

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

CONTENTS

Directors' Report	1
Auditors' Independence Declaration	3
Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Cash Flow Statement	7
Notes to the Financial Statements	8
Directors' Declaration	15
Auditors' Report	16
Detailed Profit and Loss Statement	18

FEEL THE MAGIC LIMITED
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DIRECTORS' REPORT

The directors present their report on Feel the Magic Limited (the Company) for the financial year ended 30 June 2018.

Information on Directors

The names of each person who has been a director during the year and to the date of this report are:

James Thomas
Timothy Dodd
Andrew Hedges
Kate Hemphill
Liana Dubois

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

Company Details

The Company is incorporated under the Corporations Act 2001 as a Company limited by guarantee.

The Company is an Income Tax Exempt Charity registered with the Australian Charities and Not-for-profits Commission.

Operating Results

The profit of the Company after providing for income tax amounted to \$104,462.

Review of Operations

The Company is a not for profit organisation whose primary purpose is to provide grief education and management skills to children who have lost a parent, sibling or legal guardian. Throughout the year, the Company delivered a number of grief management programs and further developed initiatives to progress its primary purpose.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the year.

Principal Activities

The principal activities of the Company during the financial year were Children and Youth Charity.

No significant changes in the nature of the Company's activity occurred during the financial year.

Events After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

DIRECTORS' REPORT

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification and Insurance of Officers and Auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company and all Officers of the Company against any liability incurred as a Director or Officer to the extent permitted by the Corporations Act 2001.

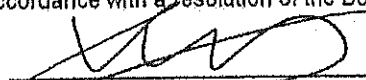
The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify a Director or Officer against a liability incurred as a Director or Officer of the Company.

Auditors' Independence Declaration

The lead auditors' independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2018 has been received and can be found on page 3.


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

Director:



James Thomas

Director:



Timothy Dodd

Dated this 25 day of January 2019



Directors
Stephen JankeLOWITZ
David Lechem
Robert Moylan

FEEL THE MAGIC PTY LIMITED

ABN 36 164 874 266

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

In accordance with Section 307C of the *Corporation Act 2001* I declare that, to the best of my knowledge and belief, in relation to the audit of FEEL THE MAGIC PTY LIMITED for the financial year ended 30 June 2018 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* and the Australian Not for Profits Commission Act 2012 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Ageis Accounting and Tax Pty Limited

A handwritten signature in black ink, appearing to read "Stephen JankeLOWITZ", written over a horizontal line.

STEPHEN JANKELOWITZ
Director

Dated in Sydney this 25th day of January 2019

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Income			
Revenue		634,346	452,208
		634,346	452,208
Expenditure			
Accountancy expenses		-	(1,980)
Advertising expenses		(464)	(1,392)
Depreciation and amortisation expenses		(2,704)	(960)
Employee benefits expenses		(168,769)	(71,031)
Freight and cartage		(634)	(625)
Other expenses		(357,313)	(301,350)
		104,462	74,870
Profit for the year	3	104,462	74,870
Retained earnings at the beginning of the financial year		150,127	75,257
Retained earnings at the end of the financial year		254,589	150,127

The accompanying notes form part of these financial statements.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	264,121	174,017
TOTAL CURRENT ASSETS		<u>264,121</u>	<u>174,017</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	3,165	1,114
Intangible Assets	5	-	160
TOTAL NON-CURRENT ASSETS		<u>3,165</u>	<u>1,274</u>
TOTAL ASSETS		<u>267,286</u>	<u>175,291</u>
CURRENT LIABILITIES			
Trade and Other Payables	6	12,687	25,154
TOTAL CURRENT LIABILITIES		<u>12,687</u>	<u>25,154</u>
TOTAL LIABILITIES		<u>12,687</u>	<u>25,154</u>
NET ASSETS		<u>254,599</u>	<u>150,137</u>
EQUITY			
Members Funds	8	10	10
Retained Earnings	9	254,589	150,127
TOTAL EQUITY		<u>254,599</u>	<u>150,137</u>

The accompanying notes form part of these financial statements.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Retained earnings \$	Total \$
Balance at 1 July 2016		75,257	75,257
Profit attributable to equity shareholders		74,870	74,870
Balance at 30 June 2017		150,127	150,127
Balance at 1 July 2017		150,127	150,127
Profit attributable to equity shareholders		104,462	104,462
Balance at 30 June 2018		254,589	254,589
 Members Funds	 8		 10

The accompanying notes form part of these financial statements.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	634,346	452,206
Payments to suppliers and employees	(539,487)	(355,829)
Finance costs	-	(231)
Net cash provided by operating activities	10 94,859	96,146
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(4,755)	(2,074)
Net cash used in investing activities	(4,755)	(2,074)
Net increase in cash held	90,104	94,072
Cash at beginning of financial year	174,017	79,945
Cash at end of financial year	4 264,121	174,017

The accompanying notes form part of these financial statements.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

The financial report covers FEEL THE MAGIC LIMITED as an individual entity. FEEL THE MAGIC LIMITED is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of FEEL THE MAGIC LIMITED is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The Company is nonreporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies described below and do not comply with any Australian Accounting Standards unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment excluding freehold land, is depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Impairment of Non-Financial Assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue and Other Income

Revenue is recognised when the business is entitled to it.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
3 Profit for the year		
The result for the year was derived after charging / (crediting) the following items:		
Profit before income tax from continuing operations includes the following specific expenses:		
Expenses		
Employee benefits expense:		
contributions to defined contribution superannuation funds	11,883	4,716
Depreciation of property, plant and equipment	2,704	960
4 Cash and Cash Equivalents		
Cash on Hand	10	10
NAB Business Account	264,111	174,007
	264,121	174,017
Reconciliation of cash		
Cash and Cash equivalents reported in the cash flow statement are reconciled to the equivalent items in the balance sheet as follows:		
Cash on Hand	10	10
NAB Business Account	264,111	174,007
	264,121	174,017
5 Intangible Assets		
Formation Expenses	807	807
Less Accumulated Amortisation of Formation Costs	(807)	(647)
	-	160
Total	-	160

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
6 Trade and Other Payables		
Current		
Payroll Clearing Account	628	-
Trade Creditors	-	20,121
Superannuation Payable	2,075	809
PAYG Withholding Payable	9,984	4,224
	12,687	25,154
7 Property, Plant and Equipment		
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	6,829	2,074
Accumulated depreciation	(3,664)	(960)
Total Plant and Equipment	3,165	1,114
8 Members Funds		
Members Guarantee	10	10
9 Retained Earnings		
Retained earnings at the beginning of the financial year	150,127	75,257
Net profit attributable to members of the Company	104,462	74,870
Retained earnings at the end of the financial year	254,589	150,127

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
10 Cash Flow Information		
Reconciliation of result for the year to cashflows from operating activities.		
Reconciliation of net income to net cash provided by operating activities:		
Profit for the year	104,462	74,870
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	2,704	960
Amortisation	160	162
Changes in assets and liabilities		
Increase/(decrease) in trade and other payables	<u>(12,467)</u>	<u>20,154</u>
	<u>94,859</u>	<u>96,146</u>

11 Statutory Information

The registered office of the Company is:

FEEL THE MAGIC LIMITED
7 Holly Place PITT TOWN NSW 2756

The principal place of business is:
7 Holly Place PITT TOWN NSW 2756

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

DIRECTORS' DECLARATION

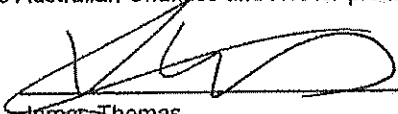
The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

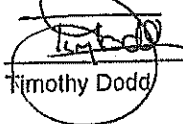
1. The financial statements and notes, as set out on pages 1 to 18 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards as stated in Note 1 to the financial statements, the Australian Charities and Not-for-profits Commission Regulation 2013 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2018 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 and made pursuant to Div. 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

Director:


James Thomas

Director:


Timothy Dodd

Dated this 25 day of January 2019

Responsibilities of Directors' for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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 directors are responsible for assessing the registered entity'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibility 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 auditors' 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 judgement 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 registered entity'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 directors' 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 registered entity'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 registered entity to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FEEL THE MAGIC LIMITED**

Report on the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of FEEL THE MAGIC LIMITED, (the registered entity) which comprises the balance sheet as at 30 June 2018, and the income statement and other 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 directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with the Div 60 of the Australian Charities and Not-for-profits commission Act 2012 (ACNC Act), including:

- (i) giving a true and fair view of the registered entity's position as at 30 June 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and Div 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ACNC Act, 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.

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 registered entity's financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

- 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 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.

Ageis Accounting and Tax Pty Limited



STEPHEN JANKELOWITZ
Director

Dated in Sydney this 25th day of January 2019

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
INCOME		
Donations	260,898	194,081
Fundraising Events	373,128	257,490
Sundry Income	320	637
	<u>634,346</u>	<u>452,208</u>

The accompanying notes form part of these financial statements.

FEEL THE MAGIC LIMITED
ABN 36 164 874 266

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
EXPENSES		
Accountancy Fees	-	1,980
Advertising	464	1,392
Bank Charges	2,716	2,094
Children's & Volunteers Entertainment	1,575	755
Computer Software	9,089	1,858
Depreciation - Plant & Equipment	1,450	-
Depreciation - Office Furniture & Equipment	1,254	960
Family Grants - Disneyland Experiences	-	20,784
Formation Cost Write-Off	160	162
Freight, Cartage and Postage	634	625
Fundraising Costs	120,953	147,198
Grief Program Delivery - Camp Magic	182,587	111,042
Insurance	4,382	1,558
Interest Paid	-	231
Legal Costs	3,960	-
Light & Power	1,154	600
Marketing & Communication	4,194	9,447
Meeting Expenses	393	13
Membership Fees	11,064	744
Office Expenses	605	56
Printing & Stationery	702	424
Registrations	446	-
Repairs & Maintenance	684	9
Salaries & Wages	156,885	66,315
Storage	3,125	-
Subscriptions	667	199
Superannuation Contributions - Employees	11,883	4,716
Telephone and Internet Expenses	1,868	2,361
Training	3,404	-
Travelling Expenses	803	-
Uniforms	708	-
Website Expenses	2,075	1,815
	529,884	377,338
PROFIT FOR THE YEAR	104,462	74,870

The accompanying notes form part of these financial statements.