

Mummy's Wish Inc

ABN 153 050 569

Financial report

For the year ended 30 June 2016

MUMMY'S WISH INC
ABN 153 050 569

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	1,442,135	1,259,614
Less: expenses			
Cost of sales and fundraising		(617,711)	(608,655)
Employee benefits expense		(440,861)	(324,452)
Mum's expenses		(227,696)	(197,594)
Equipment and IT		(7,888)	(9,779)
Rent		(24,571)	(22,135)
Depreciation and amortisation expense		(17,665)	(16,754)
Insurance and workers compensation		(19,729)	(13,983)
Administrative expenses		<u>(92,366)</u>	<u>(77,115)</u>
		<u>(1,448,487)</u>	<u>(1,270,467)</u>
Surplus/(loss) for the year		<u><u>(6,352)</u></u>	<u><u>(10,853)</u></u>

The accompanying notes form part of these financial statements.

MUMMY'S WISH INC
ABN 153 050 569

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	3	305,004	293,340
Receivables	4	21,268	20,086
Other assets - rental bond		<u>-</u>	<u>165</u>
Total current assets		<u>326,272</u>	<u>313,591</u>
Non-current assets			
Property, plant and equipment	5	<u>51,070</u>	<u>33,068</u>
Total non-current assets		<u>51,070</u>	<u>33,068</u>
Total assets		<u>377,342</u>	<u>346,659</u>
Current liabilities			
Payables	6	84,684	41,226
Provisions	7	8,999	5,800
Other liabilities	8	<u>-</u>	<u>19,082</u>
Total current liabilities		<u>93,683</u>	<u>66,108</u>
Non-current liabilities			
Provisions	7	<u>9,460</u>	<u>-</u>
Total non-current liabilities		<u>9,460</u>	<u>-</u>
Total liabilities		<u>103,143</u>	<u>66,108</u>
Net assets		<u>274,199</u>	<u>280,551</u>
Members funds			
Accumulated surplus		<u>274,199</u>	<u>280,551</u>
Total members funds		<u>274,199</u>	<u>280,551</u>

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Associations Incorporation Act of Queensland. The committee has determined that the association is not a reporting entity.

The association is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the committee have determine are appropriate to meet the purposes of preparation. They are consistent with the previous period unless otherwise stated:

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

(b) Revenue

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

Grants that are non-reciprocal in nature are recognised as revenue in the year in which the entity obtains control over them (generally at the time of receipt). Where binding conditions or specified milestones exist relating to the specific purpose for which the grant funds may be applied, grant revenues are recognised in the balance sheet as a liability until such time as all conditions of the grant are met.

Other revenue consists of donations and fundraising amounts. They are recognised when received and are measured at fair value.

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

(c) Income tax

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with a maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(e) Financial instruments

Classification

The association classifies its financial assets into the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Donated financial assets

Financial assets donated to the group are recognised at fair value at the date the group obtains the control of the assets.

Financial liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

(f) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of fixed asset is not depreciated.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Property, plant and equipment (Continued)

Class of fixed asset	Depreciation rates	Depreciation basis
Motor vehicles at cost	5 years	Straight line
Office equipment at cost	4-10 years	Straight line
Computer equipment at cost	3 years	Straight line

(g) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(h) Employee benefits

Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave, accumulated sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave and accumulated sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(i) 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 Tax 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 balance sheet are shown inclusive of GST.

(j) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

MUMMY'S WISH INC
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 2: REVENUE		
Donations	318,083	287,835
Fundraising	1,087,979	966,544
Grant revenue	27,718	2,500
Interest income	<u>8,355</u>	<u>2,735</u>
	<u><u>1,442,135</u></u>	<u><u>1,259,614</u></u>
 NOTE 3: CASH AND CASH EQUIVALENTS		
Cash on hand	125	18
Cash at bank	94,921	91,314
Cash on deposit	<u>209,958</u>	<u>202,008</u>
	<u><u>305,004</u></u>	<u><u>293,340</u></u>
 NOTE 4: RECEIVABLES		
CURRENT		
Trade debtors	260	3,818
Other receivables - GST	<u>21,008</u>	<u>16,268</u>
	<u><u>21,268</u></u>	<u><u>20,086</u></u>
 NOTE 5: PROPERTY, PLANT AND EQUIPMENT		
Motor vehicles at cost	53,927	31,970
Accumulated depreciation	<u>(20,240)</u>	<u>(11,055)</u>
	33,687	20,915
Office equipment at cost	14,713	5,609
Accumulated depreciation	<u>(3,343)</u>	<u>(1,809)</u>
	11,370	3,800
Computer equipment at cost	30,946	27,775
Accumulated depreciation	<u>(24,933)</u>	<u>(19,422)</u>
	<u>6,013</u>	<u>8,353</u>
Total property, plant and equipment	<u><u>51,070</u></u>	<u><u>33,068</u></u>

MUMMY'S WISH INC
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
NOTE 6: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	46,164	14,075
Sundry creditors and accruals	<u>38,520</u>	<u>27,151</u>
	<u>84,684</u>	<u>41,226</u>
NOTE 7: PROVISIONS		
CURRENT		
Employee benefits	<u>8,999</u>	<u>5,800</u>
NON CURRENT		
Employee benefits	<u>9,460</u>	<u>-</u>
NOTE 8: OTHER LIABILITIES		
CURRENT		
Grants received in advance	<u>-</u>	<u>19,082</u>
NOTE 9: CAPITAL AND LEASING COMMITMENTS		
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- not later than one year	24,103	21,242
- later than one year and not later than five years	<u>10,231</u>	<u>31,786</u>
	<u>34,334</u>	<u>53,028</u>

In December 2014 the entity entered into a new premises lease for a 3 year term with a 5% annual increase. There are no options to extend for a further term.

MUMMY'S WISH INC
ABN 153 050 569

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 - 7:

1. Presents fairly the financial position of Mummy's Wish Inc as at 30 June 2016 and performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Mummy's Wish Inc 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 committee and is signed for and on behalf of the committee by:

Chief Executive Officer:


Serena Varendorff

Dated this

9th

day of

December

2016



PITCHER PARTNERS

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INDEPENDENT AUDITOR'S REPORT

To the members of Mummy's Wish Inc

We have audited the accompanying financial report, being a special purpose financial report, of Mummy's Wish Inc, which comprises the balance sheet as at 30 June 2016, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the officers' assertion statement.

Officers' Responsibility for the Financial Report

The officers of Mummy's Wish Inc are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Act 1981 and is appropriate to meet the needs of the members. The officers' responsibility also includes such internal control as the officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the officers, as well as evaluating the overall presentation of the financial report.

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

Basis for Qualified Opinion

It is not practicable, because of the way income is raised, to establish controls over donations or fundraising income prior to its initial entry in the accounting records, nor is it practicable for us to confirm that all donations and fundraising income has been received and recorded. Our audit related to this income was therefore limited to the amounts recorded in the accounts.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report presents fairly, in all material respects, the financial position of Mummy's Wish Inc as at 30 June 2016, and of its financial performance for the year then ended in accordance with Associations Incorporation Act 1981.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist Mummy's Wish Inc to meet the requirements of the Associations Incorporation Act 1981. As a result, the financial report may not be suitable for another purpose.

PITCHER PARTNERS



NIGEL BATTERS
Partner

Brisbane, Queensland
9 December 2016