

AUSTRALIAN BLOUZA ASSOCIATION INC

ABN: 89 590 823 885

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

Robert**BATES**&CO
CHARTERED & ACCOUNTANTS

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

CONTENTS

Auditor's Report	1
Auditors Independence Declaration	3
Statement by Members of the Committee	4
Income Statement	5
Cash Flow Statement	6
Balance Sheet	7
Notes to the Financial Statements	8

**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 2015, and the income and expenditure statement and cash flow 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. is in accordance with the Associations Incorporation Act 2009 including:

- (i) giving a true and fair view of the Association's financial position as at 31 December 2015 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards.

The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Robert Bates & Co
Chartered Accountants

Name of Partner: _____
Robert Bates

Address: Ground Floor, 90 Phillip Street PARRAMATTA NSW 2150

Dated this 14 day of April 2016

**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 2015 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 14 day of April 2016

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 2015 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: _____
Joseph A. Younis

Dated this 14 day of April 2016

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

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$	2014 \$
INCOME			
Donations		13,295	16,795
Functions		67,914	90,283
Grants Received		28,000	-
Hall Hire		57,261	64,382
Interest		645	610
Other Income - Billboard Advertising		15,000	15,000
		182,115	187,070
EXPENDITURE			
Accountancy fees		53	52
Advertising		1,023	962
Bank charges & merchant fees		299	299
Benefit Payments to Lebanon		14,334	10,668
Computer/Website Expenses		2,314	227
Loss on disposal of fixed assets		1,608	-
Depreciation		14,558	18,218
Donations		8,700	3,400
Function expenses		31,533	48,661
Property expenses		79,181	51,155
Interest paid		22,590	16,613
Printing and stationery		834	480
		177,027	150,735
Profit before income tax		5,088	36,335
Profit for the year		5,088	36,335
Retained earnings at the beginning of the financial year		612,426	576,091
Retained earnings at the end of the financial year		617,514	612,426

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 2015

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	178,995	187,070
Payments to suppliers and employees	<u>(164,529)</u>	<u>(126,638)</u>
Net cash provided by operating activities	<u>14,466</u>	<u>60,432</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	<u>(773)</u>	<u>1,991</u>
Net cash provided by (used in) investing activities	<u>(773)</u>	<u>1,991</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	15,109	-
Repayment of borrowings	<u>(21,607)</u>	<u>(69,791)</u>
Net cash used in financing activities	<u>(6,498)</u>	<u>(69,791)</u>
Net increase (decrease) in cash held	7,195	(7,368)
Cash at beginning of financial year	<u>13,672</u>	<u>21,040</u>
Cash at end of financial year	<u>20,867</u>	<u>13,672</u>

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

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	20,867	13,672
Trade and other receivables	3	7,066	278
TOTAL CURRENT ASSETS		<u>27,933</u>	<u>13,950</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,560,179	2,575,572
TOTAL NON-CURRENT ASSETS		<u>2,560,179</u>	<u>2,575,572</u>
TOTAL ASSETS		<u>2,588,112</u>	<u>2,589,522</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5	19,500	-
Borrowings	6	-	2,431
TOTAL CURRENT LIABILITIES		<u>19,500</u>	<u>2,431</u>
NON-CURRENT LIABILITIES			
Borrowings	6	716,372	739,939
TOTAL NON-CURRENT LIABILITIES		<u>716,372</u>	<u>739,939</u>
TOTAL LIABILITIES		<u>735,872</u>	<u>742,370</u>
NET ASSETS		<u>1,852,240</u>	<u>1,847,152</u>
EQUITY			
Reserves	7	1,234,726	1,234,726
Retained earnings	8	617,514	612,426
TOTAL EQUITY		<u>1,852,240</u>	<u>1,847,152</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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.

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.

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.

AUSTRALIAN BLOUZA ASSOCIATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
2 Cash and Cash Equivalents		
Cash on hand	400	400
Cash at Bank - Arab Bank (Building Contribution Fund A/c)	25	16
Cash at Bank - Arab Bank (General A/c)	5,273	-
Cash at Bank - Arab Bank (Online Business Savings A/c)	14,807	12,430
Cash Management Account - (C& T Takchi Fund)	362	826
	<u>20,867</u>	<u>13,672</u>
3 Trade and Other Receivables		
Current		
GST Paid	1,066	278
Other debtors	6,000	-
	<u>7,066</u>	<u>278</u>
4 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	192,035	209,228
Accumulated depreciation	(131,526)	(133,489)
	<u>60,509</u>	<u>75,739</u>
Accumulated depreciation - Capital Allowance	(330)	(167)
Total Plant and Equipment	<u>60,179</u>	<u>75,572</u>
Total Property, Plant and Equipment	<u>2,560,179</u>	<u>2,575,572</u>
5 Accounts Payable and Other Payables		
Current		
Property Expenses	19,500	-

AUSTRALIAN BLOUZA ASSOCIATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

		2015 \$	2014 \$
6	Borrowings		
	Current		
	Bank overdraft, fully secured	-	2,431
	Non-Current		
	Loan - Arab Bank Australia	37,869	76,545
	Loan - C & T Takchi Fund	448,503	433,394
	Member Loans (Interest Bearing)	100,000	100,000
	Member Loans (Interest Free)	130,000	130,000
	Total non-current borrowings	<u>716,372</u>	<u>739,939</u>
7	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>
8	Retained Earnings		
	Retained earnings at the beginning of the financial year	612,426	576,091
	Net profit attributable to the association	5,088	36,335
	Retained earnings at the end of the financial year	<u>617,514</u>	<u>612,426</u>

AUSTRALIAN BLOUZA ASSOCIATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
10. INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT		
Gross Proceeds from Fundraising Appeals		
Donations	13,295	16,795
Functions	67,914	90,283
Total Revenue	81,209	107,078
Total Cost of Fundraising		
Accounting fees	24	-
Advertising	472	551
Bank Charges	138	201
Computer/Website expenses	1,067	-
Benefits paid to Lebanon	14,334	10,668
Function expenses	31,533	48,661
Merchandise purchases	-	-
Postage, Printing & Stationery	385	405
Interest Paid	18,590	12,265
Telephone	557	799
	67,100	73,550
Net Surplus/(Deficit) from Fundraising	14,109	33,528
The surplus between fundraising and total expenditure was transferred to accumulated funds.		
Comparisons by Monetary Figures and Percentages		
Total cost of fundraising/	67,100	73,550
Gross income from fundraising	81,209	107,078
	83%	69%
Net surplus from fundraising/	14,109	33,528
Gross income from fundraising	81,209	107,078
	17%	31%
Total cost of services provided for charitable purposes/	23,034	3,400
Total expenditure	67,100	73,550
	34%	5%
Total cost of services provided for charitable purposes/	23,034	3,400
Total income received during the year	81,209	107,078
	28%	3%

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