

**MIDNIGHT BASKETBALL AUSTRALIA  
A.B.N. 40 108 259 749**

**FINANCIAL REPORT - 30 JUNE 2018**

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**MIDNIGHT BASKETBALL AUSTRALIA**  
**ABN 40 108 259 749**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue	4	531,586	677,343
Program costs		(306,863)	(522,251)
Management and administrative expenses		(84,467)	(120,189)
Surplus before income tax expense		<u>140,256</u>	<u>34,903</u>
Income tax expense		-	-
Surplus for the year		<u>140,256</u>	<u>34,903</u>
Other comprehensive income		-	-
Total comprehensive income		<u><u>140,256</u></u>	<u><u>34,903</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	726,080	614,764
Trade receivables	6	-	41,540
Other receivables	7	5,503	19,385
<i>Total current assets</i>		731,583	675,689
<b><i>Total assets</i></b>		731,583	675,689
 <b>CURRENT LIABILITIES</b>			
Trade and other payables	8	94,550	41,925
Provisions	9	-	6,733
Other liabilities	10	46,615	176,829
<i>Total current liabilities</i>		141,165	225,487
<b><i>Total liabilities</i></b>		141,165	225,487
<b><i>Net assets</i></b>		590,418	450,202
 <b>EQUITY</b>			
Retained earnings		590,338	450,082
Members contributions		80	120
<b><i>Total equity</i></b>		590,418	450,202

The above statement of financial position should be read in conjunction with the accompanying notes.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Members Contributions	Retained Earnings \$	Total \$
<b>Balance at 1 July 2016</b>	<u>120</u>	<u>415,179</u>	<u>415,299</u>
Surplus/ (Deficit) for the year	-	34,903	34,903
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>-</u>	<u>34,903</u>	<u>34,903</u>
<b>Balance at 30 June 2017</b>	<u><u>120</u></u>	<u><u>450,082</u></u>	<u><u>450,202</u></u>
Surplus/ (Deficit) for the year	-	140,256	140,256
Other comprehensive income	-	-	-
Reduction in Member Funds	<u>(40)</u>	<u>-</u>	<u>(40)</u>
Total comprehensive income for the year	<u>(40)</u>	<u>140,256</u>	<u>140,216</u>
<b>Balance at 30 June 2018</b>	<u><u>80</u></u>	<u><u>590,338</u></u>	<u><u>590,418</u></u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>Cash Flows From Operating Activities</b>			
Receipts from donors/government		414,574	607,089
Sponsorship and other income		113,390	66,290
Payments to suppliers/employees		(420,270)	(528,610)
Interest received		3,622	3,964
<i>Net cash flows from operating activities</i>		111,316	148,733
<b>Net increase / (decrease) in cash and cash equivalents</b>		111,316	148,733
<b>Cash and cash equivalents at the beginning of year</b>		614,764	466,031
<b>Cash and cash equivalents at the end of year</b>	5	726,080	614,764

The above statement of cash flows should be read in conjunction with the accompanying notes.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 1 – REPORTING ENTITY**

The financial report includes the financial statements and notes of Midnight Basketball Australia. Midnight Basketball Australia is a reporting entity regulated under the *Australian Charities and Not-for-profits Commission Act 2012* and is domiciled in Australia.

The financial statements were approved by the Board of Directors on 19 October 2018.

**NOTE 2 – BASIS OF PREPARATION**

**Statement of compliance**

Midnight Basketball Australia applied Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

These financial statements are Tier 2 general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

**Basis of measurement**

The financial statements, except for the cash flow information, 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.

**Comparatives**

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

Where the entity has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

**Critical accounting estimates and judgements**

The Directors evaluate estimates and judgments 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.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 2 – BASIS OF PREPARATION (CONTINUED)**

**Critical accounting estimates and judgements (continued)**

Key estimates

**Impairment**

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

**New and revised standards that are effective for these financial statements**

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2017, however none have significantly impacted the Company's financial statements.

**New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been adopted by the company. These include:

- AASB 9 *Financial Instruments* (effective for the year ending 30 June 2018)
- AASB 15 *Revenue from Contracts with Customers* (effective for the year ending 30 June 2019)
- AASB 16 *Leases* (effective for the year ending 30 June 2020)
- AASB 1058 *Income for Not-for-profit Entities* (effective for the year ending 30 June 2020)

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**NOTE 3 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Income Tax**

Midnight Basketball Australia is a Charitable Institution and it is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

**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.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 3 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

**Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

*(i) Donations*

Revenue from donations is recognised as revenue when received. All donations received are banked in Midnight Basketball Australia's Public Fund bank account – the Midnight Basketball Fund. Details of these donations are reported annually to the Register of Harm Prevention Charities. In 2018 \$180,000 was utilised from the Midnight Basketball Fund to pay for the harm prevention activities undertaken by Midnight Basketball Australia.

*(ii) Grants*

Income arising from the contribution of an asset (including cash) to the entity shall be recognised when the following conditions have been satisfied:

- (a) the entity obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the entity;
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

*(iii) Sponsorship*

Revenue from sponsorship is recognised as revenue on an accruals basis.

*(iv) Interest received*

Revenue from interest received is recognised on an accruals basis.

*(v) Fundraising revenue*

Revenue from fundraising is recognised on a cash basis.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 3 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Impairment of assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

**Trade receivables**

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

**Financial instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the entity commits itself to either purchase or sells the asset.

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 3 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial instruments (continued)**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the entity commits itself to either purchase or sells the asset.

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**Non-derivative financial assets**

The entity classifies its non-derivative financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its non-derivative financial assets at initial recognition and re-evaluates this designation at each reporting date.

**Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 3 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The entity only holds financial instruments that are traded in an active market. The fair value of financial instruments traded in active markets (such as publicly traded securities, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the entity is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for similar financial instruments.

**Impairment**

At the end of each reporting period, the directors assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 3 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income received in advance**

Income, other than government contract income, that is received before the service is provided to which the payment relates, is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

**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 an obligation at reporting period.

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b><u>NOTE 4 – REVENUE</u></b>		
Donations received – Public Fund	254,224	260,939
Sponsorship income	100,000	53,909
Grant income	160,350	346,150
Other income	13,390	12,381
Interest income	3,622	3,964
	531,586	677,343
<b><u>NOTE 5 – CASH AND CASH EQUIVALENTS</u></b>		
Cash at bank	725,517	614,561
Cash on hand	563	203
	726,080	614,764
<b><u>NOTE 6 – TRADE RECEIVABLES</u></b>		
Trade debtors	-	41,540
	-	41,540
<b><u>NOTE 7 – OTHER RECEIVABLES</u></b>		
Due from third party – member fees	-	40
GST Paid	3,220	-
ATO – GST recoverable	765	14,145
Prepayments and Rental Deposits	1,518	5,200
	5,503	19,385
<b><u>NOTE 8 – TRADE AND OTHER PAYABLES</u></b>		
Trade creditors	41,086	-
Other creditor	36,364	37,025
Accruals	17,100	4,900
	94,550	41,925

**MIDNIGHT BASKETBALL AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b><u>NOTE 9 – PROVISIONS</u></b>		
Provisions for holiday leave and staff bonus	-	6,733
	<u>-</u>	<u>6,733</u>

**NOTE 10 – OTHER LIABILITIES**

Amounts held for third parties	8,396	8,396
Superannuation payable	719	4,307
Deferred income	37,500	160,350
GST Collected	-	3,776
	<u>46,615</u>	<u>176,829</u>

**NOTE 11 – EVENTS OCCURRING AFTER BALANCE DATE**

There have been no material events subsequent to balance date.

**NOTE 12 – RELATED PARTY TRANSACTIONS**

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

During the year, Maxiem Pty Ltd provided management services for \$119,600 (2017 - \$109,315). This represents the total amount of remuneration paid to Key Management Personal. Jonathon Wolfe is a director and shareholder of Maxiem and also a director of Midnight Basketball Australia.

**NOTE 13 – IN KIND CONTRIBUTIONS**

The Company receives in kind contributions in the form of services provided at no cost. The services provided included utilisation of office space and associated utilities and services, community radio, television and press advertisements. The value of these services cannot be accurately quantified and as such the value of these in-kind contributions have not been included in the financial statements.

**NOTE 14 – LIMITATION OF MEMBERS' LIABILITY**

The company is limited by guarantee. If the company is wound up, the Constitution states that the member's liability is limited to a maximum of \$20 per member. At 30 June 2018 the number of members was 4 (2017: 6).

**MIDNIGHT BASKETBALL AUSTRALIA  
ABN 40 108 259 749**

**FINANCIAL REPORT - 30 JUNE 2018**

**DIRECTORS' DECLARATION**

The Directors of the company declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the entity's financial position as at 30 June 2018 and of its performance for the year ended on that date.
  
2. In the Directors' opinion there are reasonable grounds to believe that the entity 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 and is signed for and on behalf of the Directors by:



**Jonathon Wolfe**  
Director



**Steven Mark**  
Director

19 October 2018  
Sydney

**MIDNIGHT BASKETBALL AUSTRALIA  
ABN 40 108 259 749**

**FINANCIAL REPORT - 30 JUNE 2018**

**DIRECTORS' DECLARATION**

**UNDER THE CHARITABLE FUNDRAISING ACT 1991**

In the opinion of the Directors of Midnight Basketball Australia Limited:

- (i) The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals for the year ended 30 June 2018; and
- (ii) The statement of financial position gives a true and fair view of the state of affairs of the entity with respect to fundraising appeals; and
- (iii) The provisions of the *Charitable Fundraising Act 1991*, the regulations under that Act, and the conditions attached to the authority to fundraise have been complied with; and
- (iv) The internal controls exercised by the entity are appropriate and effective in accounting for all income received.

Signed in accordance with a resolution of the Board of Directors:



**Jonathon Wolfe**  
Director



**Steven Mark**  
Director

19 October 2018  
Sydney

## MIDNIGHT BASKETBALL AUSTRALIA

### FINANCIAL REPORT - 30 JUNE 2018

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIDNIGHT BASKETBALL AUSTRALIA

##### **Opinion**

We have audited the financial report of Midnight Basketball Australia 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 funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declarations.

In our opinion, the accompanying financial report of Midnight Basketball Australia is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, 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 then ended, and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and 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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* 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 *Australian Charities and Not-for-profits Commission Act 2012*, 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 opinion.

##### **Directors' Responsibility 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 - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the company's financial reporting process.

## MIDNIGHT BASKETBALL AUSTRALIA

### FINANCIAL REPORT - 30 JUNE 2018

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIDNIGHT BASKETBALL AUSTRALIA

##### *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 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.

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

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 Other Legal and Regulatory Requirements**

In addition, our audit report has also been prepared for the members of the company in accordance with section 24(2) of the *Charitable Fundraising Act 1991*.

Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*. These additional procedures included obtaining an 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 *Charitable Fundraising Act 1991* and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year-end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year-end financial report preparation.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the *Charitable Fundraising Act 1991* has been formed on the above basis.

**MIDNIGHT BASKETBALL AUSTRALIA**

**FINANCIAL REPORT - 30 JUNE 2018**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MIDNIGHT BASKETBALL AUSTRALIA**

*Auditor's opinion*

Pursuant to the requirements of with section 24(2) of the *Charitable Fundraising Act 1991*, we report that, in our opinion:

- a) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 30 June 2018; and
- b) the financial report has been properly drawn up, and the associated records have been properly kept for the period 1 July 2017 to 30 June 2018, in accordance with the *Charitable Fundraising Act 1991* and Regulations; and
- c) money received as a result of fundraising appeal activities conducted during the period 1 July 2017 to 30 June 2018 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and Regulations; and
- d) at the date of this report there are reasonable grounds to believe that company will be able to pay its debts as and when they become due and payable.



**StewartBrown**  
Chartered Accountants



**Stuart Hutcheon**  
Partner

19 October 2018