

BRAIN INJURY AUSTRALIA INC
ABN 77 314 074 922

FINANCIAL REPORT – 30 JUNE 2014

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The accompanying Special Purpose Financial Report has been prepared for the exclusive use of the Members of Brain Injury Australia Inc. This financial report is not to be used by any other party unless accompanied with additional information concerning the Association’s financial position.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	290,060	317,272
Trade and other receivables	5	557	6,263
<i>Total current assets</i>		<u>290,617</u>	<u>323,535</u>
Non-current assets			
Property, plant and equipment	6	878	2,455
<i>Total non-current assets</i>		<u>878</u>	<u>2,455</u>
TOTAL ASSETS		<u>291,495</u>	<u>325,990</u>
LIABILITIES			
Current liabilities			
Trade and other payables	7	46,531	92,845
<i>Total current liabilities</i>		<u>46,531</u>	<u>92,845</u>
Non-current liabilities			
Provisions	8	9,818	7,858
<i>Total non-current liabilities</i>		<u>9,818</u>	<u>7,858</u>
TOTAL LIABILITIES		<u>56,349</u>	<u>100,703</u>
NET ASSETS		<u>235,146</u>	<u>225,287</u>
EQUITY			
Retained earnings		95,146	85,287
Reserves		140,000	140,000
TOTAL EQUITY		<u>235,146</u>	<u>225,287</u>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	2	<u>350,838</u>	<u>536,266</u>
		<u>350,838</u>	<u>536,266</u>
Expenses			
Administration expenses		(32,408)	(33,783)
Consultants and contractors		(57,192)	(245,353)
Depreciation	3	(1,577)	(1,966)
Insurance		(6,065)	(4,011)
Rent		(9,183)	(10,860)
Salaries and employee benefits		(206,075)	(208,351)
Telephone expenses		(3,426)	(4,338)
Travel and accommodation		<u>(25,053)</u>	<u>(77,142)</u>
		<u>(340,979)</u>	<u>(585,804)</u>
Profit (loss) before income tax		9,859	(49,538)
Income tax expense		<u>-</u>	<u>-</u>
Profit (loss) for the year		<u>9,859</u>	<u>(49,538)</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>9,859</u></u>	<u><u>(49,538)</u></u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Retained Earnings \$	Business Combinations Reserve \$	Total \$
Balance at 1 July 2012	134,825	140,000	274,825
Comprehensive income			
Loss for the year	(49,538)	-	(49,538)
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>(49,538)</u>	<u>-</u>	<u>(49,538)</u>
Balance at 30 June 2013	<u>85,287</u>	<u>140,000</u>	<u>225,287</u>
Balance at 1 July 2013	85,287	140,000	225,287
Comprehensive income			
Profit for the year	9,859	-	9,859
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>9,859</u>	<u>-</u>	<u>9,859</u>
Balance at 30 June 2014	<u>95,146</u>	<u>140,000</u>	<u>235,146</u>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from government, donations and grants		373,126	520,004
Payments to suppliers and employees		(408,737)	(518,044)
Interest received		8,399	11,697
<i>Net cash flows from operating activities</i>	9	<u>(27,212)</u>	<u>13,657</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(2,102)
Purchase of intangible assets		-	-
<i>Net cash flows from investing activities</i>		<u>-</u>	<u>(2,102)</u>
Net increase (decrease) in cash and cash equivalents		(27,212)	11,555
Cash and cash equivalents at the beginning of the financial year		<u>317,272</u>	<u>305,717</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>290,060</u></u>	<u><u>317,272</u></u>

BRAIN INJURY AUSTRALIA INC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1 - Statement of accounting policies

Reporting entity

The financial report includes the financial statements and notes of Brain Injury Australia Inc. Brain Injury Australia Inc is incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991* and is domiciled in Australia.

The financial statements were approved by the Board on 10 October 2014.

Basis of preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 1991* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Board has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable as below:-

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031:	Materiality
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosures

No other Australian Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Historical cost convention

The financial statements, except for the cash flow information, has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the entity has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Income Tax

As Brain Injury Australia Inc is a not-for-profit Charity & Public Benevolent Institution it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Association has deductible gift recipient (DGR) status.

BRAIN INJURY AUSTRALIA INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2014**Note 1 - Statement of accounting policies (continued)*****Goods and Services Tax (GST)***

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Grants, donations and bequests

Income arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

- (a) the entity obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the entity; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Interest

Revenue from interest is recognised on an accruals basis.

Rendering of services

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

Impairment of assets

At the end of each reporting period, the entity reviews the carrying values of its tangible assets 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 assets fair value less the costs to sell the 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 the statement of profit or loss and other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

BRAIN INJURY AUSTRALIA INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2014**Note 1 - Statement of accounting policies (continued)*****Trade receivables***

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

Property, plant and equipment**Recognition and measurement**

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation effective life used for each class of depreciable assets is:

Plant and equipment	3-7 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

BRAIN INJURY AUSTRALIA INC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014****Note 1 - Statement of accounting policies (continued)****Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity 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. The carrying amount of trade and other payables is deemed to reflect fair value.

Income and grants received in advance

Income, including government funding income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

New Accounting Standards for Application in Future Periods

The following standards, amendments to standards and interpretations have been identified as those which may affect the company in the period of initial application.

Standard	Effective date	Impact on the company
<p>AASB 9: <i>Financial Instruments: Recognition and Measurement</i></p> <p>Related standards:</p> <ul style="list-style-type: none"> • AASB 2010-7 	Annual reporting periods commencing on or after 1 January 2017	The entity has not yet assessed the full impact of the standard on the company's financial statements.
<p>AASB 10: <i>Consolidated Financial Statements</i></p> <p>Related standards:</p> <ul style="list-style-type: none"> • AASB 11 • AASB 12 • AASB 127 • AASB 128 • AASB 2011-7 	Annual reporting periods commencing on or after 1 January 2014	The standard is not expected to significantly impact the company's financial statements.
<p>AASB 2012-3: <i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities</i></p> <p>Related standards:</p> <ul style="list-style-type: none"> • AASB 2013-4 	Annual reporting periods commencing on or after 1 January 2014	The standard is not expected to significantly impact the company's financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

	2014	2013
	\$	\$
<u>Note 2 - Revenue and other income</u>		
Revenue		
Donations	38,300	29,008
Grants	278,357	476,728
Other operating revenue	25,782	18,833
	<u>342,439</u>	<u>524,569</u>
Other revenue		
Interest income	8,399	11,697
	<u>8,399</u>	<u>11,697</u>
<i>Total revenue</i>	<u>350,838</u>	<u>536,266</u>
<u>Note 3 - Expenses</u>		
Remuneration of auditor (StewartBrown)		
Assurance services	4,400	3,800
Other services	2,000	-
Depreciation - property, plant and equipment	1,577	1,966
<u>Note 4 - Cash and cash equivalents</u>		
Cash at bank	166,822	197,405
Cash on deposit	123,238	119,867
<i>Total cash and cash equivalents</i>	<u>290,060</u>	<u>317,272</u>
<u>Note 5 - Trade and other receivables</u>		
<u>Current</u>		
Trade receivables	557	6,263
<i>Total current trade and other receivables</i>	<u>557</u>	<u>6,263</u>
<u>Note 6 - Property, plant and equipment</u>		
	Plant and	Total
	Equipment	\$
	\$	
At 30 June 2013		
Cost	6,884	6,884
Accumulated depreciation	(4,429)	(4,429)
<i>Net carrying amount</i>	<u>2,455</u>	<u>2,455</u>
<i>Movements in carrying amounts</i>		
Net carrying amount at 1 July 2013	2,455	2,455
Additions	-	-
Depreciation charge for the year	(1,577)	(1,577)
Net carrying amount at 30 June 2014	<u>878</u>	<u>878</u>
At 30 June 2014		
Cost	6,884	6,884
Accumulated depreciation	(6,006)	(6,006)
<i>Net carrying amount</i>	<u>878</u>	<u>878</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
<u>Note 7 - Trade and other payables</u>		
<u>Current</u>		
Trade payables	3,842	6,759
Liabilities to employees	26,769	20,480
Government funding in advance	-	48,184
Other payables	15,920	17,422
<i>Total current trade and other payables</i>	<u>46,531</u>	<u>92,845</u>
<u>Note 8 - Provisions</u>		
<u>Non-current</u>		
Employee entitlements - long service leave	<u>9,818</u>	<u>7,858</u>
<i>Total non-current provisions</i>	<u>9,818</u>	<u>7,858</u>
<u>Note 9 - Cash flow information</u>		
Reconciliation of cash flows from operations with profit after income tax:		
Profit after income tax	9,859	(49,538)
<i>Add (less) non-cash flows in profit</i>		
Depreciation	1,577	1,966
<i>Changes in assets and liabilities</i>		
Decrease (increase) in receivables	5,706	(4,135)
Increase (decrease) in payables	(46,314)	57,506
Increase (decrease) in provisions	1,960	7,858
Cash flows from operating activities	<u>(27,212)</u>	<u>13,657</u>

Note 10 - Events occurring after the reporting period

No material events have occurred after the reporting period. The special purpose financial report was authorised for issue on 10 October 2014 by the members of the Board.

BRAIN INJURY AUSTRALIA INC**ABN 77 314 074 922****FINANCIAL REPORT – 30 JUNE 2014****STATEMENT BY MEMBERS OF THE BOARD**

The Board 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 and the *Associations Incorporation Act 1991* and *Australian Charities and Not-for-profits Commission Act 2012*.

In the opinion of the Board, the financial report, which comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements:

- (a) Presents a true and fair view of the financial position of Brain Injury Australia Inc as at 30 June 2014 and its performance for the year ended on that date; and
- (b) At the date of this statement, there are reasonable grounds to believe that Brain Injury Australia Inc will be able to pay its debts as and when they fall due.

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

Dr Roger Chung
President

Paul Raciborski
Treasurer

10 October 2014

BRAIN INJURY AUSTRALIA INC**ABN 77 314 074 922****FINANCIAL REPORT – 30 JUNE 2014****BOARD'S DECLARATION**
UNDER THE CHARITABLE FUNDRAISING ACT 1991

In the opinion of the Board of Brain Injury Australia Inc:

- (i) The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals for the year ended 30 June 2014; and
- (ii) The statement of financial position gives a true and fair view of the state of affairs of the entity with respect to fundraising appeals; and
- (iii) The provisions of the *Charitable Fundraising Act 1991*, the regulations under that Act, and the conditions attached to the authority to fundraise have been complied with; and
- (iv) The internal controls exercised by the entity are appropriate and effective in accounting for all income received.

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

Dr Roger Chung
President

Paul Raciborski
Treasurer

10 October 2014

BRAIN INJURY AUSTRALIA INC
ABN 77 314 074 922

FINANCIAL REPORT – 30 JUNE 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BRAIN INJURY AUSTRALIA INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Brain Injury Australia Inc, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the Board.

Board's Responsibility for the Financial Report

The Board of Brain Injury Australia Inc is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act 1991 (ACT)* and 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 Board determines is necessary to enable the preparation 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity'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 Board, 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.

BRAIN INJURY AUSTRALIA INC
ABN 77 314 074 922

FINANCIAL REPORT – 30 JUNE 2014
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BRAIN INJURY AUSTRALIA INC

Independence

In conducting our audit, we have followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Brain Injury Australia Inc as at 30 June 2014 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, the *Associations Incorporation Act 1991 (ACT)* and the *Australian Charities and Not-for-profits Commission Act 2012*.

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 has been prepared for the purpose of fulfilling the Board's financial reporting responsibilities under the *Associations Incorporation Act 1991 (ACT)*. As a result, the financial report may not be suitable for another purpose.

Report on Other Legal and Regulatory Requirements

In addition, our audit report has also been prepared for the members of the Association in accordance with section 24(2) of the *Charitable Fundraising (NSW) Act 1991*. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Associations Incorporation Act 1991 (ACT)* and the *Australian Charities and Not-for-profits Commission Act 2012*. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *Charitable Fundraising (NSW) Act 1991* and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year end financial report preparation.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the *Charitable Fundraising (NSW) Act 1991* has been formed on the above basis.

BRAIN INJURY AUSTRALIA INC
ABN 77 314 074 922

FINANCIAL REPORT – 30 JUNE 2014
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BRAIN INJURY AUSTRALIA INC

Auditor's opinion

Pursuant to the requirements of Section 24(2) of the *Charitable Fundraising (NSW) Act 1991* we report that, in our opinion:

- a) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 30 June 2014; and
- b) the financial report has been properly drawn up, and the associated records have been properly kept for the period 1 July 2013 to 30 June 2014, in accordance with the *Charitable Fundraising (NSW) Act 1991* and Regulations; and
- c) money received as a result of fundraising appeal activities conducted during the period 1 July 2013 to 30 June 2014 has been properly accounted for and applied in accordance with the *Charitable Fundraising (NSW) Act 1991* and Regulations; and
- d) at the date of this report there are reasonable grounds to believe that Association will be able to pay its debts as and when they become due and payable.



StewartBrown
Chartered Accountants



S.J. Hutcheon
Partner

10 October 2014