



Amaze Incorporated
ABN: 15 600 724 949

Financial Statements
For the Year Ended
30 June 2018

Amaze Incorporated

ABN 15 600 724 949

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For the Year Ended 30 June 2018

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Amaze Incorporated

ABN 15 600 724 949

Auditor's Independence Declaration to the Directors of Amaze Incorporated

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 *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

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

Saward Dawson

Saward Dawson

Jeffrey Tulk

Jeffrey Tulk
Partner

Blackburn

Dated: 25 September 2018

Amaze Incorporated

ABN 15 600 724 949

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2	2,479,054	2,292,529
Communication and IT expense		(93,511)	(142,723)
Consulting expenses		(452,665)	(375,195)
Depreciation		(43,831)	(41,418)
Employee benefits expense		(1,689,325)	(1,522,670)
Event expenses		(29,649)	(155,493)
Fundraising expenses		(23,668)	(14,734)
Operating lease expenses		(92,593)	(93,000)
Office expenses		(33,623)	(61,080)
Property expenses		(36,386)	(32,695)
Other expenses		(72,401)	(158,709)
Surplus/(Deficit) for the year		(88,598)	(305,188)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(88,598)	(305,188)

The accompanying notes form part of these financial statements.

Amaze Incorporated

ABN 15 600 724 949

Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,023,920	864,704
Trade and other receivables	5	196,064	20,340
Other assets	6	29,901	47,729
TOTAL CURRENT ASSETS		<u>2,249,885</u>	<u>932,773</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	102,190	98,066
Intangible assets	8	15,087	22,630
TOTAL NON-CURRENT ASSETS		<u>117,277</u>	<u>120,696</u>
TOTAL ASSETS		<u>2,367,162</u>	<u>1,053,469</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	399,682	164,462
Short-term provisions	10	100,140	75,825
Other Liabilities	11	1,449,783	304,646
TOTAL CURRENT LIABILITIES		<u>1,949,605</u>	<u>544,933</u>
NON-CURRENT LIABILITIES			
Long-term provisions	10	28,183	30,564
TOTAL NON-CURRENT LIABILITIES		<u>28,183</u>	<u>30,564</u>
TOTAL LIABILITIES		<u>1,977,788</u>	<u>575,497</u>
NET ASSETS		<u>389,374</u>	<u>477,972</u>
EQUITY			
Retained earnings		<u>389,374</u>	<u>477,972</u>
TOTAL EQUITY		<u>389,374</u>	<u>477,972</u>

The accompanying notes form part of these financial statements.

Amaze Incorporated ABN 15 600 724 949

Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Accumulated Surpluses	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2017	477,972	-	477,972
Deficit for the year	(88,598)	-	(88,598)
Balance at 30 June 2018	389,374	-	389,374

2017

	Accumulated Surpluses	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2016	783,160	-	783,160
Deficit for the year	(305,188)	-	(305,188)
Balance at 30 June 2017	477,972	-	477,972

The accompanying notes form part of these financial statements.

Amaze Incorporated

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Statement of Cash Flows

For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members and clients	155,212	475,783
Operating grants receipts	3,375,870	1,867,589
Donation received	154,406	127,251
Interest received	16,627	21,228
Payments to suppliers and employees	(2,502,487)	(2,671,245)
Net cash provided by / (used in) operating activities	13 <u>1,199,628</u>	<u>(179,394)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment	<u>(40,412)</u>	<u>(57,015)</u>
Net cash provided by / (used in) investing activities	<u>(40,412)</u>	<u>(57,015)</u>
Net increase / (decrease) in cash and cash equivalents held	1,159,216	(236,409)
Cash and cash equivalents at beginning of financial year	864,704	1,101,113
Cash and cash equivalents at end of financial year	4 <u><u>2,023,920</u></u>	<u><u>864,704</u></u>

The accompanying notes form part of these financial statements.

Amaze Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(a) Basis of preparation

Amaze Incorporated is a Not-for-profit association incorporated and domiciled in Victoria, under the *Associations Incorporation Reform Act 2012 (Vic)*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board, the *Associations Incorporation Reform Act 2012*, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

(b) Revenue and other income

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. This type of grant is considered a reciprocal transaction and hence receipts are recognised in the statement of financial position as a liability until such time the service obligation or condition attached to the grant has been satisfied.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the provision of membership subscriptions is recognised in full at the end of the membership period that members pay for.

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

(c) Income tax

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

The association is a registered charity with the Australian Charities and Not-for-profits Commission.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of three months or less.

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(e) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis and is 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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of plant and equipment and leasehold improvements are depreciated on a diminishing value basis over the asset's useful life 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 depreciable amount of motor vehicles are depreciated on a straight-line basis. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture and Equipment	10 - 40%
Leasehold improvements	12.5 - 30%
Motor Vehicles	12.5%

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

(f) Intangibles

Software

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 1 (l).

Amortisation has been included within depreciation and amortisation.

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(g) Impairment of assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

(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) 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 Association 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.

(j) Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service.

Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled. Provision is made for the Association'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Employee benefits

Long-term employee benefits

The Association's liabilities for long service leave are included in other long-term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at the corporate bond rate with maturity dates that approximate the timing of the estimated future cash outflows.

(k) Leases

Where the association is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

(l) Key estimates

Impairment

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

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

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Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Revenue and Other Income

	2018	2017
	\$	\$
Revenue		
- Operating grants	2,098,085	1,719,275
- Donations	204,406	127,251
- Membership subscriptions	1,846	31,021
- Interest received	16,627	21,228
- Conference and event ticket sales	-	176,191
- Training and accreditation fees	134,662	134,463
- Other income	23,428	83,100
Total Revenue	2,479,054	2,292,529

3 Surplus for the Year

(a) Expenses

Other expenses:

Rental expense on operating leases	92,593	93,000
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(b) Significant Revenue and Expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

Significant revenue

Operating grants	2,098,085	1,719,275
Conference and event ticket sales	-	176,191

Significant expenses

Event expenses	29,649	155,493
Consulting expenses	452,665	375,195

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Notes to the Financial Statements

For the Year Ended 30 June 2018

4 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash at bank and in hand	445,495	352,906
Short-term bank deposits	1,578,425	511,798
	<u>2,023,920</u>	<u>864,704</u>

5 Trade and Other Receivables

CURRENT		
Trade receivables	196,064	20,340
	<u>196,064</u>	<u>20,340</u>

All of the Association's trade and other receivables have been reviewed for indicators of impairment. No such indicators exist as at 30 June 2018.

6 Other Current Assets

CURRENT		
Prepayments	17,371	34,976
Rental bond	10,000	10,000
Accrued income	2,530	2,753
	<u>29,901</u>	<u>47,729</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2018

7 Property, Plant and Equipment

	2018	2017
	\$	\$
Motor vehicles		
At cost	63,551	63,551
Accumulated depreciation	(41,571)	(33,627)
Total Motor Vehicles	21,980	29,924
Office equipment		
At cost	212,127	195,534
Accumulated depreciation	(143,975)	(141,186)
Total office equipment	68,152	54,348
Leasehold Improvements		
At cost	55,979	52,414
Accumulated depreciation	(43,921)	(38,620)
Total leasehold improvements	12,058	13,794
Total property, plant and equipment	102,190	98,066

(a) 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:

	Motor Vehicles	Office Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$
Balance at 1 July 2017	29,924	54,348	13,794	98,066
Additions	-	36,847	3,565	40,412
Depreciation expense	(7,944)	(23,043)	(5,301)	(36,288)
Balance at 30 June 2018	21,980	68,152	12,058	102,190

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Notes to the Financial Statements

For the Year Ended 30 June 2018

8 Intangible Assets

	2018	2017
	\$	\$
CRM software development		
At cost	61,550	61,550
Accumulated amortisation	(46,463)	(38,920)
Total Intangibles	15,087	22,630

9 Trade and Other Payables

CURRENT				
Unsecured liabilities				
Trade payables	12	231,007	93,533	
Superannuation payables		12,862	41,485	
GST payable		155,813	29,444	
		399,682	164,462	

10 Employee provisions

CURRENT				
Annual leave		90,429	75,825	
Long service leave		9,711	-	
		100,140	75,825	
NON-CURRENT				
Long service leave		28,183	30,564	

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to annual leave and long service leave. 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 on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

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Notes to the Financial Statements

For the Year Ended 30 June 2018

11 Other liabilities

	2018	2017
	\$	\$
CURRENT		
Grant income in advance	1,449,783	304,646
	<u>1,449,783</u>	<u>304,646</u>

12 Financial Assets and Liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	Note		
Financial Assets			
- Cash and cash equivalents	4	2,023,920	864,704
- Trade and other receivables	5	196,064	20,340
Total financial assets		<u>2,219,984</u>	<u>885,044</u>
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	231,007	93,533
Total financial liabilities		<u>231,007</u>	<u>93,533</u>

Refer to Note 1 of the financial statements for a description of the accounting policies for each category of financial instruments. Information relating to fair values is presented in the related notes.

Amaze Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2018

13 Cash Flow Information

(a) Reconciliation of cash-flow from operations with result for the year

	2018	2017
	\$	\$
Deficit for the year	(88,598)	(305,188)
Non-cash flows in result for the year:		
- amortisation	7,543	11,465
- depreciation	36,288	29,953
- provision for doubtful debts	-	(1,689)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(175,724)	140,150
- (increase)/decrease in other assets	17,828	79,808
- increase/(decrease) in income in advance	1,145,137	(93,058)
- increase/(decrease) in trade and other payables	235,220	(29,236)
- increase/(decrease) in employee benefits	21,934	(11,599)
	<u>1,199,628</u>	<u>(179,394)</u>

14 Contingent Liabilities and Contingent Assets

In the opinion of the board of directors, the Association did not have any contingent assets or liabilities as at 30 June 2018 (30 June 2017: None).

15 Capital and Leasing Commitments

Operating lease commitments

	2018	2017
	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	-	39,589

a) There are no operating leases in place as all the leases expired during the year and the Association chose not to renew the lease on the property.

Amaze Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2018

16 Key Management Personnel Compensation

The totals of remuneration paid to the key management personnel of Amaze Incorporated during the year are as follows:

	2018	2017
	\$	\$
Key management personnel compensation	402,902	503,715

17 Related Parties

There were no transactions with related parties during the year.

18 Events after the end of the Reporting Period

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

19 Association Details

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

Amaze Incorporated
24 Drummond Street
Carlton VIC 3053

Amaze Incorporated

ABN 15 600 724 949

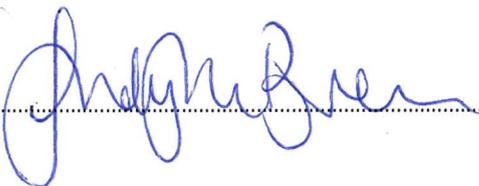
Directors' Declaration

The board of directors of Amaze Incorporated declare that:

- a) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable, and;
- b) the financial statements and notes satisfy the requirements of Australian Accounting Standards - Reduced Disclosure Requirements, the *Incorporations Association Reform Act 2012 (Vic)*, and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Director 

Director 

Dated: 25/9/18

Independent Audit Report to the members of Amaze Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Amaze Incorporated (the Association), which comprises the statement of financial position as at 30 June 2018, the statement of income and expenditure 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 Association is in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profit Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 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 Association in accordance with the auditor independence requirements of the Australian Accounting Standards - Reduced Disclosure Requirements, the *Associations Incorporation Reform Act 2012*, and the *Australian Charities and Not-for-profit 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors for the Financial Report

The directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profit Commission Act 2012* 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 Association'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 Association or to cease operations, or have no realistic alternative but to do so.

Independent Audit Report to the members of Amaze Incorporated

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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 Association'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 Association'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 Association 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.

Saward Dawson

Saward Dawson

Jeffrey Tulk

Jeffrey Tulk
Partner

Blackburn
Dated: 25 September 2018