



Amaze Incorporated

ABN 15 600 724 949

Financial Statements

For the Year Ended 30 June 2019

Amaze Incorporated

ABN 15 600 724 949

Contents

For the Year Ended 30 June 2019

	Page
Financial Statements	
Auditor's Independence Declaration	1
Statement of Income and Expenditure and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Directors' Declaration	15
Independent Audit Report	16

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 2019, 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: 23 October 2019

Amaze Incorporated

ABN 15 600 724 949

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue	2	3,214,325	2,479,054
Communication and IT expense		(148,729)	(93,511)
Consulting expenses		(570,049)	(452,665)
Depreciation		(54,776)	(43,831)
Employee benefits expense		(1,999,551)	(1,689,325)
Event expenses		(68,544)	(29,649)
Fundraising expenses		(30,168)	(23,668)
Operating lease expenses		(98,465)	(92,593)
Office expenses		(57,334)	(33,623)
Property expenses		(50,827)	(36,386)
Other expenses		(134,406)	(72,401)
Surplus/(Deficit) for the year		1,476	(88,598)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		1,476	(88,598)

The accompanying notes form part of these financial statements.

Amaze Incorporated

ABN 15 600 724 949

Statement of Financial Position

As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,797,281	2,023,920
Trade and other receivables	5	126,903	196,064
Other assets	6	22,507	29,901
TOTAL CURRENT ASSETS		<u>2,946,691</u>	<u>2,249,885</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	95,118	102,190
Intangible assets	8	-	15,087
TOTAL NON-CURRENT ASSETS		<u>95,118</u>	<u>117,277</u>
TOTAL ASSETS		<u>3,041,809</u>	<u>2,367,162</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	313,107	399,682
Short-term provisions	10	124,813	100,140
Grant income received in advance		2,174,158	1,449,783
TOTAL CURRENT LIABILITIES		<u>2,612,078</u>	<u>1,949,605</u>
NON-CURRENT LIABILITIES			
Long-term provisions	10	38,880	28,183
TOTAL NON-CURRENT LIABILITIES		<u>38,880</u>	<u>28,183</u>
TOTAL LIABILITIES		<u>2,650,958</u>	<u>1,977,788</u>
NET ASSETS		<u>390,851</u>	<u>389,374</u>
EQUITY			
Accumulated surplus		<u>390,851</u>	<u>389,374</u>
TOTAL EQUITY		<u>390,851</u>	<u>389,374</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 2019

2019

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 July 2018	389,374	389,374
Surplus for the year	1,476	1,476
Balance at 30 June 2019	<u>390,851</u>	<u>390,851</u>

2018

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 July 2017	477,972	477,972
Deficit for the year	(88,598)	(88,598)
Balance at 30 June 2018	<u>389,374</u>	<u>389,374</u>

The accompanying notes form part of these financial statements.

Amaze Incorporated

ABN 15 600 724 949

Statement of Cash Flows

For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members and clients	201,724	155,212
Operating grants receipts	3,911,215	3,375,870
Donations received	215,948	154,406
Interest received	32,891	16,627
Payments to suppliers and employees	(3,555,800)	(2,502,487)
Net cash provided by / (used in) operating activities	12 <u>805,978</u>	<u>1,199,628</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment	<u>(32,617)</u>	<u>(40,412)</u>
Net cash provided by / (used in) investing activities	<u>(32,617)</u>	<u>(40,412)</u>
Net increase / (decrease) in cash and cash equivalents held	773,361	1,159,216
Cash and cash equivalents at beginning of financial year	<u>2,023,920</u>	<u>864,704</u>
Cash and cash equivalents at end of financial year	4 <u><u>2,797,281</u></u>	<u><u>2,023,920</u></u>

The accompanying notes form part of these financial statements.

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

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, 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.

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.

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

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.

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

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.

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

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.

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Revenue and Other Income

	2019	2018
	\$	\$
Revenue		
- Operating grants	2,763,762	2,098,085
- Donations	215,948	204,406
- Training and accreditation fees	123,282	134,662
- Interest received	32,891	16,627
- Other income	78,442	25,274
Total Revenue	3,214,325	2,479,054

3 Expenses

Significant expenses

Event expenses	68,544	29,649
Rental expense	79,439	77,476

4 Cash and Cash Equivalents

Cash at bank and in hand	435,966	445,495
Short-term bank deposits	2,361,315	1,578,425
	2,797,281	2,023,920

5 Trade and Other Receivables

CURRENT

Trade receivables	126,903	196,064
	126,903	196,064

All of the Association's trade and other receivables have been reviewed for indicators of impairment. No such indicators exist as at 30 June 2019.

6 Other Current Assets

CURRENT

Prepayments	12,507	17,371
Rental bond	10,000	10,000
Accrued income	-	2,530
	22,507	29,901

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

7 Property, Plant and Equipment

	2019	2018
	\$	\$
Motor vehicles		
At cost	63,551	63,551
Accumulated depreciation	(49,515)	(41,571)
Total Motor Vehicles	14,036	21,980
Office equipment		
At cost	240,135	212,127
Accumulated depreciation	(168,509)	(143,975)
Total office equipment	71,626	68,152
Leasehold Improvements		
At cost	60,588	55,979
Accumulated depreciation	(51,132)	(43,921)
Total leasehold improvements	9,456	12,058
Total property, plant and equipment	95,118	102,190

(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 2018	21,980	68,152	12,058	102,190
Additions	-	28,008	4,609	32,617
Depreciation expense	(7,944)	(24,534)	(7,211)	(39,689)
Balance at 30 June 2019	14,036	71,626	9,456	95,118

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

8 Intangible Assets

	2019	2018
	\$	\$
CRM software development		
At cost	61,550	61,550
Accumulated amortisation	(61,550)	(46,463)
Total Intangibles	-	15,087

9 Trade and Other Payables

CURRENT		
Unsecured liabilities		
Trade payables	121,766	231,007
Superannuation payable	-	12,862
GST payable	191,341	155,813
	313,107	399,682

10 Employee provisions

CURRENT		
Annual leave	109,599	90,429
Long service leave	15,214	9,711
	124,813	100,140
NON-CURRENT		
Long service leave	38,880	28,183

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.

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

11 Financial Assets and Liabilities

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

	Note	2019 \$	2018 \$
Financial Assets			
- Cash and cash equivalents	4	2,797,281	2,023,920
- Trade and other receivables	5	126,903	196,064
Total financial assets		2,924,184	2,219,984
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	121,766	231,007
Total financial liabilities		121,766	231,007

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.

12 Cash Flow Information

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

Surplus for the year	1,476	(88,598)
Non-cash flows in result for the year:		
- amortisation	15,087	7,543
- depreciation	39,689	36,288
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	69,162	(175,724)
- (increase)/decrease in other assets	7,394	17,828
- increase/(decrease) in income in advance	724,375	1,145,137
- increase/(decrease) in trade and other payables	(86,575)	235,220
- increase/(decrease) in employee benefits	35,370	21,934
	805,978	1,199,628

13 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 2019 (30 June 2018: None).

Amaze Incorporated

ABN 15 600 724 949

Notes to the Financial Statements

For the Year Ended 30 June 2019

14 Key Management Personnel Compensation

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

	2019	2018
	\$	\$
Key management personnel compensation	400,645	402,902

15 Related Parties

There were no transactions with related parties during the year other than as disclosed in Note 15.

Board members of the Association are not remunerated.

16 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.

17 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

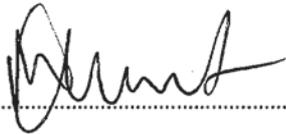
Directors' Declaration

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 give a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance for the year ended.
- c) 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:

23 October 2019

Amaze Incorporated

ABN 15 600 724 949



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 2019, 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 2019 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.

Amaze Incorporated

ABN 15 600 724 949



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: 23 October 2019