

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KIDZWISH FOUNDATION INCORPORATED
A.B.N 33 580 801 245
Report on the Financial Report**

Opinion

We have audited the accompanying financial report of Kidzwish Foundation (ACNC RDR) Incorporated (the association), which comprises the statement of financial position as at 30 June 2017, statement of 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 certification by members of the committee on the annual statements giving a fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of Kidzwish Foundation Incorporated is in accordance with Division 60 of the Australian Charities and Not-for-profit Commission Act 2012 (ACNC Act) and the Associations Incorporation Act 2009 including:

- (i) 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
- (ii) Complying with the Australian Accounting – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in Note 1 to the financial report. We are independent of the association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board 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 audit opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The committee of the association is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements, the Associations Incorporation Act 2009 and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the committee determines is necessary to enable the preparation of the

financial report that gives a true and fair view and is free from material misstatement, due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the ability of the association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibility

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. Misstatement 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 the users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 controls.
- 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 of the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the events or conditions that may cast significant doubt on the association'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 association 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.

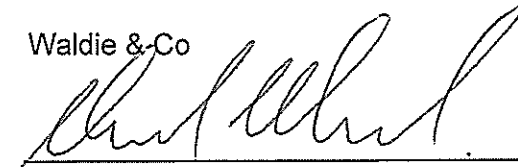
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We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Name of Firm:

Waldie & Co

Name of Partner:



Michael Waldie

Address:

47 Manning Street Kiama, NSW 2533

Dated this 17 **day of** November 2017

KIDZWISH FOUNDATION INCORPORATED
ABN 33 580 801 245

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
INCOME			
Donations		50,696	52,352
Sponsorship		204,818	205,535
Interest Received		33	596
Profit On Sale Of Property		291,285	4,683
Grants		40,000	25,000
Telemarketing Sales		1,568,625	1,614,338
Grants (State) Operating		297,228	306,113
Events		101,326	102,061
Work Place Giving		2,683	5,524
Donations - GALKW		95,805	87,111
Capital Fundraising		327,187	74,381
Therapy Services - FFS		590	-
		2,980,276	2,477,694
LESS EXPENDITURE			
Accountancy Fees		10,377	12,494
Amortisation		171	2,639
Appeal		9,194	22,629
Auditors' Remuneration		2,899	2,403
Bank Charges		5,607	3,314
Board Expenses		303	499
Client Networking		10,999	8,532
Depreciation		7,252	7,538
Events		505,546	500,498
Electricity		2,005	119
Fundraising Capital Cost		36,296	74,829
Fees And Permits		1,128	2,759
Insurance		9,426	9,146
Interest Paid		9,410	8,438
Kidzspeak		139,522	152,696
Legal Costs		238	-
Office Expenses		13,616	7,825
Marketing		187,840	174,115
Music And Dance		55,561	58,947
Motor Vehicle Expenses		14,801	22,160
Postage		2,466	1,185
Provision For Annual Leave		(255)	(5,096)
Provision For Long Service Leave		2,470	292
Printing And Stationery		10,033	12,272
NDIS Transition		40,320	-
Rates And Taxes		3,853	1,503
Repairs And Maintenance		7,132	8,305
Salaries And Wages		126,550	111,665
Sports Academy		42,289	38,242
Staff Training And Welfare		3,043	920

The accompanying notes form part of these financial statements.

KIDZWISH FOUNDATION INCORPORATED
ABN 33 580 801 245

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		\$	\$
Support		2,345	2,852
Superannuation Contributions - Employees		17,964	14,810
Speech Therapy - KidzCommunicate Program		257,764	246,144
Telephone		8,610	9,352
Telemarketing		928,360	951,538
Therapy Services		29,173	22,074
Travel And Accomodation		6,088	2,532
Therapy Services (OT/Physio) Grant Funded		79,345	81,619
Therapy Services FFS		350	-
		<u>2,590,091</u>	<u>2,571,789</u>
NET OPERATING PROFIT (LOSS)		390,185	(94,095)
Retained Profits at the beginning of the financial year		<u>502,574</u>	<u>596,669</u>
TOTAL AVAILABLE FOR APPROPRIATION		<u>892,758</u>	<u>502,574</u>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		<u><u>892,758</u></u>	<u><u>502,574</u></u>

The accompanying notes form part of these financial statements.

KIDZWISH FOUNDATION INCORPORATED
ABN 33 580 801 245

BALANCE SHEET
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash At Bank	3	928,063	121,483
Trade and other receivables	4	25,316	53,041
Donated Assets		1,000	1,000
Prepayments		17,276	-
Rental Bond		2,800	-
Prepaid Borrowing Expenses		284	453
		<u>974,739</u>	<u>175,977</u>
FIXED ASSETS			
Land And Buildings	5	131,237	727,930
Plant and equipment		65,230	86,919
		<u>196,467</u>	<u>814,849</u>
TOTAL ASSETS		<u>1,171,206</u>	<u>990,826</u>
CURRENT LIABILITIES			
Trade and Other Payables	6	93,613	49,244
Borrowings	7	53,879	28,765
Employee Entitlements	8	100,169	86,389
Funding Loan - Medical Malpractice		-	1,418
Insurance Funding Loan		-	748
		<u>247,661</u>	<u>166,563</u>
NON-CURRENT LIABILITIES			
Trade and Other Payables	6	-	3,025
Borrowings	7	30,788	213,924
		<u>30,788</u>	<u>216,949</u>
TOTAL LIABILITIES		<u>278,449</u>	<u>383,512</u>
NET ASSETS		<u>892,757</u>	<u>607,314</u>
EQUITY			
Reserves	9	-	104,740
Retained Profits	10	892,758	502,574
TOTAL EQUITY		<u>892,758</u>	<u>607,314</u>

The accompanying notes form part of these financial statements.

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

Note	2017	2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	2,804,113	2,433,780
Payments to suppliers and employees	(2,622,781)	(2,557,557)
Interest received	33	596
Finance costs	9,410	9,132
Net cash used in operating activities	190,775	(114,049)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	811,545	24,615
Payment for property, plant and equipment	(28,308)	(63,631)
Net cash provided by (used in) investing activities	783,238	(39,016)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	38,634	111,943
Repayment of borrowings	(206,066)	(62,429)
Net cash provided by (used in) financing activities	(167,433)	49,514
Net increase in cash held	806,580	(103,551)
Cash at beginning of financial year	121,483	225,034
Cash at end of financial year	3 928,063	121,483

The accompanying notes form part of these financial statements.