

DIPLOMACY TRAINING PROGRAM LIMITED

ABN: 31 003 925 148

**Financial Report For The Year Ended
30th June 2024**

HOUSTON & CO PTY LTD

Chartered Accountant

Diplomacy Training Program Limited

ABN: 31 003 925 148

Financial Report For The Year Ended 30th June 2024

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DIPLOMACY TRAINING PROGRAM LIMITED
ABN: 31 003 925 148
DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30th June 2024.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- Philip Chung appointed (28/08/2001)
- Suwanee Dharmalingam appointed (24/06/2013)
- Michael do Rozario appointed (25/06/2015)
- Kenneth Woo appointed (25/06/2015)
- Dr Caroline Aebersold appointed (25/06/2015)
- Professor David Dixon resigned (11/12/2023)
- James Peter Fitzgerald appointed (19/09/2017)
- Noam Peleg appointed (20/10/2023)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the entity during the financial year was:

- Developing and delivering human rights training programs for human rights defenders working in Asia and the Pacific
- Developing and delivering capacity building programs focused on the rights of Indigenous peoples in Asia and the Pacific
- Building knowledge and understanding of human rights, the Convention on the Rights of the Child, the Sustainable Development Goals
- Engaging with and providing support to DTP alumni
- Seeking philanthropic and grant funding to support the Diplomacy Training Program's work for human rights defenders

Short-term and Long-term Objectives

The entity's objectives are to:

- To build the knowledge skills, networks and capacities of those working to advance human rights to achieve a world in which all people have the freedom to advocate for the promotion and protection of human rights and are able to realise their human rights and achieve dignity.
- To build the knowledge and skills of human rights defenders to be more effective in their work to protect and promote human rights
- To contribute development of regional human rights movements
- To build the knowledge, skills and networks of individuals and organisations working for Indigenous peoples rights, the rights
- To build and sustain diversified funding sources

Strategies

To achieve its stated objectives, the entity has adopted the following strategies:

- Providing programs for skill development and knowledge transfer and network building
- Building and maintaining DTP alumni networks
- Developing effective and collaborative partnerships with other organisations in Australia and internationally
- Providing specialist programs
- Developing specialist capacity building programs
- Engaging interns and volunteers in its activities
- Maintaining existing relationships with partners, alumni, funders and others committed to promoting and protecting human rights
- Developing new relationships based on shared commitment to human rights values

Information on Directors

Philip Chung	—	Director
Qualifications	—	Bec (Hons) LLB PhD
Experience	—	Legal education, information technology including as Executive Director, Australasian Legal Information Institute (AustLil)

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DIRECTORS' REPORT

Suwanee Dharmalingam	—	Director
Qualifications	—	Graduate Diploma of Financial Planning, B Comm (Accounting and Finance) LLB
Experience	—	Managing wealth and investment strategies for various sectors including not-for-profit, families, medical specialists, businesses, executives and retirees, domestic and overseas
Michael do Rozario	—	Director
Qualifications	—	B Inf Tech LLB
Experience	—	Partner of Corrs Chambers Westgarth practicing in cyber security and commercial litigation. Michael is also the Sydney Pro Bono Partner for Corrs.
Kenneth Woo	—	Director
Qualifications	—	BCom LLB
Experience	—	Retired PwC partner, various industry roles including Federal Govt policy to promote financial services. Member of AHRC cultural diversity working groups, member of the NSW Police Cmr's Multicultural Advisory Council and council member of the Sydney Peace Foundation.
Dr Caroline Aebersold	—	Director (Deputy Chair from 14/06/2018)
Qualifications	—	SJD (Human Rights Law), BA (Sociology), BA/BSc (Hons, Psychology), MAICD
Experience	—	Not-for-profit strategy and governance, human rights and business, fundraising, experienced Non-Executive Director, former not-for-profit CEO and Management Consultant.
Professor David Dixon	—	Director
Qualifications	—	BA Bphil PhD
Experience	—	Former Dean, Faculty of Law UNSW Sydney research, teaching and administration in tertiary education
James Peter Fitzgerald	—	Director
Qualifications	—	BA (Political Science) LLB (UNSW)
Experience	—	Lawyer, land access consultant, strategist, negotiator and mediator, founding partner of Chalk & Fitzgerald Lawyers, involved in the development of native title law and land use policy throughout Australia since 1994, consults on major projects land access and community development in emerging economies
Noam Peleg	—	Director
Qualifications	—	LLB, LLM (Public Law); LLM (Human Rights Law; Phd
Experience	—	Senior Lecturer at the Faculty of Law and Justice, University of New South Wales, Australia focusing on international children's rights law and its intersection with human rights law, childhood studies and family law.

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DIRECTORS' REPORT

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Philip Chung	4	4
Suwanee Dharmalingam	4	4
Michael do Rozario	4	3
Kenneth Woo	4	4
Dr Caroline Aegersold	4	4
Professor David Dixon	2	1
James Peter Fitzgerald	4	3
Noam Peleg	4	1

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30th June 2024, the total amount that members of the entity are liable to contribute if the entity is wound up is \$2 (2023: \$2).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30th June 2024 has been received and can be found on page 6 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director



Michael do Rozario

Dated this

27th November 2024



HOUSTON & CO Pty Limited
Chartered Accountant

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DIPLOMACY TRAINING PROGRAM LIMITED
ABN: 31 003 925 148
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF DIPLOMACY TRAINING PROGRAM LIMITED

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of Diplomacy Training Program Limited. As the audit partner for the audit of the financial report of Diplomacy Training Program Limited for the year ended 30th June 2024, I declare that, to the best of my knowledge and belief, during the year ended 30th June 2024 there have been no contraventions of:

- (i) the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Partner	Owen Houston
Date	27th November 2024
Name of Firm	Houston & Co Pty Limited
Address	Suite 4 113 Willoughby Road Crows Nest NSW 2065

DIPLOMACY TRAINING PROGRAM LIMITED
ABN: 31 003 925 148
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 30TH JUNE 2024

	Note	2024	2023
		\$	\$
Revenue			
Donations and gifts			
- Monetary		51,355	148,216
- Non-monetary		63,279	268,191
Grants			
- Department of Foreign Affairs and Trade		322,154	285,929
- Other Australian		5,000	18,758
- Other overseas		92,048	304,826
Investment income		2,910	2,478
Commercial activities income		20,000	22,250
Other income		-	-
Total Revenue	2	<u>556,746</u>	<u>1,050,648</u>
Expenditure			
International Aid and Development Programs Expenditure			
International programs			
- Funds to international programs		(364,981)	(545,667)
- Program support costs		(2,856)	(21,145)
- Community education		(82,510)	(42,929)
Accountability and administration		(183,698)	(76,541)
Non-monetary expenditure		<u>(63,279)</u>	<u>(268,191)</u>
Total International Aid and Development Programs Expenditure		<u>(697,324)</u>	<u>(954,473)</u>
Domestic Programs Expenditure			
Domestic programs			
- Domestic programs expenditure		(8,599)	(99,247)
Accountability and administration		-	-
Total Domestic Programs Expenditure		<u>(8,599)</u>	<u>(99,247)</u>
Total Expenditure	3	<u>(705,923)</u>	<u>(1,053,720)</u>
SURPLUS/(DEFICIT)		<u>(149,177)</u>	<u>(3,072)</u>
Other comprehensive income			
Total other comprehensive (losses)/income for the year		-	-
Total comprehensive income for the year		<u>(149,177)</u>	<u>(3,072)</u>

The accompanying notes form part of these financial statements.

DIPLOMACY TRAINING PROGRAM LIMITED
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STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	906,716	640,781
Trade and other receivables	5	-	121,074
Other current assets	6	5,589	1,707
TOTAL CURRENT ASSETS		<u>912,305</u>	<u>763,562</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	700	1,632
TOTAL NON-CURRENT ASSETS		<u>700</u>	<u>1,632</u>
TOTAL ASSETS		<u>913,005</u>	<u>765,194</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	401,492	83,909
Employee provisions	10	119,175	139,770
TOTAL CURRENT LIABILITIES		<u>520,667</u>	<u>223,679</u>
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>520,667</u>	<u>223,679</u>
NET ASSETS		<u>392,338</u>	<u>541,515</u>
EQUITY			
Retained surplus		321,792	470,969
Reserves		70,546	70,546
TOTAL EQUITY		<u>392,338</u>	<u>541,515</u>

The accompanying notes form part of these financial statements.

DIPLOMACY TRAINING PROGRAM LIMITED
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2024

Note	Retained Earnings Unrestricted Funds	Gift Fund Reserve	Total
	\$	\$	\$
Balance at 1st July 2022	474,041	70,546	544,587
Comprehensive Income			
Excess/(Shortfall) of revenue over expenses	(3,072)		(3,072)
Total comprehensive income	(3,072)	-	(3,072)
Balance at 30th June 2023	470,969	70,546	541,515
Balance at 1st July 2023	470,969	70,546	541,515
Comprehensive Income			
Excess/(Shortfall) of revenue over expenses	(149,177)		(149,177)
Total comprehensive income	(149,177)	-	(149,177)
Balance at 30th June 2024	321,792	70,546	392,338

The accompanying notes form part of these financial statements.

DIPLOMACY TRAINING PROGRAM LIMITED
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations, bequests and raffles		71,355	170,466
Interest received		2,910	2,478
Receipt of government grants		327,154	304,687
Receipt of international grants		534,166	204,233
(Payment of program and operating expenditures)		(669,650)	(754,582)
Net cash generated from operating activities	13	<u>265,935</u>	<u>(72,718)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		-	-
Net cash used in investing activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		265,935	(72,718)
Cash on hand at beginning of the financial year		640,781	713,499
Cash on hand at end of the financial year	4	<u><u>906,716</u></u>	<u><u>640,781</u></u>

The accompanying notes form part of these financial statements.

DIPLOMACY TRAINING PROGRAM LIMITED
ABN: 31 003 925 148
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

The financial statements cover Diplomacy Training Program Limited as an individual entity, incorporated and domiciled in Australia. Diplomacy Training Program Limited is a company limited by guarantee.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The entity 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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, 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 are in Australian Dollars and have been rounded to the nearest dollar.

The financial statements were authorised for issue on 27th November 2024 by the directors of the company.

Accounting Policies

(a) Revenue

Revenue recognition

Contributed Assets

The entity receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

Operating Grants, Donations and Bequests

When the entity receives operating grant funding, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the

Interest income

Interest income is recognised using the effective interest method.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Plant and Equipment

Plant and equipment are measured on a cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Depreciation

The depreciable amount of all fixed assets, including buildings and plant and equipment but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10 - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. Gains are not classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) Leases

The Entity as lessee

At inception of a contract, the Entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Entity where the Entity is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(d) Impairment of Assets

At the end of each reporting period, the entity 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, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(e) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

DIPLOMACY TRAINING PROGRAM LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Other long-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(g) Trade and Other Debtors

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold.

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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

(h) 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 statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(j) Provisions

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(k) Comparative Figures

When required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key judgements

(i) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

(ii) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows (despite an informal internal policy that requires annual leave to be used within 18 months), the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(m) Economic Dependence

Diplomacy Training Program Limited is dependent on Federal and State government departments for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the departments will not continue to support Diplomacy Training Program Limited.

(n) Fair Value of Assets and Liabilities

The entity measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

“Fair value” is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Note 2 Revenue and Other Income

	2024	2023
Donations and gifts	\$	\$
— Monetary	51,355	148,216
— Non-monetary	63,279	268,191
Grants		
— Department of Foreign Affairs and Trade	322,154	285,929
— Other Australian	5,000	18,758
— Other overseas	92,048	304,826
Total revenue	<u>533,836</u>	<u>1,025,920</u>
Other income		
— Interest received	2,910	2,478
— Commercial activities income	20,000	22,250
Total other income	<u>22,910</u>	<u>24,728</u>
Total revenue and other income	<u><u>556,746</u></u>	<u><u>1,050,648</u></u>

DIPLOMACY TRAINING PROGRAM LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Note 3 Surplus for the Year

	2024	2023
	\$	\$
Expenditure		
International Aid and Development Programs Expenditure		
— Funds to international programs	364,981	545,667
— Program support costs	2,856	21,145
— Community education	82,510	42,929
— Accountability and administration (overseas)	182,766	75,376
— Depreciation and amortisation	932	1,165
— Non-monetary expenditure	63,279	268,191
Total International Aid and Development Programs Expenditure	<u>697,324</u>	<u>954,473</u>
Domestic Programs Expenditure		
— Funds to domestic programs	8,599	99,247
— Commercial activities expenditure	-	-
— Accountability and administration	-	-
Total Domestic Programs Expenditure	<u>8,599</u>	<u>99,247</u>
Audit fees:		
— audit services	5,100	5,100
Total audit remuneration	<u>5,100</u>	<u>5,100</u>

Note 4 Cash and Cash Equivalents

	2024	2023
	\$	\$
CURRENT		
Cash at bank	905,157	638,098
Cash on hand	1,559	2,683
Total cash and cash equivalents as stated in the statement of financial position	<u>906,716</u>	<u>640,781</u>

Note 5 Trade and Other Receivables

	Note	2024	2023
		\$	\$
CURRENT			
Other receivables		-	121,074
Total current accounts receivable and other debtors	15	<u>-</u>	<u>121,074</u>

Note 6 Other Assets

	2024	2023
	\$	\$
Prepayments	5,589	1,707
	<u>5,589</u>	<u>1,707</u>

Note 7 Property, Plant and Equipment

	2024	2023
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	26,877	26,877
Less accumulated depreciation	(26,177)	(25,245)
Total plant and equipment	<u>700</u>	<u>1,632</u>

Movements in Carrying Amounts

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

	Plant and Equipment	Total
	\$	\$
2023		
Balance at the beginning of the year	2,797	2,797
Depreciation expense	(1,165)	(1,165)
Carrying amount at the end of the year	<u>1,632</u>	<u>1,632</u>
2024		
Balance at the beginning of the year	1,632	1,632
Depreciation expense	(932)	(932)
Carrying amount at the end of the year	<u>700</u>	<u>700</u>

DIPLOMACY TRAINING PROGRAM LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Note 8 Trade and Other Payables

	Note	2024 \$	2023 \$
CURRENT			
Trade payables		-	-
Contract liability	9	356,288	35,244
Other current payables		45,204	48,665
		<u>401,492</u>	<u>83,909</u>

Note 9 Contract Liability

	2024 \$	2023 \$
Closing balance at the end of the year	<u>356,288</u>	<u>35,244</u>
	<u>356,288</u>	<u>35,244</u>

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15, the amount received at that point in time, is recognised as a contract liability until the performance obligations have been satisfied.

Note 10 Provisions

	2024 \$	2023 \$
CURRENT		
Provision for employee benefits: annual leave	66,256	80,129
Provision for employee benefits: long service leave	52,919	59,641
	<u>119,175</u>	<u>139,770</u>

Analysis of total provisions:

	Employee Benefits	Total
Opening balance at 1st July 2023	139,770	139,770
Additional provisions raised during the year	(7,746)	(7,746)
Amounts used	(12,849)	(12,849)
Balance at 30th June 2024	<u>119,175</u>	<u>119,175</u>

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1 (h).

Note 11 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 12 Related Party Transactions

Key Management Personnel

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2024 \$	2023 \$
KMP compensation:		
— short-term employee benefits	176,253	167,758
	<u>176,253</u>	<u>167,758</u>

Note 13 Other Related Party Transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year there were no other related party transactions.

DIPLOMACY TRAINING PROGRAM LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Note 14 Cash Flow Information

	2024	2023
	\$	\$
a. Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	(149,177)	(3,072)
Adjustment for:		
Depreciation and amortisation expense	932	1,165
Movement in working capital changes:		
(Increase)/decrease in accounts receivable and other debtors	121,074	30,823
Increase/(decrease) in accounts payable and other payables	317,583	(127,648)
(Increase)/decrease in other current assets	(3,882)	(1,707)
Increase/(decrease) in employee benefits	(20,595)	27,721
	<u>265,935</u>	<u>(72,718)</u>

Note 15 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024	2023
		\$	\$
Financial assets			
Financial assets:			
— cash and cash equivalents	4	906,716	640,781
— trade and other receivables	5	-	121,074
Total financial assets		<u>906,716</u>	<u>761,855</u>
Financial liabilities			
Financial liabilities:			
— trade and other payables	8	45,204	48,665
Total financial liabilities		<u>45,204</u>	<u>48,665</u>

Note 16 Auditor's Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor:		
— auditing or reviewing the financial statements	5,100	5,100
	<u>5,100</u>	<u>5,100</u>

Note 17 Equity

	2024	2023
	\$	\$
(a) Unrestricted funds		
Unrestricted funds are not restricted or designated for use in particular programs or some other defined or designated purpose. These funds are available to be allocated according to the discretion of the directors.	321,792	470,969
(b) Gift fund reserve		
The gift fund reserve records funds set aside for the contingency in case of late payment of grants or serious income shortfalls.	70,546	70,546
	<u>392,338</u>	<u>541,515</u>

Note 18 Volunteer services and donations in-kind

For the purpose of claiming Department of Foreign Affairs and Trade "DFAT" Recognised Development Expenditure "RDE" the following information has been prepared in accordance with rates approved by DFAT.

	2024	2023
	\$	\$
Volunteer services related to RDE	63,279	268,191
Other in kind support not related to RDE	-	-
Total non-monetary expenditure for international aid and development	<u>63,279</u>	<u>268,191</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

Note 19 Information required by the NSW Charitable Fundraising Act 1991

a. Details of aggregate gross income and total expenditure of fundraising appeals	2024	2023
	\$	\$
Donations	51,355	148,216
Gross Proceeds from Fundraising Appeals	<u>51,355</u>	<u>148,216</u>
Functions & Special Events	2,856	21,145
Direct Costs of Fundraising Appeals	<u>2,856</u>	<u>21,145</u>
Net Surplus from Fund Raising Appeals	<u>48,499</u>	<u>127,071</u>
b. Statement showing how funds received are applied for Charitable Purposes		
Net Surplus obtained from Fundraising Appeals	<u>48,499</u>	<u>127,071</u>
Applied for Charitable Purposes as follows:		
Donated Funds to overseas projects	364,981	545,667
Donated Funds: Other Project Costs	-	-
Accountability and administration	<u>182,766</u>	<u>75,376</u>
Total Expenditure	<u>547,747</u>	<u>621,043</u>
Surplus/(Shortfall)	(499,248)	(493,972)
Shortfall was met by the following sources		
DFAT grants	322,154	285,929
Other Australian grants	-	-
Other overseas grants	92,048	304,826
Other income	<u>2,910</u>	<u>2,478</u>
	<u>417,112</u>	<u>593,233</u>
Net surplus transferred to accumulated funds	(82,136)	99,261
Comparison by Monetary Figures & Percentages		
Gross Income from fundraising appeals	51,355	148,216
Total direct cost of fundraising appeals	2,856	21,145
Total direct cost of fundraising as a percentage of gross income from fundraising appeals	5.56%	14.27%
Net surplus from fundraising appeals	48,499	127,071
Net surplus from fundraising as a percentage of gross income from fundraising appeals	94.44%	85.73%
Total cost of direct services	364,981	545,667
Total expenditure (excluding direct cost of fundraising appeals)	547,747	621,043
Total cost of direct services as a percentage of total expenditure	66.63%	87.86%
Total Income received (including net profit from fundraising appeals)	465,611	720,304
Total cost of direct services as a percentage of total income received	78.39%	75.76%

Note 20 Entity Details

The registered office of the entity is:
Diplomacy Training Program Limited
Faculty of Law University of New South Wales NSW 2052

The principal place of business is:
Diplomacy Training Program Limited
Faculty of Law University of New South Wales NSW 2052

Note 21 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 towards meeting any outstanding obligations of the entity.

DIPLOMACY TRAINING PROGRAM LIMITED
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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Diplomacy Training Program Limited, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 7 to 18, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures applicable to the entity; and
 - (b) give a true and fair view of the financial position of the registered entity as at 30th June 2024 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director



Michael do Rozario

Dated this

27th November 2024



HOUSTON & CO Pty Limited
Chartered Accountant

Owen Houston CA

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DIPLOMACY TRAINING PROGRAM LIMITED
ABN: 31 003 925 148
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DIPLOMACY TRAINING PROGRAM LIMITED

Opinion

We have audited the financial report of Diplomacy Training Program Limited (the registered entity), which comprises the statement of financial position as at 30th June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 accompanying financial report of the registered entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (the ACNC Act), including:

- i. giving a true and fair view of the Registered Entity's financial position as at 30th June 2024 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 – AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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 Registered Entity in accordance with the auditor independence requirements of the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (including Independence Standards) (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.

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

If, based on the work we have performed, 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

The directors of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity'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 registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

DIPLOMACY TRAINING PROGRAM LIMITED
ABN: 31 003 925 148
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DIPLOMACY TRAINING PROGRAM LIMITED

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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 Registered Entity'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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in 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 registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015

We have audited the financial report as required by Section 24(2) of the NSW Charitable Fundraising Act 1991. Our procedures included obtaining and understanding of the internal control structure for fundraising appeal activities and examination, on a test basis of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non compliance may occur and not be detected. An audit is not designed to detect all instances of non compliance with the requirements described in the above mentioned Act(s) and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion, the financial report of Diplomacy Training Program Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30th June 2024, in all material respects, in accordance with:

- (i) sections 20(1), 22(1-2), 24(1-3) of the NSW Charitable Fundraising Act 1991;
- (ii) sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015



Auditor's name and signature:

Owen Houston

Name of firm:

Houston & Co Pty Limited

Address:

Suite 4, 113 Willoughby Road
Crows Nest, NSW, 2065

Dated this

27th November 2024