

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**

**SPECIAL PURPOSE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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**DEAF AUSTRALIA INC.**  
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**STATEMENT BY BOARD MEMBERS**

The Board members have determined that Deaf Australia Inc. is not a reporting entity and that this special purpose financial report has been prepared in accordance with the accounting policies outlined at Note 1 to the financial statements.

The Board members of Deaf Australia Inc. declare that:

- (1) the financial statements and notes are in accordance with the requirements of the *Associations Incorporations Reform Act (Vic) 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*.
  - (a) Comply with Accounting Standards as described in Note 1 to the financial statements, the *Associations Incorporations Reform Regulations (Vic) 2013* and other mandatory professional reporting requirements; and
  - (b) Give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Company in accordance with the accounting policies described in Note 1 to the financial statements; and
- (2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board members by:



Todd Wright  
**Chairman**



Debbie Kennewell  
**Director**

Date: 20 September 2017

**DEAF AUSTRALIA INC.**

**ABN:65 174 780 885**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 30 June 2017**

	<b>Notes</b>	<b>2017</b>	<b>2016</b>
		\$	\$
<b>Income</b>	3	360,392	145,873
<b>Less expenses:</b>	4	<u>(362,653)</u>	<u>(168,830)</u>
<b>Current Year Surplus/(Deficit)</b>		<u><b>(2,261)</b></u>	<u><b>(22,957)</b></u>

The accompanying notes form part of these financial statements.

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 June 2017**

	Notes	2017	2016
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash at Bank	5	139,129	183,891
Trade Debtors		4,492	66,888
Inventory		14,318	18,651
Other	6	1,638	6,982
<b>TOTAL CURRENT ASSETS</b>		<b>159,577</b>	<b>276,412</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	7	5,146	5,134
Intangibles	8	3,641	4,960
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,787</b>	<b>10,093</b>
<b>TOTAL ASSETS</b>		<b>168,364</b>	<b>286,505</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade & Other Creditors	9	15,131	133,745
Provision	10	7,646	5,002
<b>TOTAL CURRENT LIABILITIES</b>		<b>22,777</b>	<b>138,747</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		-	-
<b>TOTAL LIABILITIES</b>		<b>22,777</b>	<b>138,747</b>
<b>NET ASSETS</b>		<b>145,587</b>	<b>147,758</b>
<b>EQUITY</b>			
Retained Earnings		147,848	170,715
Current Year Surplus/(Deficit)		(2,261)	(22,957)
<b>TOTAL EQUITY</b>		<b>145,587</b>	<b>147,758</b>

The accompanying notes form part of these financial statements.

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 June 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
ACCUMULATED FUNDS		
Balance at 1 July	147,848	170,715
Opening balance adjustment		90
Operating Surplus	(2,261)	(22,957)
Balance at 30 June	<u>145,587</u>	<u>147,848</u>

The accompanying notes form part of these financial statements.

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 30 June 2017**

	Notes	2017	2016
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from Operations		421,241	202,739
Interest Received		1,547	43
Receipt of Grants		-	-
Payment to Suppliers and Employees		(465,816)	(145,793)
<b>Net cash provided by/(used in) operation activities</b>		<u>(43,027)</u>	<u>56,989</u>
<b>Cash flows from investing activities</b>			
Payment for property, plant and equipment		(1,735)	(2,159)
<b>Net cash (used in)/provided by investing activities</b>		<u>(1,735)</u>	<u>(2,159)</u>
<b>Cash flows from financing activities</b>			
		<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents		(44,762)	54,830
Cash and cash equivalents at the beginning of the financial year		<u>183,891</u>	<u>129,061</u>
<b>Cash and cash equivalents at the end of the financial year</b>	5	<u><u>139,129</u></u>	<u><u>183,891</u></u>

The accompanying notes form part of these financial statements.

## **DEAF AUSTRALIA INC.**

**ABN:65 174 780 885**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2017**

#### **1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The Board has prepared the financial statements on the basis that the Association is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the *Associations Incorporations Reform Act (Vic) 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*.

These financial statements have been prepared in accordance with the recognition and requirements specified by the Australian Accounting Standards and Interpretations of the disclosure requirements of:

*AASB 101 : Presentation of Financial Statements*

*AASB 107: Cash Flow Statements*

*AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors*

*AASB 1048 Interpretation and Application of Standards*

*AASB 1054 Australian Additional Disclosures*

Deaf Australia Inc. is an incorporated Association domiciled in Australia. Deaf Australia Inc. is a not-for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards.

#### **1.1 Basis of preparation**

The financial statements have prepared on an accruals basis and on historical costs. The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report.

##### **Depreciation**

The depreciable amount of all fixed assets are depreciated over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

##### **Cash and Cash Equivalents**

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

##### **Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable. Revenue from the rendering of a service is recognised upon the delivery of a service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

##### **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.

#### **(2) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year. During the 2014-15 financial year the chart of accounts were subject to realignment to the Clubs activities. However the comparatives were not restated.



**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2017**

	2017	2016
	\$	\$
<b>Note 3: Income</b>		
Auslan courses	-	1,628
AFDO - Funding Agreement	60,000	60,000
NDIS Sponsorship	10,000	
AFDO/NDIS Readiness Grant	40,000	-
Consulting fees	-	10,000
Donations	5,473	12,821
NAC2016 Conference	166,903	-
Deafness Foundation	-	5,000
Membership Sales	2,260	10,706
NABS Wesley Mission	7,500	-
Deaf Youth Australia	3,000	-
NDTV sales (Signpost)	100	-
Rent received	-	-
Retail Sales	48,135	38,262
Freight collected	5,683	4,542
Fundraising Sales	94	-
Interest	1,547	-
Sitting Fees	955	-
Other	4,047	2,914
Reimbursement	4,696	-
	360,392	145,873

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4: Expenses</b>		
Cost of Sales	25,676	22,893
Stock write-off	6,139	9,335
Accounting/Bookkeeping	5,242	4,788
Assets written off	-	7,398
Amortisation	1,318	1,318
Audit Fees	4,375	5,100
Bad Debts Written Off	6,303	2,520
Bank Fees and Charges	3,379	3,290
Conferences	157,248	273
Deaf Youth Australia	1,364	-
Domain Registration	-	27
Depreciation	1,722	493
Fundraising Expenses	-	545
Interest Expense	132	139
Interpreting	1,197	2,851
Internet & Email	-	19
Insurance	3,306	1,990
Management / Consultancy Fees	(673)	2,513
Meeting / Venue Expenses	-	73
Memberships & Subscriptions	2,879	1,154
Miscellaneous Expenses	259	195
Office Equip Maintenance	166	1,008
Office Supplies	59	542
Packaging Expenses	-	41
PC - Software/Hardware	745	322
Postage	7,420	3,888
Promotions	250	-
Printing	784	324
Relocation Costs	-	260
Rent	11,700	11,700
Stationery	338	725
Sundry Expenses	317	122
Telephone & Fax	147	(110)
LSL & Annual Leave Expense	2,643	(1,639)
Salary	90,000	72,237
Superannuation	8,185	6,038
Staff Amenities	42	288
Salaries - Other Payroll Expense	620	(434)
Staff Training	300	120
Sponsorship	2,547	-
Travel Expenses	14,024	4,661
Web Hosting Fees	742	923
Workcover	-	-
ATO Penalties and Interest	1,757	900
	<u>362,653</u>	<u>168,830</u>

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2017**

	2017	2016
	\$	\$
<b>Note 5: CASH AND CASH EQUIVALENTS</b>		
St George Bank Account	-	22,944
PayPal Merchant Account	28,401	36,765
Deaf Aust Inc	31,090	18,809
Deaf Australia Inc Fundraising	-	27,236
ME Bank Investment Acct - 3620	79,638	78,137
Petty cash	-	-
Cash Drawer	-	-
	<u>139,129</u>	<u>183,891</u>
<b>Note 6: OTHER ASSETS</b>		
Withholding Tax Refundable	868	868
Key Bond Deposits Refundable	770	770
Prepaid Expenses	-	344
Deposits Paid-NAC 2016	-	5,000
	<u>1,638</u>	<u>6,982</u>
<b>Note 7: PROPERTY, PLANT AND EQUIPMENT</b>		
Office Furniture & Equipment	59,096	57,362
Less: Accumulated Depreciation	(53,950)	(52,228)
	<u>5,146</u>	<u>5,134</u>
	<u>5,146</u>	<u>5,134</u>
<b>Note 8: INTANGIBLES</b>		
Website development costs	6,590	6,590
Less Amortisation	(2,949)	(1,630)
	<u>3,641</u>	<u>4,960</u>

**DEAF AUSTRALIA INC.**  
**ABN:65 174 780 885**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2017**

	2017	2016
	\$	\$
<b>Note 9: TRADE AND OTHER PAYABLES</b>		
Trade Creditors	6,145	9,212
NAC2016 Conference income in Advance	-	102,909
St George Visa	-	-
Unidentified Deposits	-	855
GST Collected	10,120	10,028
GST Paid	(2,974)	(1,004)
ATO - Integrated Account	-	6,260
Employer Super Payable		3,645
PAYG Withholding Payable	1,840	1,840
	<u>15,131</u>	<u>133,745</u>

**Note 10: PROVISIONS**

Annual Leave	7,646	5,002
	<u>7,646</u>	<u>5,002</u>

**Note 11: CASH FLOW INFORMATION**

Reconciliation of net Cash provided by operating activities to current year surplus/(deficit)

<b>Current Year Surplus/(Deficit)</b>	(2,261)	(22,957)
<i>Non Cash items</i>		
Depreciation and amortisation	3,041	1,811
Opening balance adjustment	90	-
Assets written off		7,398
<i>Changes in Assets &amp; Liabilities</i>		
Decrease/(Increase) in Trade Debtors	62,396	(46,000)
Decrease/(Increase) in Inventory	4,333	16,214
Decrease/(Increase) in Other Assets	5,344	(609)
Increase/(Decrease) in Trade & Other Creditors	(118,614)	102,772
Increase/(Decrease) in Provisions	2,643	(1,640)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>(43,027)</u>	<u>56,989</u>

## **INDEPENDENT AUDITOR'S REPORT**

### **To the members of Deaf Australia Inc.**

#### *Opinion*

I have audited the financial report of Deaf Australia Inc., which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by Board members.

In my opinion, the accompanying financial report of Deaf Australia Inc. is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

- Giving a true and fair view of the Association's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards to the extent described in Note 1, and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### *Basis of Accounting*

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Board members of the Association, would be in the same terms if given to the directors as at the time of this auditor's report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Emphasis of Matter – Basis of Accounting*

I 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 Board members financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### *Board Members' Responsibility for the Financial Report*

The Board members of Deaf Australia Inc. 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, is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board members are responsible for assessing the Association'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 directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

#### *Auditor's Responsibility*

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of my auditor's report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



Margaret M Salter FCA  
Dated this 21<sup>th</sup> day of September 2017  
70 Church Road Doncaster victoria 3108