National Institute of Integrative Medicine Limited

A.C.N. 095 139 209

Audited Financial Statements
For The Year Ended
30 June 2018

Directors' Report

The Directors of National Institute of Integrative Medicine Ltd submit herewith the annual financial report for the financial year ended 30 June 2018. In order to comply with the provisions of the Corporations Act, the Directors report as follows:–

DIRECTORS

The names and particulars of the directors of the company during or since the end of the financial year are:–

Name	No. of Directors Meetings Attended	No. of Directors Meetings Eligible to Attend
Avni Sali	4	4
Grant Moffitt	3	4
Betty Zervas	4	4
Radek Sali	4	4
Besim Sener	4	4
Adem Karafili (appointed 13 December 2018)	-	-

PRINCIPAL ACTIVITIES

The Company's principal activities in the course of the financial year were:–

- To act as trustee for a charitable trust, National Institute of Integrative Medicine.

RESULT

The operating loss for the year after income tax of $nil amounted to $1,008,427 (2017: profit $2,271,910).

During the financial year there has been a financial downturn in operating income of the subsidiary NIIM Clinic Ltd. Together with the need to provide for establishment funding for the NIIM Lane Cove Clinic this has meant significant reduction in cash holdings. The Directors' believe there are adequate operating actions in process to eliminate these negative pressures and stabilize liquid resources.
The operating results for 2018 include expense for Lightfolk funded projects of $273,000 for which the supporting income was received and accounted for in the 2017 year.

DIVIDENDS

In accordance with its constitution, the Company is precluded from making any dividend distributions to its members.

CHANGES IN STATE OF AFFAIRS

During the financial year there were no significant changes in the state of affairs of the Company other than that referred to in the financial statements or notes thereto.

LIKELY DEVELOPMENTS

No information is included on the likely developments in the operations of the company and the expected results of those operations as it is the opinion of the directors of the company that this information would prejudice the interests of the company if included in this report.

SUBSEQUENT EVENTS

No other matters or circumstances have arisen since the end of the financial year which have 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 financial years subsequent to the financial year ended 30 June 2018.

Director – A Sali

Director – A Karafili

Directors' Declaration

The directors declare that:–

a) the attached financial statements and notes thereto comply with accounting standards;

b) the attached financial statements and notes thereto, give a true and fair view of the financial position and performance of the company;

c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act; and

d) 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.

Signed in accordance with a resolution of the Directors made pursuant to the Corporations Act.

On behalf of the Directors

Director – A Sali

Director – A Karafili

Date: 18·12·18

Statement of Profit or Loss
for the Financial Year Ended 30 June 2018

	Note	2018 $	2017 $
Profit/(Loss) before income tax expense		(1,008,427)	2,271,910
Income tax expense	1(b)	-	-
Profit/(Loss) after income tax expense		(1,008,427)	2,271,910

Statement of Comprehensive Income for the Financial Year Ended 30 June 2018

	Note	2018 $	2017 $
Profit/(Loss) for the year		(1,008,427)	2,271,910
Other comprehensive income for the year (net of tax)		-	-
Total comprehensive income/ (loss) income for the year		(1,008,427)	2,271,910
Total comprehensive income/(loss) attributable to the members		(1,008,427)	2,271,910

Statement of Financial Position
as at 30 June 2018

	Note	2018 $	2017 $
Current Assets			
Cash & Cash Equivalents		807,153	1,545,522
Other Receivables		121,322	75,249
Total Current Assets		928,475	1,620,771
Non Current Assets			
Plant and equipment	2	1,167,013	1,263,805
Investment	4	4,293,817	4,207,792
Other Receivables		595,462	520,555
Total Non Current Assets		6,056,292	5,992,152
Total Assets		6,984,767	7,612,923
Current Liabilities			
Trade & Other Payables		285,003	216,484
Borrowings	5	80,384	60,652
Provision	3	75,000	35,000
Total Current Liabilities		440,387	312,136
Non Current Liabilities			
Borrowings	5	3,440,885	3,188,865
Total Non Current Liabilities		3,440,885	3,188,865
Total Liabilities		3,881,272	3,501,001
Net Assets		3,103,495	4,111,922
Equity			
Retained Profits		3,103,495	4,111,922
Total Equity		3,103,495	4,111,922

Statement of Changes in Equity
as at 30 June 2018

	Accumulated Profit/(Losses) $	Total $
Balance at 1 July 2016	1,840,012	1,840,012
Profit / (loss) attributable to members	2,271,910	2,271,910
Balance at 30 June 2017	4,111,922	4,111,922
Profit / (loss) attributable to members	(1,008,427)	(1,008,427)
Balance at 30 June 2018	3,103,495	3,103,495

NATIONAL INSTITUTE OF INTEGRATIVE MEDICINE LIMITED

Statement of Cash Flows
for the Financial Year Ended 30 June 2018

	Note	2018 $	2017 $
Cash Flows from Operating Activities			
Receipts from customers		1,584,546	4,744,296
Payments to suppliers and employees		(741,095)	(1,984,769)
Interest paid		(207,203)	(239,898)
Net cash provided by operating activities	1	(636,248)	2,519,629
Cash Flows from Investing Activities			
Investments acquired		(86,025)	(100)
Plant and equipment acquired		(212,941)	(617,979)
Net cash (used in) / provided by investing activities		(298,966)	(618,079)
Cash Flows from Investing Activities			
Borrowings (paid)/raised		271,752	(767,055)
Loans received/(paid)		(74,907)	(294,483)
Net cash (used in) / provided by investing activities		196,845	(1,061,538)
Net (decrease) / increase in cash held		(738,369)	840,012
Cash & cash equivalents at the Beginning of the Financial Year		1,545,522	705,510
Cash & cash equivalents at the End of the Financial Year		807,153	1,545,522

Note 1	2018 $	2017 $
Reconciliation of profit / (loss) after tax to cash provided by Operating activities		
Net Profit/(loss) after tax	(1,008,427)	2,271,910
Adjusted for non-cash items:-		
- depreciation	309,733	262,170
Movements in:-		
Decrease/(Increase) in trade and other receivables	(46,073)	71,637
Decrease/(Increase) in prepayments	-	5,000
(Decrease)/Increase in trade and other payables	68,519	(95,588)
(Decrease)/Increase in provisions	40,000	4,500
	(636,248)	2,519,629

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

1. SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

The financial report is a special purpose financial report which has been prepared in accordance with Australian Accounting Standards, Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The company is incorporated and domiciled in Australia.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies set out below have been consistently applied to all years presented.

Share Capital

The company has no share capital, as it is limited by guarantee.

Plant and Equipment

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

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready to use.

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

Class of Fixed Assets	Depreciation Rate
Plant and equipment	10-30%

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

1. SUMMARY OF ACCOUNTING POLICIES

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that are transferred to retained earnings.

Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. Any impairment losses are recognised in the statement of profit or loss.

Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss.

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

Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Notes To and Forming Part of the Financial Report for the Year Ended 30 June 2018 (cont'd)

1. SUMMARY OF ACCOUNTING POLICIES (cont'd)

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.

Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Course Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Donation Revenue is recognised on receipt thereof.

Grant Revenue is recognised as service delivery occurs.

All revenue is stated net of the amount of goods and service tax (GST).

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction and production of assets that necessarily take a substantial period of time to prepare for their intended use of sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

Goods and Services Tax (GST)

Revenue, 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investment and financing activities, which are disclosed as operating cash flows.

Taxation

The Company is exempt from income tax under Section 50.25 of the Income Tax Assessment Act 1997.

Notes To and Forming Part of the Financial Report for the Year Ended 30 June 2018 (Cont'd)

1. SUMMARY OF ACCOUNTING POLICIES (cont'd)

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial report 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 Estimates – Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to it that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Key Estimates – Doubtful Debts

The Company assess debtor recoverability on an ongoing basis, and make appropriate provision at balance date for any debtors not deemed to be recoverable.

Fair Value of Assets and Liabilities

The Company 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 Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. 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 either the principal market for the asset or liability (ie. The market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie. The market that maximises the receipts from the sale of the asset or inimizes the payments made to transfer the liability, after taking into account transaction 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 may be valued, where there is no observable market price in relation to the transfer of such financial instruments, 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 statement.

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

1. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Company, together with an assessment of the potential impact of such pronouncements on the Company when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  The key changes that may affect the Company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

  When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited numbers of exemption, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

  The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

  - identify the contract(s) with a customer;
  - identify the performance obligations in the contracts(s);
  - determine the transaction price;
  - allocate the transaction price to the performance obligations in the contract(s); and
  - recognise revenue when (or as) the performance obligations are satisfied.

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

1. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS (cont'd)

The Transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

- AASB 16: *Lease* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

1. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS (cont'd)

This Standard amends AASB 10: *Consolidated Financial Statements* with regards to a parent losing control over a subsidiary that is not a "business" as defined in AASB 3: *Business Combinations* to an associate or joint venture, and requires that:

- A gain or loss (including any amounts in other comprehensive income (OCI)) be recognised only to the extent of the unrelated investor's interest in that associate or joint venture;
- The remaining gain or loss be eliminated against the carrying amount of the investment in that associate or joint venture; and
- Any gain or loss from remeasuring the remaining investment in the former subsidiary at fair value also be recognised only to the extent of the unrelated investor's interest in the associate or joint venture.
- The remaining gain or loss should be eliminated against the carrying amount of the remaining investment.

The application of AASB 2014-10 will result in a change in accounting policies for transactions of loss of control over subsidiaries (involving an associate or joint venture) that are businesses per AASB 3 for which gains or losses were previously recognised only to the extent of the unrelated investor's interest.

These pronouncements are not expected to impact the Company.

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

2. PLANT AND EQUIPMENT

	2018 $	2017 $
Plant and Equipment – At cost	958,864	874,771
Accumulated Depreciation	(593,720)	(443,678)
Plant and Equipment – Carrying Amount	365,144	431,093
Tenant Improvements – At cost	1,159,742	1,030,894
Accumulated Depreciation	(357,873)	(198,182)
Tenant Improvements – Carrying Amount	801,869	832,712
Carrying Value at the End of the Financial Year	1,167,013	1,263,805
Movement for the Year:		
Carrying Value at the Beginning of the Financial Year	1,263,805	907,996
Additions	212,941	617,979
Depreciation	(309,733)	(262,170)
Carrying Value at the End of the Financial Year	1,167,013	1,263,805

3. PROVISION

Provision for Annual Leave	75,000	35,000

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 Company 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 Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

4. INVESTMENT

	2018 $	2017 $
NIIM Property Trust	4,293,717	4,207,692
NIIM Holdings Pty Ltd	100	100
	4,293,817	4,207,792

Notes To and Forming Part of the Financial Report for the Financial Year Ended 30 June 2018

5. BORROWINGS

	2018 $	2017 $
Current		
Hire Purchase Liability	80,384	60,652
Hire Purchase Liability	188,885	214,865
NAB – Business Markets Flexible rate loan	3,252,000	2,974,000
	3,440,885	3,188,865

Security for loan

1. General Security Agreement over all of the present and future rights, property and undertaking of NIIM Ltd
2. Guarantee and Indemnity for $3,823,000 given by NIIM Wellness Clinic Pty Ltd ACN 131 733 189 and NIIM Property Investments Pty Ltd ACN 130 249 777.
3. Registered Commercial Mortgage over property situated at 21 Burwood Road, Hawthorn Vic.
4. General Security Agreement over all the present and future rights, property and undertaking of NIIM Wellness Clinic Pty Ltd.
5. General Security Agreement over all of the present and future rights, property and undertaking of NIIM Property Investments Pty Ltd.

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of The National Institute of Integrative Medicine Limited

As auditor I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to this audit; and

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

Michael B Shulman
Partner

Dated: 19 December 2018

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Independent Audit Report
To The Members of The National Institute of Integrative Medicine Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of the National Institute of Integrative Medicine Limited, ("the Company"), which comprises the statement of financial position as at 30 June 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 accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year ended on that date in accordance with the accounting policies described in Note 1; and

b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001.*

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 independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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.

Stannards Accountants and Advisors Pty Ltd
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Partners
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Michael Shulman, CA
Nello Traficante, CPA
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Peter Angelini, CA
Nick Jeans, CPA

Independent Audit Report
To The Members of The National Institute of Integrative Medicine Limited

Report on the Audit of the Financial Report (cont'd)

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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

Stannards Accountants & Advisors

Stannards Accountants and Advisors

Michael B Shulman
Partner
Dated: 19 December 2018

Detailed Profit or Loss Statement
for the Year Ended 30 June 2018

	2018 $	2017 $
Income		
Donations – Renovations	-	2,500,000
Donations – Salary Support	75,000	95,000
Donations – General	69,987	89,591
Course Income	6,851	8,070
Research Grant	367,263	566,750
Fund Raising – net of expense	240,696	37,985
Building Rental	53,526	94,162
Equipment Rental	71,316	44,349
Distribution Income	-	86,025
Management Fee Received	700,000	1,140,000
Interest & Other Income	24,033	41,564
Education Department	21,947	
Total Income	1,630,619	4,703,496
Expenditure		
Wages and related expenses	1,383,927	1,096,312
Advertising	503	4,834
Bad Debts	-	2,950
Bank fees	10,494	15,121
Computer expense	16,985	34,056
Conferences	5,445	-
Consultants	11,181	5,518
Depreciation	309,733	262,170
Education	180,903	37,661
Insurance	18,398	17,595
Interest expense	207,203	239,898
Land tax	8,249	-
Legal	7,117	1,637
Lightfolk grant projects	62,424	-
Maintenance	76,082	111,472
Marketing Program	1,025	13,250
NIIM Kids	-	1,124
Office supplies	14,405	22,646
Other expense	24,123	4,556
Power & Heating	59,144	37,196
Printing & stationery	20,211	15,919
Property Trust Rent	-	245,000
Rates & Land tax	21,766	8,713
Rates - Water	4,044	1,706
Rent - Parking	3,300	-
Research	118,614	218,421
Subscriptions	4,101	3,301
Staff amenities	10,916	13,217
Tenancy Expense	-	5,022
Staff Recruitment	26,723	-
Staff training	3,891	-
Telephone & Internet	3,772	3,512
Travel	24,367	8,779
Total Expenditure	2,639,046	2,431,586
Net Profit / (Loss)	(1,008,427)	2,271,910