

**BULLY ZERO AUSTRALIA FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
ABN 94 160 383 406**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019**

**BULLY ZERO AUSTRALIA FOUNDATION
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

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General Information

The financial report covers Bully Zero Australia Foundation (Company) as an individual entity. The financial report is presented in Australian dollars, which is the functional and presentation currency of the Company.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

The Company is a not-for-profit unlisted public company limited by guarantee, a registered charity with the Australian Charities and Not-for-Profits Commission, incorporated and domiciled in Australia. Its registered office and principal place of business is:

72 Hargrave Avenue
Essendon Fields, Victoria, 3041

BULLY ZERO AUSTRALIA FOUNDATION

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN
CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE BOARD MEMBERS OF
BULLY ZERO AUSTRALIA FOUNDATION**

I declare that to the best of my knowledge and belief, in relation to the review of Bully Zero Australia Foundation for the year ended 30 June 2019 there have been:

- i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

NOT-FOR PROFIT ACCOUNTING SPECIALISTS

KESWICK SA 5035



A Petersen
Fellow CA ANZ
Public Practice Certificate

12th November 2019
Dated:

BULLY ZERO AUSTRALIA FOUNDATION
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
INCOME & OTHER INCOME	317,081	551,742
EXPENDITURE		
Administration & Other	165,294	265,776
Fundraising	24,410	13,000
Marketing, Events & Communications	113,217	347,548
Programs and Operations	383,790	254,191
TOTAL EXPENDITURE	<u>686,711</u>	<u>880,515</u>
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	<u>(369,630)</u>	<u>(328,773)</u>
Other Comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u><u>(369,630)</u></u>	<u><u>(328,773)</u></u>

The accompanying notes form part of these financial statements

BULLY ZERO AUSTRALIA FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash & Cash Equivalents	3	277,460	639,194
Trade & Other Receivables	4	63,887	59,356
Prepayments		450	8,700
Inventory		6,454	6,894
TOTAL CURRENT ASSETS		<u>348,251</u>	<u>714,145</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	6,528	7,281
Intangible Assets	2(i)	4,780	4,780
TOTAL NON-CURRENT ASSETS		<u>11,308</u>	<u>12,061</u>
TOTAL ASSETS		<u>359,559</u>	<u>726,206</u>
CURRENT LIABILITIES			
Trade & Other Payables	6	41,533	26,431
Provisions		8,450	20,568
TOTAL CURRENT LIABILITIES		<u>49,982</u>	<u>46,999</u>
TOTAL LIABILITIES		<u>49,982</u>	<u>46,999</u>
NET ASSETS		<u>309,577</u>	<u>679,207</u>
EQUITY		<u>309,577</u>	<u>679,207</u>

The accompanying notes form part of these financial statements

**BULLY ZERO AUSTRALIA FOUNDATION
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2019**

	Accumulated Funds \$
BALANCE AS AT 1 JULY 2017	1,007,980
Surplus/(Deficit) for the Year	(328,773)
BALANCE AS AT 30 JUNE 2018	<u>679,207</u>
BALANCE AS AT 1 JULY 2018	679,207
Surplus/(Deficit) for the Year	(369,630)
BALANCE AS AT 30 JUNE 2019	<u><u>309,577</u></u>

The accompanying notes form part of these financial statements

BULLY ZERO AUSTRALIA FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operations		300,454	623,050
Interest Received		12,096	8,634
Payments to Suppliers & Employees		<u>(671,097)</u>	<u>(929,000)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	10	<u>(358,547)</u>	<u>(297,315)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Property, Plant & Equipment		<u>(3,187)</u>	<u>(2,794)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(3,187)</u>	<u>(2,794)</u>
NET INCREASE/(DECREASE) IN CASH HELD		(361,734)	(300,110)
CASH AT BEGINNING OF THE FINANCIAL YEAR		639,194	939,303
CASH AT END OF THE FINANCIAL YEAR	3	<u><u>277,460</u></u>	<u><u>639,193</u></u>

The accompanying notes form part of these financial statements

**BULLY ZERO AUSTRALIA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

1. COMPANY INFORMATION

The financial statements of Bully Zero Australia Foundation for the year ended 30 June 2019 were authorised for issue in accordance with a resolution of the Directors on 12 November 2019.

The Company is a not-for-profit unlisted public company limited by guarantee, a registered charity with the Australian Charities and Not-for-Profits Commission, and is incorporated and domiciled in Australia.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of Preparation

The Board have prepared the financial report on the basis that the Company is not a reporting entity as there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this Special Purpose Financial Report has been prepared solely to meet the requirements of the members and the *Australian Charities and Not-for-profits Commission Act 2012*.

These financial statements are presented in Australian dollars (\$), and have been prepared in accordance with the following Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB):

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

These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values.

b) Income Tax

The Company is exempt from income tax pursuant to the *Income Tax Assessment Act 1997*. Accordingly Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the accounts.

c) Income Recognition

All income is stated net of the amount of goods and services tax (GST). Income is measured at the fair value of the consideration received or receivable.

Income is recognised when the amount of the income can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of income as noted below, has been satisfied.

Revenue recognised related to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with referenced to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Donations are recorded as income once they have been received.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Provision is made for the Company'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.

Income, 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. 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 Statement of Financial Position are shown inclusive of GST.

Cash & Cash Equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value.

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Costs are assigned on a first-in first-out basis.

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

The depreciable amount of all property, plant and equipment is depreciated over their useful lives commencing from the time the asset is held ready for use.

Computer Equipment	33% - 50%
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Intangible assets is carried at cost. The intangible assets consists of trademark applications held for Bully Zero name and logo.

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BULLY ZERO AUSTRALIA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (cont.)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
3. CASH & CASH EQUIVALENTS		
Cash on Hand	500	500
Cash at Bank	276,960	638,694
	<u>277,460</u>	<u>639,194</u>
4. TRADE & OTHER RECEIVABLES		
Trade Debtors	63,887	53,642
Other Receivables	-	5,714
	<u>63,887</u>	<u>59,356</u>
5. PROPERTY, PLANT & EQUIPMENT		
Establishment Cost		
At Cost	2,740	2,740
Accumulated Depreciation	<u>(2,740)</u>	<u>(2,740)</u>
	-	-
Computer Equipment		
At Cost	13,449	10,261
Accumulated Depreciation	<u>(6,921)</u>	<u>(2,980)</u>
	6,528	7,281
Total Property, Plant & Equipment	<u>6,528</u>	<u>7,281</u>
6. TRADE & OTHER PAYABLES		
Trade Creditors	15,405	11,182
Other Payables	26,128	15,250
	<u>41,533</u>	<u>26,431</u>
7. CONTRIBUTIONS ON WINDING UP		
The Company is incorporated under the <i>Corporations Act 2001</i> and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. The Company had 5 members as at 30 June 2019 (2018: 5).		
8. GOING CONCERN		
For the year ended 30 June 2019, the Company incurred a net deficit of \$369,630 (2018: \$328,773). The Directors of the Company have prepared the financial statements on the basis that the Company will continue as a going concern for the foreseeable future, due to holding net assets of \$309,577 as at 30 June 2019 (2018: \$679,207) and a net surplus expected to be generated for the period ending 30 June 2020.		
9. EMPLOYEE BENEFITS		
Included in the operating deficit for the year ended 30 June 2019, is total salaries and wages of \$510,345 (2018: \$486,978).		

BULLY ZERO AUSTRALIA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (cont.)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
10. CASH FLOW INFORMATION		
Reconciliation of operating surplus (deficit) for the year to net cash flow from operating activities		
Operating surplus/(deficit) for the year	(369,630)	(328,773)
Non-cash flows in operating surplus/(deficit) for the year:		
Depreciation	3,941	2,110
Changes in assets and liabilities:		
(Increase)/Decrease in Trade & Other Receivables	(4,531)	79,942
(Increase)/Decrease in Prepayments	8,250	(8,700)
(Increase)/Decrease in Inventory	440	(6,894)
Increase/(Decrease) in Trade & Other Payables	15,101	(27,845)
Increase/(Decrease) in Employee Provisions	(12,118)	(7,155)
Cash flows from operating activities	<u>(358,547)</u>	<u>(297,315)</u>

BULLY ZERO AUSTRALIA FOUNDATION


DIRECTORS' DECLARATION

In the opinion of the Directors:

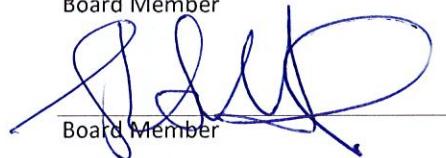
1. the Company is not a reporting entity because there are unlikely to exist users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* to prepare and distribute financial statements to the members of Bully Zero Australia Foundation;
2. the attached financial statements and notes thereto give a true and fair view of the financial position as at 30 June 2019 and of its performance for the financial year ended on that date;
3. the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the Accounting Standards as described in note 1 to the financial statements, and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
4. there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 60.15 (2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Adam Paul Centorino
Name


Board Member

SHANE GILBERT
Name


Board Member

13 NOVEMBER 2019
Date



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INDEPENDENT AUDITOR'S REVIEW REPORT FOR BULLY ZERO AUSTRALIA FOUNDATION

Report on the Financial Report

We have reviewed the accompanying financial report of Bully Zero Australia Foundation, which comprises the statement of financial position and statement of changes in equity as at 30 June 2019, the statement of comprehensive income and statement of cash flows for the period then ended, the notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

Board Members Responsibility for the Financial Report

The Board Members of Bully Zero Australia Foundation are responsible for the presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards prescribed in Note 1 and the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the Board Members determine 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 a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 "Review of a Financial Report", in order to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, including giving a true and fair view of Bully Zero Australia Foundation's financial position as at 30 June 2019 and its performance for the year ended on that date and complying with the Australian Accounting Standards prescribed in Note 1 of the financial report. ASRE 2415 requires that we comply with the ethical requirements relevant to the audit of the financial report.

A review of financial statements in accordance with ASRE 2415 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, applying analytical and other review procedures, and evaluating the evidence obtained.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation

Material Uncertainty related to Going Concern

The accompanying financial statements have been prepared assuming that the Bully Zero Australia Foundation will continue as a going concern.

Without modifying our opinion, we draw attention to Note 8 of the financial report, which indicates that Bully Zero Australia Foundation has suffered recurring losses from operations. These recurring losses indicate the existence of a material uncertainty that may cast significant doubt over the entity's ability to continue as a going concern and therefore, Bully Zero Australia Foundation may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Bully Zero Australia Foundation does not present fairly, in all material respects, in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its performance for the period ended on that date; and
- complying with Australian Accounting Standards to the extent described in Note 1.

Basis of Accounting and Restriction and Distribution of Use

Without modifying our opinion, we draw attention to the fact that the financial report is prepared to assist Bully Zero Australia Foundation to comply with the financial reporting provisions of the Australian Charities and Not-for-profits Commission Act 2012, as a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Bully Zero Australia Foundation and should not be distributed to or used by other parties other than the Bully Zero Australia Foundation.

NOT FOR PROFIT ACCOUNTING SPECIALISTS

KESWICK SA 5035



Andrea Petersen
Fellow CA ANZ
Public Practice Certificate

Dated: 12th November 2019