

# 2021 FINANCIAL REPORTS

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**Telephone:** (03) 9374 2422

**Office:** 140 Keilor Road Essendon North VIC 3041

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# ECU WORLDWIDE Australia Pty Ltd

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**ABN: 11 095 072 334**

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**For the year ended 30 June 2021**

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# ECU WORLDWIDE Australia Pty Ltd

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**ABN: 11 095 072 334**

## Compilation report

I have compiled the accompanying special purpose financial statements of ECU WORLDWIDE Australia Pty Ltd which comprise the balance sheet as at 30 June 2021, and the income statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in the notes to the accounts.

### *The responsibility of the directors*

The directors of ECU WORLDWIDE Australia Pty Ltd are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

### *My responsibility*

On the basis of information provided by the directors, I have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in the notes to the financial statements and APES 315: Compilation of Financial Information.

I have applied my expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in the notes to the financial statements. I have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

### *Assurance disclaimer*

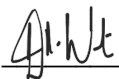
Since a compilation engagement is not an assurance engagement, I am not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, I do not express an audit opinion or a review conclusion on these financial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

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

Firm                      GFM Accountants Pty Ltd

Address                140 Keilor Road  
ESSENDON NORTH VIC 3041

Date                    28th April 2022

Signed                  
\_\_\_\_\_  
Darren West

# ECU WORLDWIDE Australia Pty Ltd

ABN: 11 095 072 334

## Balance sheet

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	3	993,534	771,830
Trade and other receivables	4	9,039,761	3,867,659
Other current assets	5	18,067	24,458
<b>Total current assets</b>		<b>10,051,361</b>	<b>4,663,947</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	445,077	537,363
Other non-current assets	5	143,865	187,423
<b>Total non-current assets</b>		<b>588,942</b>	<b>724,785</b>
<b>Total assets</b>		<b>10,640,303</b>	<b>5,388,733</b>
<b>Current liabilities</b>			
Trade and other payables	7	7,558,680	2,459,777
Borrowings	8	1,348,650	1,723,442
Provisions	9	373,666	41,900
Other current liabilities	10	7,500	(24,957)
<b>Total current liabilities</b>		<b>9,288,496</b>	<b>4,200,162</b>
<b>Non-current liabilities</b>			
Trade and other payables	7	224,317	322,359
Borrowings	8	250,116	560,000
<b>Total non-current liabilities</b>		<b>474,433</b>	<b>882,359</b>
<b>Total liabilities</b>		<b>9,762,929</b>	<b>5,082,521</b>
<b>Net assets</b>		<b>877,374</b>	<b>306,212</b>
<b>Equity</b>			
..... Issued Capital		100,000	100,000
Retained earnings		777,374	206,212
<b>Total equity</b>		<b>877,374</b>	<b>306,212</b>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of GFM Accountants Pty Ltd.

# ECU WORLDWIDE Australia Pty Ltd

ABN: 11 095 072 334

## Income statement

For the year ended 30 June 2021

	2021 \$	2020 \$
<b>Sales</b>		
Gross Revenue	32,100,843	24,443,580
<b>Less: cost of sales</b>		
Closing inventories	27,036,939	19,371,395
<b>Gross profit from trading</b>	<b>5,063,903</b>	<b>5,072,185</b>
<b>Expenses</b>		
Advertising	-	1,137
Bad Debts Written Off	712	11,744
Bank Charges	22,437	18,130
Cleaning	17,471	13,662
Debt Collection	1,001	-
Depreciation	22,754	28,894
Depreciation - Ammortisation of Right of Use Assets	173,070	174,918
Donations	150	-
Doubtful Debts	76,197	24,000
Electricity & Gas	13,451	21,263
Employee Agency Costs	217,825	146,275
Employees' Amenities	8,382	9,239
Entertainment Expenses	46,101	52,499
Freight & Cartage	483	2,945
Fringe Benefits Tax	28,728	36,627
Handling Fee	206,460	216,553
Holiday Pay	42,592	(103,369)
Holiday Pay - LSL provision	(2,103)	(180,945)
Holiday Pay - on costs	6,964	(16,901)
Insurance	10,271	4,905
Interest Paid	52,143	33,453
Leasing Charges	108,458	68,014
Legal Costs	-	840
Motor Vehicle Expenses	16,258	33,040
Payroll Tax	91,260	39,799
Printing & Stationery	21,295	10,303
Professional Fees	59,735	79,634
Rent	(56,870)	8,817
Repairs & Maintenance	130,375	111,499
Staff Training & Welfare	1,413	460
Subscriptions	11,571	5,390
Superannuation Contributions	262,383	308,543
Telephone	96,961	102,773
Travelling Expenses-Local	15,172	41,914
Travelling Expenses-Overseas	-	20,278
Wages	2,719,129	3,634,255

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of GFM Accountants Pty Ltd.

# ECU WORLDWIDE Australia Pty Ltd

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**ABN: 11 095 072 334**

## **Income statement**

**For the year ended 30 June 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Workers Compensation	29,879	32,118
	<b>4,452,110</b>	<b>4,992,708</b>
<b>Other income</b>		
ATO CashBoost	50,000	50,000
Foreign Currency Exchanges	34,578	(38,364)
Interest Received	-	25
Management Fees	60,000	50,000
Rent Received	6,000	6,000
	<b>150,578</b>	<b>67,661</b>
<b>Profit before income tax</b>	<b>762,372</b>	<b>147,138</b>
Income Tax Expense	(191,210)	(37,016)
<b>Profit after income tax</b>	<b>571,162</b>	<b>110,122</b>
Retained earnings at the beginning of the financial year	206,212	96,090
<b>Retained earnings at the end of the financial year</b>	<b>777,374</b>	<b>206,212</b>

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The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of GFM Accountants Pty Ltd.

# ECU WORLDWIDE Australia Pty Ltd

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**ABN: 11 095 072 334**

## **Notes to the financial statements**

**For the year ended 30 June 2021**

The financial statements cover the business of ECU WORLDWIDE Australia Pty Ltd and have been prepared to meet the needs of stakeholders and to assist in the preparation of the tax return.

Comparatives are consistent with prior years, unless otherwise stated.

### **1 Basis of preparation**

ECU WORLDWIDE Australia Pty Ltd is non-reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### **2 Summary of significant accounting policies**

#### **Income tax**

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of reporting period.

Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

#### **Revenue and other income**

##### **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.

##### **Interest revenue**

Interest is recognised using the effective interest method.

##### **Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be measured reliably. If this is the case 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 measured then revenue is recognised to the extent of expenses recognised that are recoverable.

# ECU WORLDWIDE Australia Pty Ltd

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**ABN: 11 095 072 334**

## **Notes to the financial statements**

**For the year ended 30 June 2021**

### ***Other***

Other income is recognised on an accruals basis when the company is entitled to it.

### **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 payables are stated inclusive of GST.

### **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.

### **Property, plant and equipment**

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

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.

### **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. Cash flows 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 cash flows. Changes in the measurement of the liability are recognised in profit or loss.

### **Provisions**

Provisions are recognised when the company 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.



# ECU WORLDWIDE Australia Pty Ltd

ABN: 11 095 072 334

## Notes to the financial statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>3 Cash and cash equivalents</b>			
AUD Bank A/C #1		783,746	763,693
USD Bank A/C #2		209,788	8,138
		<b>993,534</b>	<b>771,830</b>
<b>4 Trade and other receivables</b>			
<b>Current</b>			
Rental Bond		31,933	31,933
Cargowise Refundable Deposit		7,000	7,000
Trade Debtors		4,859,423	3,450,003
Less: Provision for Doubtful Debts		(157,843)	(81,646)
WIP Debtors-Job Costing		3,649,457	436,437
Sundry Debtor - FBT Refundable		9,096	-
Custom Duties and GST Cost Receivable		11,158,414	6,571,160
Customs Duty and GST Revenue Payable		(10,517,718)	(6,547,227)
		<b>9,039,761</b>	<b>3,867,659</b>
<b>5 Other assets</b>			
<b>Current</b>			
Prepaid Expenses		18,067	24,458
		<b>18,067</b>	<b>24,458</b>
<b>Non-current</b>			
Future Income Tax Benefit		143,865	187,423
		<b>143,865</b>	<b>187,423</b>
<b>6 Property, plant and equipment</b>			
<b>Office furniture and equipment</b>			
Office Furniture & Equipment		478,070	464,139
Less Accumulated Depreciation		(447,625)	(427,977)
		<b>30,445</b>	<b>36,162</b>
<b>Furniture and fittings</b>			

These notes should be read in conjunction with the attached compilation report of GFM Accountants Pty Ltd.

# ECU WORLDWIDE Australia Pty Ltd

ABN: 11 095 072 334

## Notes to the financial statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Furniture & Fittings		98,043	98,043
Less Accumulated Depreciation		(69,600)	(66,494)
		<b>28,443</b>	<b>31,548</b>
<b>Plant and equipment under Lease</b>			
Rights of Use Asset		725,550	644,570
Less Accumulated Amortisation		(339,361)	(174,918)
		<b>386,189</b>	<b>469,652</b>
		<b>445,077</b>	<b>537,363</b>

### 7 Trade and other payables

#### Current

PAYG Instalment Payable	21,000	21,617
Lease Liability (Right of Use Asset)	179,509	162,661
Trade Creditors	1,588,713	1,293,205
Accruals Creditors	5,747,906	921,645
Superannuation Payable	23,176	-
Provision for GST	(1,623)	60,650
	<b>7,558,680</b>	<b>2,459,777</b>

#### Non-current

Lease Liability (Right of Use Asset)	224,317	322,359
	<b>224,317</b>	<b>322,359</b>

### 8 Borrowings

#### Current

PAYG Withholding Payable	55,886	46,250
Internal Group Netting	1,151,765	1,495,820
Payroll Tax Payable	18,117	3,665
Income in Advance	122,882	177,707
	<b>1,348,650</b>	<b>1,723,442</b>

#### Non-current

Loan - ECU Hold N.V.	250,116	560,000
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# ECU WORLDWIDE Australia Pty Ltd

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ABN: 11 095 072 334

## Notes to the financial statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
		<u>250,116</u>	<u>560,000</u>
<b>9 Provisions</b>			
<b>Current</b>			
Provision for Holiday Pay		191,658	149,066
Provision for Long Service Leave		120,332	122,435
Provision for On costs for AL		31,336	24,372
Provision for Income Tax		21,340	(262,973)
Provision for Audit/Accounting Fee		9,000	9,000
		<u>373,666</u>	<u>41,900</u>
<b>10 Other liabilities</b>			
<b>Current</b>			
Provision for FBT		7,500	6,300
Provision for Unrealised Foreign Currency Gain/Loss		-	(31,257)
		<u>7,500</u>	<u>(24,957)</u>

# ECU WORLDWIDE Australia Pty Ltd

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**ABN: 11 095 072 334**

## **Directors' declaration**

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes present fairly the company's financial position as at 30 June 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

Director \_\_\_\_\_  
Mr Tony Naumoff

Director \_\_\_\_\_  
Mr Simon Sachu

Dated