



Dragons Abreast Australia Limited
ABN 33 104 261 029

Financial Statements
For the year ended 30 June 2020

Balanced Business Accounting

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Dragons Abreast Australia Limited

ABN 33 104 261 029

Contents

[Directors' Report](#)

[Auditor's Independence Declaration](#)

[Statement of Profit or Loss and Other Comprehensive Income](#)

[Statement of Financial Position](#)

[Statement of Changes in Equity](#)

[Statement of Cash Flows](#)

[Notes to the Financial Statement](#)

[Independent Auditor's Report](#)

Dragons Abreast Australia Limited

ABN 33 104 261 029

Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2020.

Directors

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

Name of Director

Megan Tozer - Retired Nov 2019

Anne Stowe

Marion Blake - Retired Nov 2019

Pru Menzies

Mabel Sansom

Patricia Hancock

Ross Halfacree - Appointed Jan 2020

Gemma Bawden - Appointed Jan 2020

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

Directors' Meetings

During the year 10 Directors' meetings were held. Attendances by each director were as follows:

	Number eligible to attend	Number Attended
Anne Stowe	10	8
Mabel Sansom	10	10
Marion Blake - Retired	4	4
Pru Menzies	10	9
Patricia Hancock	10	7
Gemma Bawden	5	5
Ross Halfacree	5	4

The company is incorporated under the Corporations Act 2001 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. At 30 June 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$11,000.00 (2019: \$11,000.00).

Principal Activities

The Company was created to help individuals diagnosed with breast cancer through organising or participating in regattas and other competitions to encourage them to regain an active, adventurous lifestyle despite a diagnosis of breast cancer. It promotes wellness, fitness for breast cancer survivors and early detection and diagnosis.

Dragons Abreast Australia Limited

ABN 33 104 261 029

Directors' Report

The Company is made up of individual members and member groups. It is a member of the Australian Dragon Boat Federation (AusDBF). It maintained links with other breast cancer dragon boat, research and advocacy organisations both nationally and internationally.

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

Objectives, Aims and Principles

Company Objectives, both short term and long term

- To promote breast cancer awareness and education and to demonstrate that people can fully participate in life despite physical limitations as a result of treatment for breast cancer.
- Encourage those with a diagnosis of breast cancer to regain a full and active life despite their diagnosis
- Show breast cancer does not discriminate on the basis of age, race or gender
- Promote wellness, fitness, fun and camaraderie for breast cancer survivors
- Maintain links with other breast cancer dragon boat teams internationally
- Promote early detection of breast cancer
- Always encourage the search for a cure to breast cancer

To achieve these objectives we have adopted the following strategies

- Use the sport of dragon boat paddling as our primary vehicle.
- Provide training and development opportunities to enhance skills of volunteers and other representatives both on and off the water
- Have a presence at community events at both local, national and international levels.
- Continue to maintain existing, and also seek opportunities to develop new relationships with research bodies such as the NBCF and other clinical trials groups
- To regularly review our policies and operational procedures to ensure best practice and remain a 'living' organisation attune to the needs of the communities that we operate in.

Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

Information on Directors

Anne Stowe Director

Qualifications

- Master of Business Administration
- Cert IV in Workplace Training & Assessment

Experience

- More than 20 years in corporate sector in finance, logistics, customer service and sales roles.
 - 5 years experience in the public sector and administration roles
 - Member Dragons Abreast Ballarat
 - Current assistant treasurer, past secretary, co-ordinator, treasurer Dragons Abreast Ballarat
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Dragons Abreast Australia Limited

ABN 33 104 261 029

Directors' Report

Mabel Sansom Director & Chair

Qualifications

- Cert IV in Workplace Training & Assessment
- RG 146 Superannuation - General Advice and Authorized Representative
- Fellow - Australian and New Zealand Institute of Insurance and Finance
- Fellow - Insurance Institute of Canada
- Executive MBA - Queen's University
- Cert IV in Workplace Training & Assessment

Experience

- Board Director for seven non-profit organisations in Canada
- Worked in the financial services industry in Canada and Australia (insurance and superannuation) for over 40 years
- Held senior positions with insurance companies, CEO of Insurance Brokers Association of Canada. Prior to this position owned general / life insurance brokerage for many years
- In Australia held management positions with insurance and superannuation organisations

Marion Blake Director - Retired November 2019

Qualifications

- Graduate Certificate in Management
- Certificate IV in Workplace Training and Assessment

Experience

- Established and managed community based child care programs for 20 years
- Workplace trainer/assessor/coach in a range of industries for 7 years
- Coordinator DA Canberra 3 1/2 years
- Member DA Canberra
- Accredited Sweep

Pru Menzies Director

Qualifications

- Bachelor of Arts
- Grad Dip Librarianship

Experience

- 40 year full- time career as a professional librarian/manager employed in several local government public library services across Melbourne. (Retired)
- Paddler since 2002, Current Life Member, former Co-ordinator, Committee member & Secretary of Dragons Abreast Melbourne Inc.
- Former DAA State rep for Victoria for several years, supporting the growth & development of regional teams.
- Co-ordinator of local hosting responsibilities for the 2017 DAA Convention
- Trained as a Consumer Rep for BCNA

Dragons Abreast Australia Limited

ABN 33 104 261 029

Directors' Report

Patricia Hancock Director

Qualifications

- Graduate Diploma Public Policy and Management

Experience

- Currently (three years) parliamentary adviser in the Australian Senate
- Previously operated a consultancy firm advising on governance, communication and government liaison (7 years)
- 20+ years organising parliamentary committees
- Long term responsibility at a senior level for public sector policy
- 18 years member Dragons Abreast Australia

Gemma Bawden Director

Qualifications

- Bachelor Commerce, International Business and Business Management
- Bachelor Arts, International Relations and Political Science
- Prince2 Foundation and Practitioner
- PuMP Performance Management Certification
- Australian NV1 Security Clearance
- Member Australian Institute of Company Directors
- Graduate Australian Institute of Company Directors (AICD) (pending)

Experience

- Nine years of management consulting experience specialising in Enterprise Risk Management, Governance and Project Management across both private and public sectors
- Currently employed full time with Kellogg Brown and Root (KBR), in the position of Commercial Manager

Auditors Independence Declaration

A copy of the lead auditor's independence declaration for the year ended 30 June 2020 as required under section 307C of the Corporations Act 2001 has been included.

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



Mabel Sansom (Chair)

Director

Dated: 13 October, 2020

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE
CORPORATIONS ACT 2001**

TO THE DIRECTORS OF DRAGONS ABREAST AUSTRALIA LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

1. No contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Yours Faithfully



RAJ PRABHU
Director
CPA, Registered Company Auditor # 297379

19 October 2020

Dragons Abreast Australia Limited
ABN 33 104 261 029
Statement of Financial Performance - by Function
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Classification of Expenses by Function			
Trading revenue	<u>2</u>	338	1,388
Cost of goods traded		(952)	(2,865)
Gross profit		(614)	(1,477)
Other revenues from ordinary activities	<u>2</u>	146,368	227,404
Occupancy expenses		(14,272)	(16,654)
Salaries		(89,180)	(59,255)
Contractors, sub-contractors and commissions		-	(10,374)
Depreciation and amortisation expenses		(424)	(2,076)
Superannuation expenses		(8,223)	(7,516)
Other operating expenses		(45,814)	(129,289)
Profit (loss) from ordinary activities before income tax	<u>2</u>	(12,159)	762
		-	-
Income tax revenue relating to ordinary activities		-	-
Profit (loss) from ordinary activities after income tax		(12,159)	762
Profit from extraordinary items after related income tax		-	49,373
Net profit (loss) attributable to members of the company		(12,159)	50,135
Total changes in equity other than those resulting from transactions with owners as owners		(12,159)	50,135
Opening retained profits		291,431	241,296
Net profit (loss) attributable to members of the company		(12,159)	50,135
Closing retained profits		279,272	291,431

The accompanying notes form part of these financial statements.

Dragons Abreast Australia Limited
ABN 33 104 261 029
Statement of Financial Position as at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Current Assets			
Cash assets	3	292,475	285,505
Receivables	4	2,697	2,652
Inventories	5	7,886	7,943
Other		(3,079)	-
Total Current Assets		299,980	296,100
Non-Current Assets			
Property, plant and equipment	6	998	1,422
Total Non-Current Assets		998	1,422
Total Assets		300,978	297,523
Liabilities			
Current Liabilities			
Payables	7	16,313	1,638
Financial liabilities		-	(325)
Current tax liabilities	8	2,810	2,284
Provisions	9	2,582	2,495
Total Current Liabilities		21,706	6,091
Total Liabilities		21,706	6,091
Net Assets		279,272	291,431
Equity			
Retained profits		279,272	291,431
Total Equity		279,272	291,431

The accompanying notes form part of these financial statements.

Dragons Abreast Australia Limited

ABN 33 104 261 029

Statement of Changes in Equity for the year ended 30/06/2020

	Notes	Retained Earnings	Total
Balance at 01/07/2018		241,297	241,297
Comprehensive income			
Profit attributable to the members		762	762
Capital Gain		49,373	49,373
Other comprehensive income for the year			
Total comprehensive income for the year attributable to members of the entity		50,135	50,135
Balance at 30/06/2019		291,432	291,432
Comprehensive income			
Other comprehensive income for the year			
Total comprehensive income for the year attributable to members of the entity		(12,159)	(12,159)
Balance at 30/06/2020		279,272	279,272

The accompanying notes form part of these financial statements.

Dragons Abreast Australia Limited

ABN 33 104 261 029

<u>STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020</u>		
<u>Cash Flows from Operating Activities</u>	2020	2019
Receipts from customers	141,090	294,693
Payments to supplier and Employees Donations	(140,017)	(304,810)
Brokerage	0	
Interest Received	5,572	707
Income tax paid	0	
Foreign Exchange rate difference	0	
<u>Net Cash Inflows/(Outflows) from Operating Activities</u>	6,645	(9,410)
<u>Cash Flows from Investing Activities</u>		
Payments for fixed assets		
Proceeds from sale of fixed assets		192,926
Payments for investments	0	
Proceeds from sale of investments		
<u>Net Cash Inflows/(Outflows) from Investing Activities</u>		192,926
<u>Cash Flows from Financing Activities</u>		
Repayment of borrowings	325	
Lease payments	0	
Dividend Payments	0	
New Loans	0	
<u>Net Cash Inflows/(Outflows) from Financing Activities</u>	325	
<u>Net Increase/(Decrease) in cash held</u>	6,970	183,516
<u>Cash at beginning of financial year</u>	285,505	101,989
<u>Cash at end of financial year</u>	292,475	285,505

Dragons Abreast Australia Limited
ABN 33 104 261 029

Reconciliation of Net Cash Provided By/Used in operating Activities

<u>To Operating profit After Income tax</u>	Year 2020	Year 2019
Operating profit after income tax	(12,159)	50,135
<u>Add/(Less) items classified as investing/financing activities</u>		
Profit on sale of fixed assets		
Profit on sale of investments	0	
Interest expense	0	
<u>Add/(Less) non cash items</u>		
Depreciation	424	2,076
Amortisation		
Debt forgiveness - foreign exchange difference		
Unrealised foreign exchange differences	0	
Charges to provisions	0	
<u>Changes in assets/liabilities during the financial year</u>		
(Increase)/Decrease in debtors	(45)	12,526
(Increase)/Decrease in prepayments	0	
(Increase)/Decrease in sundry debtors		
Increase/(Decrease) in FITB		
(Increase)/Decrease in inventories	58	2,633
Increase/(Decrease) in creditors	17,754	(78,174)
Increase/(Decrease) in Provisions and other liabilities	613	1,394
Net Cash Provided By (Used in) Operating Activities	6.645	(9,410)

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Dragons Abreast Australia Limited as an individual entity. Dragons Abreast Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report, except for the cashflow information have been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated. The amounts presented in the financial statements have been rounded to the nearest dollar.

Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

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 the basis of weighted average costs.

The cost of mining stocks includes direct material, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

Land Held for Resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, foreign currency movements, borrowing costs and holding costs until completion of development. Borrowing costs, foreign currency movements and holding charges incurred after development are expensed. Profits are brought to account on the signing of an unconditional contract of sale.

Dragons Abreast Australia Limited

ABN 33 104 261 029

Notes to the Financial Statements

For the year ended 30 June 2020

Property, Plant and Equipment

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

a) Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is a policy of Dragons Abreast Australia Limited to have an independent valuation every three years, with annual appraisals being made by the directors.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

b) Plant and equipment

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

The cost of fixed assets constructed within Dragons Abreast Australia Limited includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Dragons Abreast Australia Limited commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Asset	Depreciation Rate %
Buildings	2.5%
Office equipment	15-30%
DAA Banners	15-30%

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

Dragons Abreast Australia Limited

ABN 33 104 261 029

Notes to the Financial Statements

For the year ended 30 June 2020

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to Dragons Abreast Australia Limited are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that ownership of the asset will be obtained or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie 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 expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest 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 the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. 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.

Dragons Abreast Australia Limited

ABN 33 104 261 029

Notes to the Financial Statements

For the year ended 30 June 2020

(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

(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 into profit or loss at this point.

Dragons Abreast Australia Limited

ABN 33 104 261 029

Notes to the Financial Statements

For the year ended 30 June 2020

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 principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

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 where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is 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.

Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Investments

Shares in listed companies held as current assets are valued at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities before income tax.

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

Intangibles

a) Website Costs

Website Cost is recorded at cost less any accumulated amortisation and impairment loss.

Management estimated that it has three years estimated useful life and amortised on a straight line basis. It is assessed annually for impairment.

Foreign Currency Transactions and Balances

Foreign currency transactions during the period are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at the balance date are converted to the rates of exchange ruling at that date.

The gains and losses from conversion of short-term assets and liabilities, whether realised or unrealised, are included in profit from ordinary activities as they arise.

Exchange differences arising on hedged transactions undertaken to hedge foreign currency exposures, other than those for the purchase and sale of goods and services, are brought to account in the profit from ordinary activities, when the exchange rates change.

Any material gain or loss arising at the time of entering into hedge transactions is deferred and brought to account in the profit from ordinary activities, over the lives of the hedges.

Costs or gains arising at the time of entering hedge transactions for the purchase and sale of goods and services, and exchange differences that occur up to the date of purchase or sale, are deferred and included in the measurement of the purchase or sale.

Gains and losses from speculative foreign currency transactions are brought to account in the profit from ordinary activities, when the exchange rate changes.

Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by Dragons Abreast Australia Limited to an employee superannuation fund and are charged as expenses when incurred.

Dragons Abreast Australia Limited does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

Dragons Abreast Australia Limited operates an ownership-based remuneration scheme, details of which are provided in the Notes to Accounts. Profits or losses incurred by employees, being the difference between the market value and the par value of the shares acquired, are not recorded as remuneration paid to employees.

Dragons Abreast Australia Limited

ABN 33 104 261 029

Notes to the Financial Statements

For the year ended 30 June 2020

Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts Payable 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 amount being normally paid within 30 days of recognition of the liability.

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.

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue is received from appeals, donations, fundraising events and bequests and is brought to account on a cash received basis. When assets, such as investments or properties, are received from a bequest or donation, an asset is recognised, at fair value, when the Company gains control of such assets.

Event income is recognised in the year the event is held.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

A substantial number of volunteers, including directors and members of committees, donate a significant amount of their time to the activities of the Company. However, as no objective basis exists for recording and assigning values to these services, they are not reflected in the financial statements as either revenue or expenses.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

2020

2019

Note 2: Revenue and Other Income

Sales revenue:

Non-primary production trading revenue	338	1,388
	<u>338</u>	<u>1,388</u>

Other revenue:

Interest revenue*	5,572	707
Membership Fees (group)	39,977	34,809
Membership Fees (individual)	1,223	1,141
Donations	61,475	57,015
Grants	3,081	-
Entry Fees	-	107,449
Misc Income	-	14,410
Advertising and Sponsorships	-	3,000
Fundraising	9,615	6,123
Insurance recoveries	1,876	1,840
Other income	1,549	909
JobKeeper Subsidy	12,000	-
Cashflow Boost (PAYGW Credit)	10,000	-
	<u>146,368</u>	<u>227,404</u>

***Interest from:**

Westpac Banking Corporation	5,572	-
	<u>5,572</u>	<u>707</u>

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

2020

2019

Note 3: Cash assets

Bank accounts:

- Cash At Bank	5,806	3,436
- Bank Account (gift)	58,963	3,896
- Bank Account (high interest)	2,140	58,173
- Westpac Term Deposit #9200	20,312	20,000
- Westpac Term Deposit #9198	205,200	200,000
- Westpac Everyday Credit Card	55	-
	292,475	285,505
	292,475	285,505

Reconciliation of Cash:

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

- Cash	292,475	285,505
	292,475	285,505
	292,475	285,505

Note 4: Receivables

Current

Trade debtors	2,697	2,652
	2,697	2,652
	2,697	2,652

Note 5: Inventories

Current

Finished goods at cost	7,886	7,943
	7,886	7,943
	7,886	7,943

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

2020

2019

Note 6: Property, Plant and Equipment

Leased plant and equipment:

- At cost	31,772	32,157
- Less: Accumulated amortisation	(30,774)	(30,735)
	998	1,422
	998	1,422

Note 7: Payables

Unsecured:

- Trade creditors	463	1,638
- Other creditors	15,850	-
	16,313	1,638
	16,313	1,638

Note 8: Tax Liabilities

Current

GST control account	(29)	8
GST payable adjustment control account	11	11
Input tax credit control account	-	(149)
Input tax credit adjustment control a/c	114	114
BAS Clearing	2,715	2,300
	2,810	2,284

Dragons Abreast Australia Limited
ABN 33 104 261 029
Notes to the Financial Statements
For the year ended 30 June 2020

2020

2019

Note 9: Provisions

Current

Employee entitlements*	<u>2,582</u>	<u>2,495</u>
	<u>2,582</u>	<u>2,495</u>

* Aggregate employee entitlements liability	2,582	2,495
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There were 2 employees at the end of the year

Note 10: Other Liabilities

Current

Sundry	<u>3,078</u>	<u>-</u>
	<u>3,078</u>	<u>-</u>

Dragons Abreast Australia Limited
ABN 33 104 261 029
Trading Account
For the year ended 30 June 2020

	2020	2019
	\$	\$
<hr/>		
Trading Income		
Sales	338	1,388
Total Trading Income	<u>338</u>	<u>1,388</u>
Cost of Sales		
Add:		
Opening finished goods	7,943	10,576
Purchases	992	139
Stock Adjustments	(98)	93
	<u>8,838</u>	<u>10,809</u>
Less:		
Closing finished goods	7,886	7,943
	<u>7,886</u>	<u>7,943</u>
Cost of Sales	<u>952</u>	<u>2,865</u>
Gross Loss from Trading	<u><u>(614)</u></u>	<u><u>(1,477)</u></u>

The accompanying notes form part of these financial statements.

Dragons Abreast Australia Limited
ABN 33 104 261 029
Detailed Statement of Financial Performance
For the year ended 30 June 2020

	2020	2019
	\$	\$
<hr/>		
Income		
Trading profit (loss)	(614)	(1,477)
Membership Fees		
- Membership Fees (group)	39,977	34,809
- Membership Fees (individual)	1,223	1,141
	41,200	35,950
Donations	61,475	57,015
Grants	3,081	-
Events Income		
- Entry Fees	-	107,449
- Misc Income	-	14,410
- Advertising and Sponsorships	-	3,000
	-	124,859
Fundraising	9,615	6,123
Insurance recoveries	1,876	1,840
Interest received	5,572	707
Other income	1,549	909
JobKeeper Subsidy	12,000	-
Cashflow Boost (PAYGW Credit)	10,000	-
Total income	145,754	225,927

The accompanying notes form part of these financial statements.

Dragons Abreast Australia Limited
ABN 33 104 261 029
Detailed Statement of Financial Performance
For the year ended 30 June 2020

	2020	2019
	\$	\$
Expenses		
Advertising and promotion	-	230
Bank Fees And Charges	667	1,679
Body Corporate Expenses	-	950
Bookkeeping Services	15,900	21,540
Communication Expenses	4,327	1,762
Computer & IT Expenses	281	332
Contract payments	-	10,374
Depreciation - buildings	-	1,466
Depreciation - other	424	610
Electricity	-	157
Events Expense	-	71,527
Insurance	5,275	353
Other Expenses	3,056	3,941
Postage	437	1,045
Printing & stationery	940	1,775
Professional Fees	4,320	4,620
Rates & land taxes	-	649
Rent on land & buildings	14,272	16,654
Subscriptions	681	3,332
Superannuation	10,433	7,516
Telephone	3,106	3,243
Travel, accom & conference	6,822	12,154
Wages	86,970	59,255
Total expenses	157,913	225,165
Profit (Loss) from Ordinary Activities before income tax	(12,159)	762

The accompanying notes form part of these financial statements.

INDEPENDENT AUDITOR'S REPORT
To The members of
Dragons Abreast Australia Ltd.

Report on the Audit of the Financial Report
Opinion

We have audited the accompanying financial report of Dragons Abreast Australia Ltd. which comprises the statement of financial position as at 30 June 2020, the income and Expenditure statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In our opinion the financial report of Dragons Abreast Australia Ltd. has been prepared 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 2020 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the Corporations Act 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Responsible Entities for the Financial Report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the companies either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Directors are responsible for overseeing Company's financial reporting process.

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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

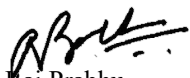
Liability Limited by a scheme approved under professional standards legislation

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 directors.
- Conclude on the appropriateness of the company'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 directors 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.

KBP Audit Services



Raj Prabhu
CPA; Regd. Company Auditor
Director-Audit
Date: 19 October 2020