

Feel The Magic Limited

ABN 36 164 874 266

Annual Report - 31 December 2023

Feel The Magic Limited
Directors' report
31 December 2023

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2023.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Tahnee Schulz
Kristy Thomas
Dominic Calabria (appointed 17 August 2023)
Andrew Hedges (resigned on 21 June 2023)
John Brennan (resigned on 18 October 2023)
Monica Saunders Weinberg (appointed on 8 July 2024)
Matthew Michael (appointed on 8 July 2024)
Kathryn Carter (appointed on 31 July 2024)
Sean Preece (resigned 31 July 2024)

Objectives

The objective of the company is to create a community where grieving kids and their families feel supported, empowered, and can begin to move forward with their lives.

The company aim to reduce the mental health challenges associated with childhood grief. Bereaved young people commonly suffer challenges including anxiety, depression and suicidal ideation, which contributes to the nearly one quarter of young people in Australia who experience some form of mental health challenge.

Strategy for achieving the objectives

To achieve the objectives, the company has developed evidence-informed programs and camps. These evidence-informed programs and camps have been developed by a clinical psychologist and are delivered by trained professionals. The company's programs follow a structured psychoeducational framework to increase confidence and self-respect, teaching practical coping strategies to grieve in a healthy & positive way.

Principal activities

During the financial year the principal continuing activities of the company were Children and Youth Charity.

Performance measures

The company measures its performance in both the amount of funds raised and the number of services delivered into the community.

Information on directors

Name:	Sean Preece
Title:	Non-Executive Director
Qualifications:	Accounting, Economics
Experience and expertise:	Sean has a comprehensive knowledge of business, general management, sales and distribution within the financial services industry. Combined with his strong negotiation skills and long-standing industry relationships. He provides a demonstrable ability to produce superior results. Sean has specialised in the leadership, management and growth of small companies/ divisions into medium to large businesses over his 20 years in the financial services industry.

Name:	Kristy Thomas
Title:	Non-Executive Director, Founder
Qualifications:	Bachelor of Dance Education, Secondary Education and Training
Experience and expertise:	Kristy and her husband founded Feel the Magic in 2013, driven by their personal experiences with grief and a mission to make sure no Australian child goes through grief alone.

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Name: Tahnee Schulz
Title: Non-Executive Director
Qualifications: Psychologist
Experience and expertise: Tahnee is an experienced speaker, psychologist and life performance coach. She is the director of several organisations including her own joint business. Tahnee specialises in mental health, substance use, trauma, high performance executive coaching and organisational psychology. She has experience working in a wide range of settings including educational, forensic, correctional, community, mining and corporate. Tahnee has worked with many large national and international organisations including executive level management at Optus, Cricket Australia, the big 4 banks, Ambulance, Police, Special Operations, AFP and Defence. Her work includes providing clinical governance, risk mitigation, change management, workplace culture, high performance and life coaching, counselling, treatment plans and management support.

Name: Dominic Calabria
Title: Non-Executive Director; and from 2 April 2024 Company Secretary
Qualifications: Bachelor of Economics (Accounting); Bachelor of Laws; Admitted Solicitor
Experience and expertise: Dom brings a wealth of leadership, financial, commercial and legal expertise gained over 25 years of practice as a lawyer; over 20 of which as a partner of Sydney CBD based law firms. In 2010 he founded Bridges Lawyers, a thriving and ever-growing boutique commercial law firm. Dom is a member of the Law Society of New South Wales. Dom joined the board to provide his experience and skills and also to concentrate his previous support of charities into a single organisation that he feels passionate about.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2023, and the number of meetings attended by each director were:

	Board of Directors	
	Attended	Held
Kristy Thomas	8	8
Andrew Hedges (resigned on 21 June 2023)	2	3
Tahnee Schulz	6	8
John Brennan (resigned on 18 October 2023)	4	5
Sean Preece	8	8
Dominic Calabria (appointed 17 August 2023)	4	4

Held: represents the number of meetings held during the time the director held.

Contributions on winding up

In the event of the company being wound up, ordinary and honorary members are required to contribute.

Feel The Magic Limited
Directors' Declaration
31 December 2023

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under is set out immediately after this directors' report.

This report is made with a resolution of directors, pursuant to section 298 (2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Dominic Calabria
Director



Kristy Thomas
Director

Dated: 23 October 2024

Audit Independence Declaration

Feel The Magic Limited

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General information

The financial statements cover Feel The Magic Limited as an individual entity. The financial statements are presented in Australian dollars, which is Feel The Magic Limited's functional and presentation currency.

Feel The Magic Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 12
167 Macquarie Street
Sydney NSW 2000

Principal place of business

18 Beacon Court
Port Macquarie NSW 2444

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 8 July 2024. The directors have the power to amend and reissue the financial statements.

Feel The Magic Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2023

	Note	2023	2022
		\$	\$
Revenue	2	1,545,133	1,663,866
Expenses			
Advertising and promotion		(82,839)	(225,178)
Consulting fees		(6,701)	(59,273)
Event management and program expense		(211,789)	(121,918)
Employee benefits expense	3	(763,472)	(738,981)
Depreciation expense	3	(9,895)	(2,232)
Bad debt expense		-	(1,800)
Fundraising and grant fund expense		(71,739)	(92,004)
Venue hire fees		(222,388)	(241,842)
Research and development		(34,894)	(61,599)
Other expenses		(135,012)	(234,192)
Total expenses		<u>(1,538,729)</u>	<u>(1,779,019)</u>
Profit/(loss) before income tax expense		6,404	(115,153)
Income tax expense		-	-
Profit/(loss) after income tax expense for the year attributable to the members of Feel The Magic Limited	12	<u>6,404</u>	<u>(115,153)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Feel The Magic Limited
Statement of financial position
As at 31 December 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	4	150,023	233,326
Trade and other receivables	5	66,330	29,382
Other assets	6	8,234	500
Total current assets		<u>224,587</u>	<u>263,208</u>
Non-current assets			
Property, plant and equipment	7	-	8,342
Total non-current assets		<u>-</u>	<u>8,342</u>
Total assets		<u>224,587</u>	<u>271,550</u>
Liabilities			
Current liabilities			
Trade and other payables	8	195,425	148,489
Deferred income	9	-	110,726
Provisions	10	64,962	65,347
Total current liabilities		<u>260,387</u>	<u>324,562</u>
Non-current liabilities			
Provisions	10	22,222	11,414
Total non-current liabilities		<u>22,222</u>	<u>11,414</u>
Total liabilities		<u>282,609</u>	<u>335,976</u>
Net liabilities		<u>(58,022)</u>	<u>(64,426)</u>
Equity			
Members' funds	11	10	10
(Accumulated losses)	12	(58,032)	(64,436)
Total deficiency		<u>(58,022)</u>	<u>(64,426)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Feel The Magic Limited
Statement of changes in equity
For the year ended 31 December 2023

	Note	Members' Funds \$	Retained Surpluses/(accumulated losses) \$	Total Equity \$
Balance at 1 January 2023		10	(64,436)	(64,426)
Share capital issued		-	-	-
Profit after income tax expense for the year		-	6,404	6,404
Balance at 31 December 2023	11	10	(58,032)	(58,022)
Balance at 1 January 2022		10	50,717	50,727
Share capital issued		-	-	-
(Loss) after income tax expense for the year		-	(115,153)	(115,153)
Balance at 31 December 2022	11	10	(64,436)	(64,426)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Feel The Magic Limited
Statement of cash flows
For the year ended 31 December 2023

	Note	2023	2022
		\$	\$
Cash flows from operating activities			
Receipts from customers		1,397,459	1,440,019
Payments to suppliers and employees		<u>(1,479,209)</u>	<u>(1,674,930)</u>
Net cash (used in) operating activities	17	<u>(81,750)</u>	<u>(234,911)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	7	<u>(1,553)</u>	<u>(1,832)</u>
Net cash (used in) investing activities		<u>(1,553)</u>	<u>(1,832)</u>
Net (decrease) in cash and cash equivalents		(83,303)	(236,743)
Cash and cash equivalents at the beginning of the financial year		<u>233,326</u>	<u>470,069</u>
Cash and cash equivalents at the end of the financial year		<u><u>150,023</u></u>	<u><u>233,326</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. 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.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and the *Corporations Act 2001* requirements to prepare and distribute financial statements to the members of Feel The Magic Limited. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Feel The Magic Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of 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 of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds.

Fundraising

Fundraisings are recognised when received or receivable.

Donations

Donations are recognised when they are received or when the right to receive payment is established.

Philanthropic

Philanthropic is recognised when it is received or when the right to receive payment is established.

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Note 1. Significant accounting policies (continued)

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are recognised at amortised cost, less any allowance for expected credit losses.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost of 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 of the Company, commencing when the asset is ready for use.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probably that an outflow of economic benefits will result and that outflow can be reliably measured.

Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Note 1. Significant accounting policies (continued)

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 tax authority, are presented as operating cash flows.

Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of the change in accounting policy.

Going concern

The company made a profit for the year of \$6,404 (2023: loss of \$115,153) and is reporting Net Liabilities of \$58,022 at year end (2022: Net Liabilities of \$64,426. The financial report has been prepared on the going concern basis which assumes that the company will be able to meet its commitments, realise its assets, and discharge its liabilities in the ordinary course of business. The Directors believe it is appropriate to prepare these statements on a going concern basis because:

- The Directors expect adequate donations/ fundings will be received in support of a going concern basis.
- The Directors have an appropriate plan to contain certain expenditure to match the availability of the fundings.
- Current forecasts have the company returning to a net asset position during the year ended 31 December 2024.

Based on management's assessment above and support of 2024 budget, the financial statements are prepared on a going concern basis.

Note 2. Revenue

	2023	2022
	\$	\$
<i>Revenue from contracts with customers</i>		
Fundraising	708,065	680,832
Donations	277,559	569,732
Grants	410,418	298,302
Philanthropic	149,091	115,000
	<u>1,545,133</u>	<u>1,663,866</u>

Note 3. Expenses

	2023	2022
	\$	\$
Profit/(loss) before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Office Equipment	<u>9,895</u>	<u>2,232</u>
<i>Superannuation expense</i>		
Superannuation expense	<u>71,581</u>	<u>65,717</u>

Note 4. Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	10	10
Cash at bank	150,013	233,316
	<u>150,023</u>	<u>233,326</u>

Note 5. Trade and other receivables

	2023	2022
	\$	\$
Trade receivables	58,000	12,535
GST receivable	8,330	16,847
	<u>66,330</u>	<u>29,382</u>

Note 6. Other assets

	2023	2022
	\$	\$
Prepayments	8,234	500
	<u>8,234</u>	<u>500</u>

Note 7. Property, plant and equipment

	2023	2022
	\$	\$
Plant and equipment – at cost	4,058	4,058
Less: Accumulated depreciation	(4,058)	(4,058)
	<u>-</u>	<u>-</u>
Office equipment – at cost	22,948	21,395
Less: Accumulated depreciation	(22,948)	(13,053)
	<u>-</u>	<u>8,342</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and Equipment	Office Equipment	Total
	\$	\$	\$
Balance at 1 January 2022	-	8,342	8,342
Additions	-	1,553	1,553
Depreciation expense	-	(9,895)	(9,895)
Balance at 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 December 2021	-	8,742	8,742
Additions	-	1,832	1,832
Depreciation expense	-	(2,232)	(2,232)
Balance at 31 December 2022	<u>-</u>	<u>8,342</u>	<u>8,342</u>

Feel The Magic Limited
Notes to the financial statements
31 December 2023

Note 8. Trade and other payables

	2023	2022
	\$	\$
Trade payables	102,756	96,376
Superannuation payable	16,077	17,690
PAYG withholding tax payable	8,022	33,349
Other payables	68,570	1,074
	<u>195,425</u>	<u>148,489</u>

Note 9. Deferred income

	2023	2022
	\$	\$
Grans received in advance	-	22,408
Provision for unspent grants	-	88,318
	<u>-</u>	<u>110,726</u>

Note 10. Provision

	2023	2022
	\$	\$
<i>Current</i>		
Provision for annual leave	<u>64,962</u>	<u>65,347</u>
<i>Non-current</i>		
Provision for long service leave	<u>22,222</u>	<u>11,414</u>

Note 11. Members' funds

	2023	2022
	\$	\$
Members' guarantee	<u>10</u>	<u>10</u>

Note 12. Accumulated losses

	2023	2022
	\$	\$
Retained surpluses/(accumulated losses) at the beginning of the financial year	(64,436)	50,717
Profit after income tax expense for the year	6,404	(115,153)
(Accumulated losses) at the end of the financial year	<u>(58,032)</u>	<u>(64,436)</u>

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditors of the company:

	2023	2022
	\$	\$
Audit of the financial statements:		
- Ageis Accounting and Tax Pty Limited	-	-

Note 14. Contingent liabilities

The company had no contingent liabilities as at 31 December 2023 (31 December 2022: \$Nil).

Note 15. Commitments

The company had no commitments for expenditure as at 31 December 2023 (31 December 2022: \$Nil).

Note 16. Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 17. Reconciliation of (loss) after income tax to net cash (used in) operating activities

	2023	2022
	\$	\$
Profit(loss) after income tax expense for the year	6,404	(115,153)
<i>Adjustments for:</i>		
Depreciation	9,895	2,232
<i>Change in operating assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(36,948)	(15,545)
Decrease/(increase) in other assets	(7,734)	5,209
(Decrease)/increase in trade and other payables	46,936	66,139
(Decrease)/increase in deferred income	(22,408)	(184,901)
(Decrease)/Increase in provisions	(77,895)	6,608
Net cash (used in) operating activities	(81,750)	(234,911)

Feel The Magic Limited

Directors' Declaration

31 December 2023

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statement. Accordingly, as described in note 1 of the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and the *Corporations Act 2001* requirements to prepare and distribute financial statements to the members of Feel The Magic Limited;
- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission regulation 2013.

On behalf of the directors



Dominic Calabria

Director



Kristy Thomas

Director

23 October 2024