172)
Total comprehensive income for the year		**69,195**	(70,172)

The accompanying notes form part of these financial statements.

Statement of Financial Position

For the Year Ended 31 December 2018

Assets	Note	2018 $	2017 $
Current assets			
Cash and cash equivalents	4	**864,583**	797,663
Trade and other receivables	5	**4,571**	9,189
Other assets	6	**42,402**	58,794
Total current assets		**911,556**	865,646
Non-current assets			
Trade and other receivables	5	**15,992**	15,583
Property, plant and equipment	7	**48,314**	68,462
Total non-current assets		**64,306**	84,045
Total assets		**975,862**	949,691

The accompanying notes form part of these financial statements.

Statement of Financial Position

For the Year Ended 31 December 2018

Liabilities	Note	2018 $	2017 $
Current liabilities			
Trade and other payables	8	**504,356**	560,328
Short-term provisions	9	**55,491**	52,840
Other financial liabilities	10	**6,500**	5,900
Total current liabilities		**566,347**	619,068
Non-current liabilities			
Long-term provisions	9	**37,730**	28,033
Total non-current liabilities		**37,730**	28,033
Total liabilities		**604,077**	647,101
Net assets		**371,785**	302,590

Equity	Note	2018 $	2017 $
Retained earnings		**371,785**	302,590
Total equity		**604,077**	647,101

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2018

2018	Retained Earnings $	Total $
Balance at 1 January 2018	**302,590**	302,590
Surplus/(deficit) for the year	**69,195**	69,195
Balance at 31 December 2018	**371,785**	371,785

2017	Retained Earnings $	Total $
Balance at 1 January 2017	**372,762**	372,762
Surplus/(deficit) for the year	**(70,172)**	(70,172)
Balance at 31 December 2017	**302,590**	302,590

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2018

Cash flows from operating activities	Note	2018 $	2017 $
Receipts from customers and donors		**2,534,159**	2,278,800
Payments to suppliers and employees		**(2,421,241)**	(2,390,146)
Interest received		**10,159**	8,332
Interest paid		**-**	(223)
Net funds collected/(paid) on behalf of clients		**(36,737)**	(23,038)
Net cash provided by/(used in) operating activities	15	**86,340**	(126,275)

Cash flows from investing activities	Note	2018 $	2017 $
Proceeds from sale of plant and equipment		**-**	8,000
Purchase of property, plant and equipment		**(19,420)**	(12,875)
Net cash provided by/(used in) investing activities		**(19,420)**	(4,875)

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2018

Cash flows from financing activities	Note	2018 $	2017 $
Repayment of borrowings		-	(11,304)
Net cash provided by/(used in) financing activities		-	(11,304)

Totals	Note	2018 $	2017 $
Net increase/(decrease) in cash and cash equivalents held		**66,920**	(142,454)
Cash and cash equivalents at beginning of year		**797,663**	940,117
Cash and cash equivalents at end of financial year	4	**864,583**	797,663

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2018

The financial report covers Christians Against Poverty (Australia) Limited as an individual entity. Christians Against Poverty (Australia) Limited is a Company limited by guarantee, registered and domiciled in Australia.

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Donations

Donations and bequests are recognised as revenue when received.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

1. Summary of Significant Accounting Policies

(c) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included 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 taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	15-50%
Motor Vehicles	25%
Computer Equipment	20-66%
Computer Software	50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

1. Summary of Significant Accounting Policies

(f) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification
On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

1. Amortised cost
2. Fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost
Assets measured at amortised cost are financial assets where:

1. The business model is to hold assets to collect contractual cash flows; and

2. The contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss
All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL. Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets
Trade receivables Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

1. Summary of Significant Accounting Policies

Other financial assets measured at amortised cost
Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities
The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables.

(i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(j) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2018, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company. The following significant new accounting standards have been adopted:

AASB 9 Financial Instruments. This standard has been adopted retrospectively in accordance with the requirements of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

2. Change in Accounting Policy

The Company changed its accounting policy relating to client funds held in trust.

The Company provides a debt help service for clients. The operation of this service involves holding funds in trust on behalf of clients to assist with managing their debts and meeting the obligations of the client's creditors. The bank accounts used by the Company to specifically hold these funds have not been recognised as assets of the Company. The Company has changed its accounting policy to recognise these bank balances as assets, for which a corresponding liability is also taken up to recognise the fact the funds are held in trust for clients.

This change in accounting policy has been applied retrospectively and comparative figures have been restated accordingly. The aggregate effect of the change in accounting policy on the financial statements is as follows:

Statement of Financial Position	Previously stated $	31 December 2017 Adjustments $	Restated $	Previously stated $	1 January 2017 Adjustments $	Restated $
Cash and cash equivalents	309,900	487,763	797,663	429,316	510,801	**940,117**
Trade and other payables	72,565	487,763	560,328	98,179	510,801	**608,980**

3. Revenue and Other Income

Revenue	2018 $	2017 $
Donations	**2,328,491**	2,267,433
Grants	**94,000**	47,535
Interest income	**10,159**	8,332
Other revenue	**33,030**	40,157
Total Revenue	**2,465,680**	2,363,457

4. Cash and Cash Equivalents

	Note	2018 $	2017 $
Cash on hand		**300**	300
Cash at bank - operations		**413,257**	309,600
Cash at bank - client funds held in trust	8	**451,026**	487,763
		864,583	797,663

5. Trade and Other Receivables

	2018 $	2017 $
Current		
Trade receivables	**200**	4,879
GST receivable	**4,371**	4,310
	4,571	9,189
Non-current		
Deposits	**15,992**	15,583
	15,992	15,583

6. Other Assets

	2018 $	2017 $
Current		
Prepayments	**42,402**	58,797
	42,402	58,797

7. Property, plant and equipment

Plant and Equipment	2018 $	2017 $
Plant and Equipment		
At cost	**152,366**	142,371
Accumulated depreciation	**(135,125)**	(120,343)
Total plant and equipment	**17,241**	22,028
Motor vehicles		
At cost	**19,845**	19,845
Accumulated depreciation	**(13,762)**	(10,785)
Total motor vehicles	**6,083**	9,060
Computer equipment		
At cost	**144,821**	135,396
Accumulated depreciation	**(122,540)**	(10,785)
Total computer equipment	**22,281**	29,512
Computer software		
At cost	**21,022**	21,022
Accumulated depreciation	**(18,313)**	(13,160)
Total computer software	**2,709**	7,862
Total property, plant and equipment	**48,314**	68,462

7. Property, plant and equipment (continued)

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Movements in carrying amounts	Plant and equipment $	Motor vehicles $	Computer equipment $	Computer software $	Total $
Balance at the beginning of the year	22,028	9,060	29,512	7,862	**68,462**
Additions	9,996	-	9,424	-	**19,420**
Depreciation expense	(14,783)	(2,977)	(16,655)	(5,153)	**(39,568)**
Balance at the end of the year	17,241	6,083	22,281	2,709	**48,314**

8. Trade and Other Payables

Trade and other payables	2018 $	2017 $
Current		
Trade payables	**28,268**	40,829
Sundry payables and accrued expenses	**25,062**	31,736
Client funds held in trust	**451,062**	487,763
	504,356	560,328

The Company holds funds in trust for clients. These funds are held within specific bank accounts that are kept separate from the Company's operating bank accounts, and funds are applied solely for the purpose of making payments to clients' creditors on their behalf.

9. Provisions

Provisions	2018 $	2017 $
Current		
Employee benefits	**55,491**	52,840
	55,491	52,840
Non-current		
Employee benefits	**37,730**	28,033
	37,730	28,033

10. Other Financial Liabilities

	2018 $	2017 $
Current		
Income in advance	**6,500**	5,900
	6,500	5,900

11. Leasing Commitments

Operating leases	2018 $	2017 $
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**89,638**	1,768
- between one year and five years	**315,026**	-
	404,664	1,768

12. Key Management Personnel Renumeration

The total remuneration paid to key management personnel of the Company was $389,929 (2017: $ 373,480).

13. Related Parties

The Company's main related parties are:

Key management personnel - refer to Note 12.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

The Company is affiliated with Christians Against Poverty UK (CAP UK). However, as the Company has an independent Australian-based governance structure, it is not considered a related party under Australian Accounting Standards. The Company pays management fees to CAP UK to cover the use of UK-developed software licensing costs, and key management personnel remuneration (disclosed in Note 12).

There were no related party transactions during the year, other than those disclosed above.

14. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, trade receivables and trade payables (including funds held in trust for clients). The totals of each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, is as follows:

Financial assets	2018 $	2017 $
Held at amortised cost		
Cash and cash equivalents	**864,583**	797,663
Trade and other receivables	**20,563**	24,773
Total financial assets	885,146	822,436

Financial liabilities	2018 $	2017 $
Financial liabilities at amortised cost	**504,356**	560,328
Total financial liabilities	504,356	560,328

15. Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities	2018 $	2017 $
Surplus/(deficit) for the year	**69,195**	(70,172)
Non-cash flows in result:		
- depreciation	**39,568**	25,789
-net gain on disposal of property, plant and equipment	**-**	(2,362)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**4,209**	(2,348)
- (increase)/decrease in prepayments	**16,392**	(24,236)
- (increase).decrease in income in advance	**600**	-
- (increase)/decrease in trade and other payables	**(55,972)**	(48,652)
- (increase)/decrease in provisions	**12,348**	(4,294)
Cashflows from operations	**86,340**	(126,275)

16. Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

17. Statutory Information

The registered office and principal place of business of the company is:

Christians Against Poverty (Australia) Limited
Level 1, 451 Hunter Street
Newcastle NSW 2300

Directors' Declaration

The directors declare that in the directors' opinion:

There are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Director: ______________________

Paul Derham

Dated: 9/4/19

Director: ______________________

Robert Fryer

Dated: 9/4/19

SAWARD DAWSON
chartered accountants

Christians Against Poverty (Australia) Limited

ABN 92 104 471 516

Auditor's Independence Declaration to the Directors of Christians Against Poverty (Australia) Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018, there have been:

(i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Saward Dawson

Saward Dawson

Jeffrey Tulk

Jeffrey Tulk
Partner

Blackburn

Date: 9 April 2019

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SAWARD / DAWSON
chartered accountants

Christians Against Poverty (Australia) Limited

Independent Audit Report to the members of Christians Against Poverty (Australia) Limited

Opinion

We have audited the financial report of Christians Against Poverty (Australia) Limited, which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Christians Against Poverty (Australia) Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 201*3.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

SAWARD / DAWSON
chartered accountants

Christians Against Poverty (Australia) Limited

Independent Audit Report to the members of Christians Against Poverty (Australia) Limited

As part of an audit in accordance with the 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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 our audit.

Saward Dawson

Saward Dawson

Jeffrey Tulk

Jeffrey Tulk
Partner

Blackburn

Date: 9 April 2019

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Christians Against Poverty
2018 Annual Report

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