

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

ABN 62 006 245 996

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2017

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IRABINA AUTISM SERVICES

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Auditor's Independence Declaration to the Responsible Entities of Irabina Autism Services

In accordance with the requirements of s. 60-40 of *the Australian Charities and Not-for-profits Commission Act 2012*, as auditor for Irabina Autism Services for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence as set out in section 60-40 of *the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit, and
- no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson Chartered Accountants



Jeffrey Tulk
Partner
Blackburn VIC 3130

Date : 31st August 2017

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

ABN 62 006 245 996

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

| | Notes | 2017 \$ | 2016 \$ |
|---|-------|------------------|------------------|
| Total Revenue and other income | 3 | 3,322,869 | 3,175,620 |
| Employee benefits expense | | 2,737,247 | 2,606,894 |
| Operational and administration expenses | | 676,513 | 675,559 |
| Depreciation expenses | 3 | 67,077 | 78,282 |
| Total expenditure | | 3,480,837 | 3,360,735 |
| Net current year surplus/(deficit) | | (157,968) | (185,115) |
| Other comprehensive income for the year | | | |
| Items that will not be subsequently classified to profit or loss: | | | |
| Gain on revaluation of land and buildings | | 0 | 0 |
| Total comprehensive income/(deficit) for the year | | (157,968) | (185,115) |

This Statement should be read in conjunction with the accompanying notes.

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

ABN 62 006 245 996

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

| | 2017 | 2016 |
|--|------------------|------------------|
| | \$ | \$ |
| Reserves | | |
| Reserve on incorporation | 0 | 0 |
| Asset revaluation reserve | 4,689,463 | 4,689,463 |
| Special grants reserve | 0 | 0 |
| Total Reserves | 4,689,463 | 4,689,463 |
| Asset Revaluation Reserve | | |
| Opening balance | 4,689,463 | 4,689,463 |
| Other comprehensive income for the year (Gain on revaluation of land and buildings) | 0 | 0 |
| Total Asset Revaluation reserve | 4,689,463 | 4,689,463 |
| Retained Earnings | | |
| Retained Earnings at the beginning of the financial year | 778,653 | 963,768 |
| Comprehensive income | | |
| Net surplus/(deficit) attributed for the year | (157,968) | (185,115) |
| Transfers to and from reserves | | |
| - transfer from Special grants reserve | 0 | 0 |
| - transfer from Reserve on incorporation | 0 | 0 |
| Total Retained Earnings | 620,685 | 778,653 |

This Statement should be read in conjunction with the accompanying notes.

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

ABN 62 006 245 996

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2017

| | Notes | 2017 \$ | 2016 \$ |
|---------------------------------------|-------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 10(b) | 589,627 | 785,806 |
| Accounts receivable and other debtors | 4 | 68,067 | 111,935 |
| Inventories on hand | | 2,401 | 2,390 |
| Other current assets | | 17,398 | 80,692 |
| Total Current Assets | | 677,493 | 980,823 |
| NON-CURRENT ASSETS | | | |
| Property, plant & equipment | 5 | 5,138,213 | 5,127,560 |
| Total Assets | | 5,815,706 | 6,108,383 |
| CURRENT LIABILITIES | | | |
| Accounts payable and other payables | 6 | 316,869 | 276,680 |
| Employee benefits | 7 | 139,857 | 122,188 |
| Unearned income | | 39,770 | 232,437 |
| Total Current Liabilities | | 496,496 | 631,305 |
| NON-CURRENT LIABILITIES | | | |
| Employee benefits | 7 | 9,062 | 8,962 |
| Total Liabilities | | 505,558 | 640,267 |
| Net Assets | | 5,310,148 | 5,468,116 |
| Equity | | | |
| Reserves | | 4,689,463 | 4,689,463 |
| Retained Earnings | | 620,685 | 778,653 |
| Net Assets | | 5,310,148 | 5,468,116 |

This Statement should be read in conjunction with the accompanying notes.

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

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CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

| | Notes | 2017 \$ | 2016 \$ |
|--|-------|------------------|------------------|
| Net Cash flows provided by Operating Activities | | | |
| Receipts from government & sponsors | | 3,353,921 | 3,378,987 |
| Interest received | | 17,693 | 22,388 |
| Payments to suppliers and employees | | (3,490,063) | (3,537,725) |
| | | | |
| Net cash provided by operating activities | 10(a) | (118,449) | (136,350) |
| Net Cash flows provided by/(used in) Investing Activities | | | |
| Payments for property, plant & equipment | | (77,730) | (43,129) |
| Proceeds from sale of non-current assets | | 0 | 0 |
| | | | |
| Net cash provided by/(used in) Investing Activities | | (77,730) | (43,129) |
| | | | |
| Net increase/(decrease) in cash and cash equivalents | | (196,179) | (179,479) |
| Cash and cash equivalents at the beginning of year | | 785,806 | 965,285 |
| | | | |
| Cash and cash equivalents at the end of year | 10(b) | 589,627 | 785,806 |

This Statement should be read in conjunction with the accompanying notes.

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1 CORPORATE INFORMATION

Irabina Autism Services is a not for profit company limited by guarantee, incorporated and domiciled in Australia. It is a registered entity (Charity) with the Australian Charities and Not-for-profits Commission.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012. The company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

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 to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities and except where stated does not take into account the changing money values or current values of non-current assets.

The financial report is presented in Australian dollars with amounts rounded to the nearest dollar.

(b) Significant accounting judgements, estimates and assumptions

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial report.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of six months or less. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(d) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts receivable from customers for delivery of services in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

IRABINA AUTISM SERVICES

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment

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

Freehold Property

Freehold land is shown at its fair value based on periodic, but at least quadrennial, valuations by external independent valuers. In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Plant and Equipment

Plant and equipment are measured on the cost basis and are 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 the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer below for details of impairment). Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. The depreciation rates used for each class of depreciable assets are:

| | |
|--|--------------|
| Buildings | 40 years |
| Plant and equipment, fixtures and fittings | 3 - 15 years |

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Impairment

At the end of each reporting period, the entity reviews the carrying values of its property plant and equipment to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company 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.

(g) Employee benefits

Long-term service benefits

The company's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Corporate Bond Rate at the balance sheet date which have maturity dates approximating to the terms of the company's obligations.

Wages, salaries, annual leave, personal leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the company expects to pay as at reporting date including related on-costs, such as workers compensation insurance. The company does not provide for non vesting sick leave.

(h) Taxation

The company is a charitable institution for the purposes of Australian Taxation legislation and is therefore exempt from income tax under Div 50 of the Income Tax Assessment Act 1997. The Australian Taxation Office has confirmed this exemption. Therefore no tax expense is recognised in the financial statements. The company holds deductible gift recipient status.

(i) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows included in receipts or payments to suppliers.

(j) Revenue

Revenue from the rendering of service is recognised upon the delivery of the service to the customer.

Government grants

Government grants are recognised in the statement of financial position initially as deferred income when there is reasonable assurance that it will be received and that the company will comply with the conditions attaching to it. Grants that compensate the company for expenses incurred are recognised as revenue in the statement of profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Fundraising

Donations are recognised as revenue when received.

Investment Income

Investment income comprises interest. Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Inventories on hand

Inventories are measured at the lower of cost and net realisable value. Inventories acquired at no cost or for nominal consideration are measured at the current fair value as at the date of acquisition.

(l) Unexpended Grants

The Company receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the Company to treat grants monies as unexpended grants in the balance sheet where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

(m) Economic Dependence

The Company is dependent on the Department of Education and Training "DET", and Helping Children With Autism "HCWA" for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Department will not continue to support the Company, however the funding structure will alter in FY18 when customers will access funding packages through the NDIS. As Customers move onto the NDIS, DET and HCWA funding will reduce.

(n) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. None of these is expected to have a significant effect on the financial statements of the company. The company has decided not to early adopt any of the new and amended pronouncements.

(o) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

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

IRABINA AUTISM SERVICES

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 3 REVENUE, OTHER INCOME AND EXPENSES

| | 2017 | 2016 |
|---|------------------|------------------|
| | \$ | \$ |
| The net deficit for the year has been determined after including the following items of revenue, other income and expenses: | | |
| HCWA Funding | 708,371 | 688,665 |
| NDIS Funding | 91,555 | 0 |
| Funding and grants | 1,250,619 | 1,241,674 |
| Fundraising and donations | 147,665 | 145,033 |
| Program fees | 796,078 | 705,674 |
| Interest received | 17,333 | 23,888 |
| Other ordinary income | 311,248 | 370,686 |
| TOTAL REVENUE | 3,322,869 | 3,175,620 |
| <hr/> | | |
| Expenses | | |
| Depreciation expenses | | |
| - Buildings and Building Improvements | 12,749 | 12,541 |
| - Plant and equipment and website development | 54,328 | 65,741 |
| | <hr/> | <hr/> |
| | 67,077 | 78,282 |
| Net expenses from movements in provisions | | |
| - Employee entitlements | 17,769 | (29,192) |
| Bad and doubtful debts | | |
| - Amounts written off | 3,603 | 5,321 |
| - Movement in provision | 1,000 | 0 |
| Property lease | 37,686 | 15,500 |
| | <hr/> | <hr/> |

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 4 ACCOUNTS RECEIVABLE & OTHER DEBTORS

| | 2017 | 2016 |
|--|---------------|----------------|
| | \$ | \$ |
| Current | | |
| Accrued income | 21,336 | 0 |
| Accounts receivable | 53,231 | 117,435 |
| Provision for doubtful debts | (6,500) | (5,500) |
| TOTAL ACCOUNTS RECEIVABLE & OTHER DEBTORS | 68,067 | 111,935 |

Provision for Doubtful Debts

Current accounts receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for doubtful debts is recognised when there is objective evidence that an individual accounts receivable is impaired. These amounts have been included in doubtful debts expense. When the company is satisfied that no recovery of the amount owing is possible, the amounts are written off against the receivable directly.

Movement in the provision for doubtful debts is as follows:

| | | |
|--|--------------|--------------|
| Provision for doubtful debts - beginning of period | 5,500 | 5,500 |
| - Charge for year | 1,000 | 0 |
| - Written off | 0 | 0 |
| Provision for doubtful debts - end of period | <u>6,500</u> | <u>5,500</u> |

The company does not have any material credit risk exposure to any single receivable or group of receivables.

Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms are considered to be of high credit quality.

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 5 PROPERTY, PLANT & EQUIPMENT

| | 2017 | 2016 |
|---|------------------|------------------|
| | \$ | \$ |
| Freehold Land | | |
| At Independent valuation | 4,590,000 | 4,590,000 |
| Buildings & Building Improvements | | |
| At Independent valuation | 410,000 | 410,000 |
| At cost | 42,179 | 29,717 |
| Less: Accumulated depreciation | (40,138) | (27,390) |
| | 412,041 | 412,327 |
| Plant & Equipment | | |
| At cost | 343,875 | 321,431 |
| Less: Accumulated depreciation | (251,236) | (247,748) |
| | 92,639 | 73,683 |
| Fixtures & Fittings | | |
| At cost | 104,576 | 97,533 |
| Less: Accumulated depreciation | (61,043) | (48,476) |
| | 43,533 | 49,057 |
| Website Development | | |
| At cost | 1,937 | 21,800 |
| Less: Accumulated depreciation | (1,937) | (19,307) |
| | 0 | 2,493 |
| TOTAL PROPERTY PLANT & EQUIPMENT | 5,138,213 | 5,127,560 |

IRABINA AUTISM SERVICES

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 5 PROPERTY, PLANT & EQUIPMENT (Continued) Reconciliations

| | 2017 | 2016 |
|--|-----------|-----------|
| | \$ | \$ |
| Reconciliations of the carrying amount of each class of Property, plant and equipment are set out below: | | |
| Freehold Land | | |
| Carrying amount at beginning of year | 4,590,000 | 4,590,000 |
| Revaluation to independent valuation 21/2/14 | 0 | 0 |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 4,590,000 | 4,590,000 |
| | <hr/> | <hr/> |
| Buildings | | |
| Carrying amount at beginning of year | 412,327 | 416,196 |
| Additions | 12,462 | 8,672 |
| Depreciation | (12,749) | (12,541) |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 412,040 | 412,327 |
| | <hr/> | <hr/> |
| Plant and equipment | | |
| Carrying amount at beginning of year | 73,683 | 95,977 |
| Additions | 58,225 | 24,610 |
| Disposals | 0 | (268) |
| Depreciation | (39,268) | (46,636) |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 92,640 | 73,683 |
| | <hr/> | <hr/> |
| Fixtures & Fittings | | |
| Carrying amount at beginning of year | 49,057 | 51,742 |
| Additions | 7,043 | 9,848 |
| Depreciation | (12,567) | (12,533) |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 43,533 | 49,057 |
| | <hr/> | <hr/> |
| Website Development | | |
| Carrying amount at beginning of year | 2,493 | 9,065 |
| Additions | | |
| Depreciation | (2,493) | (6,572) |
| | <hr/> | <hr/> |
| Carrying amount at end of year | 0 | 2,493 |
| | <hr/> | <hr/> |

Asset Revaluations

An independent valuation of all land and buildings held by the company was conducted 3 years ago. The valuation, dated the 21st February 2014 by Colliers International determined the fair value of freehold land to be \$4,590,000 and buildings to be \$410,000 based on their fair value in an active market. The valuation was conducted in accordance with Australian and International Accounting Standards applicable to determining fair valuation. The combined increase in revaluation was credited directly to the asset revaluation reserve.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 6 ACCOUNTS PAYABLE AND OTHER PAYABLES

| | 2017 | 2016 |
|--|----------------|----------------|
| | \$ | \$ |
| Current | | |
| Creditors and accrued expenses | 316,869 | 276,680 |
| TOTAL ACCOUNTS PAYABLE AND OTHER PAYABLES | 316,869 | 276,680 |

NOTE 7 EMPLOYEE ENTITLEMENTS

| | 2017 | 2016 |
|------------------------------------|----------------|----------------|
| | \$ | \$ |
| Current | | |
| Provision for Annual Leave | 108,344 | 96,266 |
| Provision for Long Service Leave | 31,513 | 25,922 |
| | 139,857 | 122,188 |
| Non Current | | |
| Provision for Long Service Leave | 9,062 | 8,962 |
| TOTAL EMPLOYEE ENTITLEMENTS | 148,919 | 131,150 |

Provision for Non-current Employee Benefits

A provision has been recognised for employee entitlements relating to 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 has been included in Note 2(g) to these financial statements.

NOTE 8 CAPITAL AND LEASING COMMITMENTS

| | 2017 | 2016 |
|--|---------------|---------------|
| | \$ | \$ |
| Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but not recognised in the financial statements | | |
| Payable - minimum lease payments; | | |
| - Not later than 12 months | 46,750 | 17,000 |
| - Later than 12 months but not later than 5 years | 22,462 | 0 |
| - Later than 5 years | 0 | 0 |
| | 69,212 | 17,000 |

NOTE 9 COMPANY LIMITED BY GUARANTEE

Irabina Autism Services is a company limited by guarantee and the liability of the members is limited to the amount payable in accordance with the memorandum of association. If the company is wound up, the memorandum of association states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the company from its twelve members.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 10 CASH FLOW INFORMATION

| | 2017 | 2016 |
|---|-----------|-----------|
| | \$ | \$ |
| (a) Reconciliation of surplus/(deficit) to net cash provided by operating activities | | |
| Net surplus/(deficit) for the year | (157,968) | (185,115) |
| Non-Cash flows | | |
| - Depreciation | 67,077 | 78,282 |
| - Provision for impairment | 0 | 0 |
| - (Profit)/Loss on disposal of assets | 0 | 267 |
| Movement in assets and liabilities | | |
| - Inventory | (11) | 3,058 |
| - Accounts payable and other liabilities | (152,478) | 95,496 |
| - Provision for Annual Leave | 12,078 | 11,784 |
| - Accounts receivable and other debtors | 43,868 | (42,548) |
| - Provision for Long Service Leave | 5,691 | (40,976) |
| - Other Current Assets | 63,294 | (56,598) |
| Net cash provided by operating activities | (118,449) | (136,350) |

(b) Reconciliation of Cash

For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statements of financial position as follows:

| | | |
|-------------------------------------|---------|---------|
| Cash at bank | 180,583 | 83,329 |
| Term Deposits (short term maturity) | 409,044 | 702,477 |
| | 589,627 | 785,806 |

IRABINA AUTISM SERVICES

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 11 RELATED PARTIES

(a) Directors

The following people were directors of the company during the financial year:

Jennifer Newman

Antony Inglis

Gregory Hughes

Russell Pruden

Vicki Pafumi

Evelyn Chan

Ellen Matusko

All directors are honorary and receive no remuneration for their position with the company.

(b) Key management personnel compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel

Total key management personnel compensation

2017

\$

2016

\$

642,495

500,305

(c) Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. There were no related party transaction during the year.

IRABINA AUTISM SERVICES

A Company Limited By Guarantee

ABN 62 006 245 996

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 12 FINANCIAL RISK MANAGEMENT

The Company does not have any derivative instruments at 30 June 2017.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

| | 2017 | 2016 |
|--|---------------|---------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash and cash equivalents | 589,627 | 785,806 |
| Accounts receivable | 68,067 | 111,935 |
| | <hr/> 657,694 | <hr/> 897,741 |
| Financial Liabilities | | |
| Financial liabilities at amortised cost: | | |
| Accounts payable and other payables | 316,869 | 276,680 |
| | <hr/> 316,869 | <hr/> 276,680 |

Refer to Note 13 for detailed disclosures regarding the fair value measurement of the company's financial assets.

NOTE 13 FAIR VALUE MEASUREMENTS

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

| | 2017 | 2016 |
|--------------------------------------|-----------------|-----------------|
| | \$ | \$ |
| Property, plant and equipment | | |
| Freehold land | 4,590,000 | 4,590,000 |
| Freehold buildings | 410,000 | 410,000 |
| | <hr/> 5,000,000 | <hr/> 5,000,000 |

- (a) For freehold land and buildings, the fair values are based on directors' valuation taking into account an external independent valuation performed in 2014, which had used comparable market data for similar properties.

NOTE 14 EVENTS SUBSEQUENT TO BALANCE DATE

There are no events subsequent to balance date that require disclosure.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 15 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On 23 May 2009 the previous employee charged with fraud that occurred between July 2002 and October 2005 was sentenced to 42 months in prison with a minimum of 2 years to serve.

Irabina is entitled to receive \$191,096.71 in compensation from the sale of assets. To date \$51,083.74 has been received as part payment of the outstanding compensation. As at the date of this report it is not yet known the exact final amount of compensation that will be received or when it will be received.

NOTE 16 RESERVES

The revaluation reserve records the revaluation of non-current assets.

IRABINA AUTISM SERVICES

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DIRECTOR'S DECLARATION

In accordance with a resolution of the Directors of Irabina Autism Services ("the registered entity")

In the opinion of the Directors;

1. the financial statements and notes set out on pages 3 to 19 are in accordance with the Australian *Charities and Not-for-profits Commission Act 2012*, including:
 - (a) giving a true and fair view of the financial position of the registered entity as at 30 June 2017 and of its performance, as represented by the results of its operations and its cash flows, for the year ended that date; and
 - (b) complying with Accounting Standards (including Australian Accounting Interpretations) *and the Australian Charities and Not-for-profits Commission Act 2012*; 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.

On behalf of the Board

Signed in accordance with a resolution of the Directors.


.....
Director

Signed at Bayswater this 31st day of August 2017

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF IRABINA AUSTISM SERVICES

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Irabina Austism Services, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss 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 Director's declaration.

In our opinion, the accompanying financial report of the registered entity is in accordance with the Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Regime 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 registered entity in accordance with 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. 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 Company in accordance with the auditor independent requirements of the *Australian Charities and Not-for-profits Commission Act 2012* 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 of our opinion.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity'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 intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the company's financial reporting process.

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 Company'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 Company's 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 Company'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 Company 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



Jeffrey Tulk

Partner

BLACKBURN VIC

Dated 31 August 2017