

Mummy's Wish Limited

ABN 153 050 569

Financial report

For the year ended 30 June 2017

MUMMY'S WISH LIMITED
ABN 153 050 569

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		\$	\$
Revenue	2	1,275,219	1,442,135
Less: expenses			
Cost of sales and fundraising		(524,644)	(617,711)
Employee benefits expense		(397,469)	(440,861)
Mum's expenses		(192,103)	(227,696)
Rent		(24,836)	(24,571)
Depreciation and amortisation expense		(14,580)	(17,665)
Insurance and workers compensation		(12,958)	(19,729)
Equipment and IT		(7,233)	(7,888)
Administrative expenses		<u>(74,859)</u>	<u>(92,366)</u>
		<u>(1,248,682)</u>	<u>(1,448,487)</u>
Surplus/(loss) for the year		<u><u>26,537</u></u>	<u><u>(6,352)</u></u>

The accompanying notes form part of these financial statements.

MUMMY'S WISH LIMITED
ABN 153 050 569

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	4	313,410	305,004
Receivables	5	<u>20,000</u>	<u>21,268</u>
Total current assets		<u>333,410</u>	<u>326,272</u>
Non-current assets			
Property, plant and equipment	6	<u>36,816</u>	<u>51,070</u>
Total non-current assets		<u>36,816</u>	<u>51,070</u>
Total assets		<u>370,226</u>	<u>377,342</u>
Current liabilities			
Payables	7	48,157	84,684
Provisions	8	<u>11,873</u>	<u>8,999</u>
Total current liabilities		<u>60,030</u>	<u>93,683</u>
Non-current liabilities			
Provisions	8	<u>9,460</u>	<u>9,460</u>
Total non-current liabilities		<u>9,460</u>	<u>9,460</u>
Total liabilities		<u>69,490</u>	<u>103,143</u>
Net assets		<u>300,736</u>	<u>274,199</u>
Equity			
Accumulated surplus		<u>300,736</u>	<u>274,199</u>
Total equity		<u>300,736</u>	<u>274,199</u>

The accompanying notes form part of these financial statements.

MUMMY'S WISH LIMITED
ABN 153 050 569

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Accumulated surplus \$	Total equity \$
Balance as at 1 July 2015	280,551	280,551
Surplus/(loss) for the year	<u>(6,352)</u>	<u>(6,352)</u>
Total comprehensive income for the year	<u><u>(6,352)</u></u>	<u><u>(6,352)</u></u>
Balance as at 1 July 2016	274,199	274,199
Surplus for the year	<u>26,537</u>	<u>26,537</u>
Total comprehensive income for the year	<u><u>26,537</u></u>	<u><u>26,537</u></u>
Balance as at 30 June 2017	<u><u>300,736</u></u>	<u><u>300,736</u></u>

The accompanying notes form part of these financial statements.

MUMMY'S WISH LIMITED
ABN 153 050 569

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Cash flow from operating activities			
Receipts from customers		1,274,637	1,427,248
Payments to suppliers and employees		(1,271,162)	(1,388,272)
Interest received		<u>2,854</u>	<u>8,355</u>
Net cash provided by operating activities	10(a)	<u>6,329</u>	<u>47,331</u>
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		17,546	-
Payment for property, plant and equipment		<u>(15,469)</u>	<u>(35,667)</u>
Net cash provided by / (used in) investing activities		<u>2,077</u>	<u>(35,667)</u>
Reconciliation of cash			
Cash at beginning of the financial year		305,004	293,340
Net increase in cash held		<u>8,406</u>	<u>11,664</u>
Cash at end of financial year		<u><u>313,410</u></u>	<u><u>305,004</u></u>

The accompanying notes form part of these financial statements.

MUMMY'S WISH LIMITED
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors have determined that the company is not a reporting entity on the basis that, in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared for use by the directors and members of the company.

During the year, the association amended its constitution and transferred its incorporation to a company limited by guarantee under the Corporations Act 2001, with registration effective 22 November 2016. Further, the association changed its name to Mummy's Wish Limited. The financial report will no longer be prepared in accordance with the Associations Incorporation Act (QLD) 1981 and will be prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*.

For financial reporting purposes, the transition is treated as a continuation of the previous association. Section 601BM of the *Corporations Act 2001* confirms that a new legal entity is not created as a result of the transfer and has no effect on the association's existing property, rights and obligations.

The financial report covers Mummy's Wish Limited as an individual entity. Mummy's Wish Limited is a company limited by guarantee, incorporated and domiciled in Australia. Mummy's Wish Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1054:	Australian Additional Disclosures

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

(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 and liabilities 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 measured in accordance with the effective interest method.

MUMMY'S WISH LIMITED
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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). When 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 Statement of Financial Position 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 measured net of the amount of goods and services tax (GST).

(c) Income tax

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

(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 statement of financial position.

(e) Financial instruments

Classification

The company classifies its 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 nature of the item and the purpose for which the instruments are held.

Loans and receivables

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

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 subsequently measured 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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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

Land is not depreciated. The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

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 and any other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the annual reporting period are measured at the (undiscounted) 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 in the statement of financial position.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Employee benefits (Continued)

(i) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

(ii) Retirement benefit obligations

Defined contribution superannuation plan

The company makes superannuation contributions (currently 9.50% of the employee's average ordinary salary) to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The company's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the statement of financial position.

(i) Goods and services tax (GST)

Revenues, expenses and purchased 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 statement of financial position 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 LIMITED
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 2: REVENUE AND OTHER INCOME		
Donations	283,574	318,083
Fundraising	973,538	1,087,979
Grant revenue	7,747	27,718
Interest income	2,854	8,355
Profit on sale/revaluation of non current assets	2,403	-
Insurance recoveries	5,103	-
	<u>1,275,219</u>	<u>1,442,135</u>
 NOTE 3: OPERATING PROFIT		
Profit / (losses) before income tax has been determined after:		
- Superannuation	34,197	36,314
Remuneration of auditors for:		
<i>Pitcher Partners Brisbane</i>		
Audit and assurance services		
- Audit or review of the financial report	3,500	3,500
 NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	63	125
Cash at bank	206,326	94,921
Cash on deposit	<u>107,021</u>	<u>209,958</u>
	<u>313,410</u>	<u>305,004</u>
 NOTE 5: RECEIVABLES		
CURRENT		
Trade debtors	-	260
Other receivables - GST	<u>20,000</u>	<u>21,008</u>
	<u>20,000</u>	<u>21,268</u>

MUMMY'S WISH LIMITED
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 6: PROPERTY, PLANT AND EQUIPMENT		
Motor vehicles at cost	21,957	53,927
Accumulated depreciation	<u>(7,180)</u>	<u>(20,240)</u>
	14,777	33,687
Office equipment at cost	23,873	14,713
Accumulated depreciation	<u>(4,828)</u>	<u>(3,343)</u>
	19,045	11,370
Computer equipment at cost	21,325	30,946
Accumulated depreciation	<u>(18,331)</u>	<u>(24,933)</u>
	<u>2,994</u>	<u>6,013</u>
Total property, plant and equipment	<u><u>36,816</u></u>	<u><u>51,070</u></u>
NOTE 7: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	26,841	46,164
Sundry creditors and accruals	<u>21,316</u>	<u>38,520</u>
	<u><u>48,157</u></u>	<u><u>84,684</u></u>
NOTE 8: PROVISIONS		
CURRENT		
Employee benefits	<u>11,873</u>	<u>8,999</u>
NON CURRENT		
Employee benefits	<u>9,460</u>	<u>9,460</u>

MUMMY'S WISH LIMITED
ABN 153 050 569

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$

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

	10,231	24,103
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- later than one year and not later than five years

	-	<u>10,231</u>
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	<u>10,231</u>	<u>34,334</u>
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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.

NOTE 10: CASH FLOW INFORMATION

(a) Reconciliation of cash flow from operations with profit after income tax

Profit / (loss) from ordinary activities after income tax	26,537	(6,352)
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Adjustments and non-cash items

Depreciation	14,580	17,665
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Net (gain) / loss on disposal of property, plant and equipment	(2,403)	-
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Changes in assets and liabilities

(Increase) / decrease in receivables	1,268	(1,182)
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(Increase) / decrease in other assets	-	165
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Increase / (decrease) in payables	(36,527)	43,458
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Increase / (decrease) in other liabilities	-	(19,082)
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Increase / (decrease) in provisions	<u>2,874</u>	<u>12,659</u>
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Cash flows from operating activities	<u>6,329</u>	<u>47,331</u>
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NOTE 11: COMPANY DETAILS

The registered office of the company is:

Mummy's Wish Limited

Shop 7, 5 Zillman Road

HENDRA QLD 4011


MUMMY'S WISH LIMITED
ABN 153 050 569

DIRECTORS' DECLARATION

The directors declare that:

1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy the requirements of 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-profit Commission Regulation 2013*.

Director: 
Trevor Cuss

Director: 
Saxon Rice

Dated this 9TH day of OCTOBER, 2017



PITCHER PARTNERS

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NIGEL BATTERS
COLE WILKINSON
SIMON CHUN
JEREMY JONES

INDEPENDENT AUDITOR'S REPORT

To the members of Mummy's Wish Limited

Qualified Opinion

We have audited the financial report of Mummy's Wish Limited (the Registered Entity), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and 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, except for the effects of the matter described in the *Basis of Qualified Opinion* section of our report, the financial report of Mummy's Wish Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Registered Entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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.

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 Registered Entity in accordance with the Australian Charities and Not-for-profits Commission Act 2012 "ACNC Act" 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibility of the Responsible Entities for the Financial Report

The responsible entities (the directors) of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act. The responsible entities' responsibility also includes such internal control as the responsible entities 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 responsible entities are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

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 the financial report.

As part of an audit in accordance with 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 Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' 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 Registered Entity'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 Registered Entity 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 those charged with governance 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.

Pitcher Partners

PITCHER PARTNERS



NIGEL BATTERS
Partner

Brisbane, Queensland
9 October 2017