BROTHERS IN NEED LIMITED
ABN 43 604 722 410

Financial Statements

For the year ended 30 June 2017

I.H ACCOUNTANTS

3/359 CHAPEL ROAD

BANKSTOWN NSW 2200

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BROTHERS IN NEED LIMITED ABN 43 604 722 410

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Your directors present this report on the company for the financial year ended 30 June 2017.

Directors

The names of the directors in office at any time during or since the end of the year are:

Dean Mousad
Baris Idik
Masoud Orami

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The profit of the company for the financial year after providing for income tax amounted to:

Year ended 30 June 2017	Year ended 30 June 2016
$	$
6,475.18	41,578.46

Principal Activities

The principal activities of the company during the course of the year was maintaining and operating a permanent and active not-for-profit public benevolent relief organisation.

No significant change in the nature of these activities occurred during the year.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:

Dean Mousad

Dean Mousad
Director

Baris Idik
Director

Dated: 7/3/18

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 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

,

7/3/18

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

	Note	2017 $	2016 $
Revenue	2	70,129.70	89,288.38
Advertising & promotion		(6,605.45)	(14,518.89)
Bad debts		(4,000.00)	(40.00)
Bank fees & charges		(0.25)	(11.29)
Collection Box		(342.00)	(248.20)
Depreciation - Other		(4,768.50)	(2,805.00)
Hire/Rent of plant & equipment			(1,172.73)
Insurance		(759.40)	(1,518.80)
Merchant Fees		(704.82)	(27.01)
M/V car - Fuel & oil		(1,944.19)	(238.65)
M/V car - Registration/Insurance		(2,589.61)	(3,796.01)
M/V car - Repairs		(1,330.18)	
Postage		(35.12)	(49.25)
Printing & stationery		(146.80)	(122.40)
Project Costs		(39,713.36)	(21,756.69)
Rounding Expense		(0.75)	
Sponsorship			(1,000.00)
Subscriptions		(714.09)	
Uniform			(405.00)
Profit before income tax		**6,475.18**	**41,578.46**
Income tax (credit) expense			
Profit for the year		**6,475.18**	**41,578.46**
Total comprehensive income for the year		**6,475.18**	**41,578.46**

The accompanying notes form part of these financial statements.

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Statement of Financial Position as at 30 June 2017

	Note	2017 $	2016 $
Assets			
Current Assets			
Cash on hands	3	51,047.95	40,192.47
Current tax assets	4	172.60	353.80
Other assets	5		200.00
Total Current Assets		**51,220.55**	**40,746.27**
Non-Current Assets			
Property, plant and equipment	6	11,126.50	15,895.00
Total Non-Current Assets		**11,126.50**	**15,895.00**
Total Assets		**62,347.05**	**56,641.27**
Liabilities			
Current Liabilities			
Payables	7	60.00	829.40
Total Current Liabilities		**60.00**	**829.40**
Total Liabilities		**60.00**	**829.40**
Net Assets		**62,287.05**	**55,811.87**
Equity			
Retained profits		62,287.05	55,811.87
Total Equity		**62,287.05**	**55,811.87**

The accompanying notes form part of these financial statements.

BROTHERS IN NEED LIMITED ABN 43 604 722 410
Statement of Changes in Equity for the year ended 30/06/2017

	Notes	Retained Earnings	Total
Balance at 01/07/2015			
Comprehensive income			
Surplus for the year attributable to members of the entity		55,811.87	55,811.87
Other comprehensive income for the year			
Total comprehensive income for the year attributable to members of the entity		55,811.87	55,811.87
Balance at 30/06/2016		55,811.87	55,811.87
Comprehensive income			
Profit attributable to the members		6,475.18	6,475.18
Other comprehensive income for the year			
Total comprehensive income for the year attributable to members of the entity		6,475.18	6,475.18
Balance at 30/06/2017		62,287.05	62,287.05

The accompanying notes form part of these financial statements.

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Statement of Cash Flows

For the year ended 30 June 2017

	2017 $	2016 $
Cash Flows From Operating Activities		
Receipts from donations and sponsorship	70,125.62	89,278.07
Payments to suppliers and employees	(59,274.22)	(43,825.91)
Interest received	4.08	10.31
Net cash generated from operating activities (note 2)	10,855.48	45,462.47
Cash Flows From Investing Activities		
Purchases:		
Payments for property, plant and equipment		(18,700.00)
Net cash used in investing activities		(18,700.00)
Net increase (decrease) in cash held	10,855.48	26,762.47
Cash at the beginning of the year	40,192.47	13,430.00
Cash at the end of the year (note 1)	51,047.95	40,192.47

The accompanying notes form part of these financial statements.

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Statement of Cash Flows

For the year ended 30 June 2017

	2017	2016

Note 1. Reconciliation Of Cash

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank	51,047.95	40,192.47
	51,047.95	40,192.47

Note 2. Reconciliation Of Net Operating Activities To Benefits Accrued as a Result of Operations

Benefits accrued as a result of operations	6,475.18	41,578.46
Depreciation	4,768.50	2,805.00
(Increase) decrease in prepayments	200.00	800.00
Increase (decrease) in trade creditors	(769.40)	550.11
Increase (decrease) in sundry provisions	181.20	(271.10)
Net cash provided by operating activities	10,855.48	45,462.47

Note 1: Summary of Significant Accounting Policies

BROTHERS IN NEED LIMITED is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 7 March, 2018 by the directors of the company.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001.

The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of the statements are as follows:

Accounting Policies

(a) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated using the simplified depreciation rules

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.

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

(b) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial Assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available for sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit and loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principle payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are either discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(c) 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 short-term borrowings in current liabilities on the statement of financial position.

(d) Revenue and Other Income

Donations recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

(e) 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.

(f) 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 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) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates

(i) Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

	2017	2016

Note 2: Revenue and Other Income

Revenue:

Donations	70,125.62	82,005.34
Interest revenue	4.08	10.31
Sponsorship Sale		7,272.73
	70,129.70	**89,288.38**

Note 3: Cash assets

Cash at bank	51,047.95	40,192.47
	51,047.95	**40,192.47**

Note 4: Tax Assets

Current

Tas assets	172.60	353.80
	172.60	**353.80**

Note 5: Other Assets

Current

Prepayments		200.00
		200.00

	2017	2016

Note 6: Property, Plant and Equipment

Motor vehicles:		
- At cost	18,700.00	18,700.00
- Less: Accumulated depreciation	(7,573.50)	(2,805.00)
	11,126.50	15,895.00
	11,126.50	**15,895.00**

Note 7: Payables

Accounts Payable	60.00	829.40
	60.00	829.40
	60.00	**829.40**

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:

   (a) comply with Accounting Standards described in Note 1 to the financial statements and the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and Charitable Fundraising Act 1991; and

   (b) give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Dean Mousad

Dean Mousad
Director

Baris Idik
Director

Dated: 7 March, 2018

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Fundraising Activities Declaration

The directors of the company declare that:

1. the financial report presents fairly, in all material respects all income and expenditure of the company with respect to fundraising appeal activities for the financial year ended 30 June 2017;
2. the statement of financial position presents fairly, in all material respects the state of affairs of the company with respect to fundraising appeal activities as at 30 June 2017
3. the provisions of the Charitable Fundraising (NSW) Act 1991 and Regulations under that Act and the conditions attached to the authority have been complied with during the year ended 30 June 2017; and,
4. the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the association from any of its fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.

Dean Mousad
Director

Baris Idik
Director

Dated: 7 March, 2018

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of BROTHERS IN NEED LIMITED (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and cash flow statement 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 BROTHERS IN NEED LIMITED is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year then ended; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

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 company in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the director of the company, would be in the same terms if given to the director as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

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 director's financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Director for the Financial Report

The director of the company is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the director determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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 the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 director.

- Conclude on the appropriateness of the director'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 director 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.

Signed on : 7/3/18

BROTHERS IN NEED LIMITED ABN 43 604 722 410

Compilation Report to BROTHERS IN NEED LIMITED

We have compiled the accompanying special purpose financial statements of BROTHERS IN NEED LIMITED, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2017, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Director

The director of BROTHERS IN NEED LIMITED is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the director, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the director who is responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.

I.H ACCOUNTANTS
3/359 CHAPEL ROAD
BANKSTOWN NSW

7 March, 2018