



AUSTRALIAN BLOUZA ASSOCIATION INC.

Financial Statements

FINANCIAL YEAR ENDED 31ST DECEMBER 2014

Robert Bates & Co
Chartered Accountants

AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Australian Blouza Association Inc. (the Association), which comprises the balance sheet as at 31 December 2014, and the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

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 Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009 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, whether due to fraud or error.

Auditors' 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 auditors' judgment, 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 auditors consider internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 committee, 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885**

Auditors' Opinion

In our opinion, the financial report of Australian Blouza Association Inc. presents fairly, in all material respects the financial position of Australian Blouza Association Inc. as of 31 December 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act NSW 2009.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the Associations Incorporation Act NSW 2009. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Robert Bates & Co
Chartered Accountants

Name of Partner: _____

Robert Bates

Address: Ground Floor, 90 Phillip Street PARRAMATTA NSW 2150

Dated this 25th day of March 2015

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTOR OF
AUSTRALIAN BLOUZA ASSOCIATION INC.**

We declare, that to the best of our knowledge and belief, during the year ended 31 December 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Robert Bates & Co
Chartered Accountants

Name of Partner: _____

Robert Bates

Address: Ground Floor, 90 Phillip Street
PARRAMATTA NSW 2150

Dated this day of

25 MARCH 2015

AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885


STATEMENT BY MEMBERS OF THE COMMITTEE


The committee 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.

In the opinion of the committee the financial report :

1. Presents a true and fair view of the financial position of Australian Blouza Association Inc. as at 31 December 2014 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Australian Blouza Association 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 Committee and is signed for and on behalf of the Committee by:

President: 
Joe D Younis

Treasurer: 
Sam Hassarati

Dated this day of 15th April 2015

AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

| | Note | 2014 \$ | 2013 \$ |
|---|------|------------|------------|
| INCOME | | | |
| Donations | | 16,795 | 20,708 |
| Functions | | 90,283 | 84,033 |
| Hall Hire | | 64,382 | 58,839 |
| Interest | | 610 | 687 |
| Other Income - Billboard Advertising | | 15,000 | 12,000 |
| | | 187,070 | 176,267 |
| EXPENDITURE | | | |
| Accountancy fees | | 52 | - |
| Advertising | | 962 | - |
| Bank charges & merchant fees | | 299 | 247 |
| Benefit Payments to Lebanon | | 10,668 | - |
| Computer/Website Expenses | | 227 | - |
| Depreciation | | 18,218 | 21,339 |
| Donations | | 3,400 | 4,000 |
| Function expenses | | 48,661 | 39,597 |
| Property expenses | | 51,155 | 52,304 |
| Interest paid | | 16,613 | 31,079 |
| Printing and stationery | | 480 | 1,169 |
| Other Expenses | | - | 3,881 |
| | | 150,735 | 153,616 |
| Profit before income tax | | 36,335 | 22,651 |
| Profit for the year | | 36,335 | 22,651 |
| Retained earnings at the beginning of the financial year | | 576,090 | 553,439 |
| Retained earnings at the end of the financial year | | 612,425 | 576,090 |

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of Robert Bates & Co.

AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 | 2013 |
|--|-----------------|-----------------|
| | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | 187,070 | 176,627- |
| Payments to suppliers | (126,638) | (146,173) |
| Net cash provided by operating activities | 60,432 | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments for property, plant and equipment | 1,991 | 1,072 |
| Net cash provided by investing activities | 1,991 | 1,072 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of borrowings | (69,791) | (57,961) |
| Net cash provided by (used in) financing activities | (69,791) | (57,961) |
| Net increase (decrease) in cash held | (7,368) | (26,435) |
| Cash at beginning of financial year | 21,040 | 47,475 |
| Cash at end of financial year | 2 13,672 | 21,040 |

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AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

BALANCE SHEET
AS AT 31 DECEMBER 2014

| | Note | 2014 \$ | 2013 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2 | 13,672 | 21,040 |
| Trade and other receivables | 3 | 278 | 3,521 |
| Inventories | 4 | - | 250 |
| TOTAL CURRENT ASSETS | | 13,950 | 24,811 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | 2,575,572 | 2,591,800 |
| TOTAL NON-CURRENT ASSETS | | 2,575,572 | 2,591,800 |
| TOTAL ASSETS | | 2,589,522 | 2,616,611 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 6 | - | 2,510 |
| Borrowings | 7 | 2,431 | - |
| TOTAL CURRENT LIABILITIES | | 2,431 | 2,510 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 7 | 739,940 | 803,285 |
| TOTAL NON-CURRENT LIABILITIES | | 739,940 | 803,285 |
| TOTAL LIABILITIES | | 742,371 | 805,795 |
| NET ASSETS | | 1,847,151 | 1,810,816 |
| EQUITY | | | |
| Reserves | 8 | 1,234,726 | 1,234,726 |
| Retained earnings | 9 | 612,425 | 576,090 |
| TOTAL EQUITY | | 1,847,151 | 1,810,816 |

The accompanying notes form part of these financial statements.
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AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act NSW. The committee has determined that the association is not a reporting entity.

The financial report 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.

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

Income Tax

As of 31 August 2005, the Association was granted an income tax exemption, as a result the Association is not subject to income tax on the income generated from its members or on any non mutual income.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in first-out basis.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation.

**AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

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 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.

AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 \$ | 2013 \$ |
|---|------------------|------------------|
| 2 Cash and Cash Equivalents | | |
| Cash on hand | 400 | 400 |
| Cash at Bank - Arab Bank (Building Contribution Fund A/c) | 16 | 88 |
| Cash at Bank - Arab Bank (General A/c) | - | 190 |
| Cash at Bank - Arab Bank (Online Business Savings A/c) | 12,430 | 9,634 |
| Cash Management Account - (C & T Takchi Fund) | 826 | 10,728 |
| | <u>13,672</u> | <u>21,040</u> |
| 3 Trade and Other Receivables | | |
| Current | | |
| GST Paid | - | 3,521 |
| Other debtors | 278 | - |
| | <u>278</u> | <u>3,521</u> |
| 4 Inventories | | |
| Current | | |
| Stock on hand | - | 250 |
| | <u>-</u> | <u>250</u> |
| 5 Property, Plant and Equipment | | |
| Land and Buildings | | |
| Land and buildings, at market value (21 Nov 2013) | 2,500,000 | 2,500,000 |
| Total Land and Buildings | <u>2,500,000</u> | <u>2,500,000</u> |
| Furniture and fittings, at cost | 209,228 | 207,237 |
| Accumulated depreciation | (133,489) | (115,437) |
| | <u>75,739</u> | <u>91,800</u> |
| Accumulated depreciation - Capital Allowance | (167) | - |
| Total Plant and Equipment | <u>75,572</u> | <u>91,800</u> |
| Total Property, Plant and Equipment | <u>2,575,572</u> | <u>2,591,800</u> |

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report of Robert Bates & Co.

AUSTRALIAN BLOUZA ASSOCIATION INC.
A.B.N. 89 590 823 885

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 \$ | 2013 \$ |
|--|------------------|------------------|
| 6 Accounts Payable and Other Payables | | |
| Current | | |
| GST Collected | - | 2,510 |
| 7 Borrowings | | |
| Current | | |
| Bank overdraft, fully secured | 2,431 | - |
| Non-Current | | |
| Loan - Arab Bank Australia | 76,546 | 96,303 |
| Loan - C & T Takchi Fund | 433,394 | 426,982 |
| Member Loans (Interest Bearing) | 100,000 | 150,000 |
| Member Loans (Interest Free) | 130,000 | 130,000 |
| Total non-current borrowings | <u>739,940</u> | <u>803,285</u> |
| 8 Reserves | | |
| Asset revaluation reserve | | |
| Blaxcell St Revaluation - 31 December 2009 | 764,676 | 764,676 |
| Blaxcell St Revaluation - 21 November 2013 | 470,050 | 470,050 |
| | <u>1,234,726</u> | <u>1,234,726</u> |
| 9 Retained Earnings | | |
| Retained earnings at the beginning of the financial year | 576,090 | 553,439 |
| Net profit attributable to the association | 36,335 | 22,651 |
| Retained earnings at the end of the financial year | <u>612,425</u> | <u>576,090</u> |

These notes should be read in conjunction with the attached compilation
report of Robert Bates & Co.

AUSTRALIAN BLOUZA ASSOCIATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

| | 2014 | 2013 |
|---|----------------|----------------|
| | \$ | \$ |
| 10. INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT | | |
| Gross Proceeds from Fundraising Appeals | | |
| Donations | 16,795 | 20,708 |
| Functions | 90,283 | 84,033 |
| Total Revenue | <u>107,078</u> | <u>104,741</u> |
| Total Cost of Fundraising | | |
| Advertising | 551 | - |
| Bank Charges | 201 | 147 |
| Dues & subscriptions | - | - |
| Benefits paid to Lebanon | 10,668 | - |
| Function expenses | 48,661 | 39,597 |
| Merchandise purchases | - | - |
| Postage, Printing & Stationery | 405 | 695 |
| Interest Paid | 12,265 | 25,063 |
| Telephone | 799 | 943 |
| | <u>73,550</u> | <u>66,445</u> |
| Net Surplus/(Deficit) from Fundraising | <u>33,528</u> | <u>38,296</u> |
| The surplus between fundraising and total expenditure was transferred to accumulated funds. | | |
| Comparisons by Monetary Figures and Percentages | | |
| Total cost of fundraising/ | <u>73,550</u> | <u>66,445</u> |
| Gross income from fundraising | <u>107,078</u> | <u>104,741</u> |
| | 69% | 63% |
| Net surplus from fundraising/ | <u>33,528</u> | <u>38,296</u> |
| Gross income from fundraising | <u>107,078</u> | <u>104,741</u> |
| | 31% | 37% |
| Total cost of services provided for charitable purposes/ | <u>3,400</u> | <u>4,000</u> |
| Total expenditure | <u>73,550</u> | <u>66,445</u> |
| | 5% | 6% |
| Total cost of services provided for charitable purposes/ | <u>3,400</u> | <u>4,000</u> |
| Total income received during the year | <u>107,078</u> | <u>104,741</u> |
| | 3% | 4% |

Fundraising conducted during the year was mainly derived from social functions (including annual ball, family picnic and community seminars), bereavement donations and hall hire.