

# FINANCIAL REPORT

Family Zone Cyber Safety Ltd  
ABN 33 167 509 177  
For the year ended 30 June 2014

Prepared by Omnis Group Pty Ltd

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# Income Statement

## Family Zone Cyber Safety Ltd For the year ended 30 June 2014

	NOTES	2014
<b>Other Income</b>		
Other Income		289.50
<b>Total Other Income</b>		<b>289.50</b>
<b>Total Income</b>		<b>289.50</b>
<b>Expenses</b>		
Administration		9,262.65
Finance		535.51
Marketing expenses		20,250.00
Impairment of intangible property and office equipment		1,893.00
Research and development expenses		140,806.69
<b>Total Expenses</b>		<b>172,747.85</b>
<b>Profit/(Loss) before Taxation</b>		<b>(172,458.35)</b>
<b>Net Profit After Tax</b>		<b>(172,458.35)</b>
<b>Net Profit After Dividends Paid</b>		<b>(172,458.35)</b>

# Balance Sheet

## Family Zone Cyber Safety Ltd

As at 30 June 2014

	NOTES	30 JUN 2014
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalent	2	134,853.03
<b>Total Current Assets</b>		<b>134,853.03</b>
<b>Non-Current Assets</b>		
Intangibles	3	246,958.86
<b>Total Non-Current Assets</b>		<b>246,958.86</b>
<b>Total Assets</b>		<b>381,811.89</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	4	294,106.74
Financial Liabilities	5	260,162.50
<b>Total Current Liabilities</b>		<b>554,269.24</b>
<b>Total Liabilities</b>		<b>554,269.24</b>
<b>Net Assets</b>		<b>(172,457.35)</b>
<b>Equity</b>		
Retained Earnings	6	(172,458.35)
Share Capital	7	1.00
<b>Total Equity</b>		<b>(172,457.35)</b>

# Statement of Cash Flows

## Family Zone Cyber Safety Ltd For the year ended 30 June 2014

2014

### Cash flows from Operating Activities

Interest received	289.50
Finance costs	(389.61)
Cash payments from other operating activities	(38,809.64)
<b>Total Cash flows from Operating Activities</b>	<b>(38,909.75)</b>

### Cash flows from Investing Activities

Payment for intangible assets and office equipment	(86,400.72)
<b>Total Cash flows from Investing Activities</b>	<b>(86,400.72)</b>

### Cash flows from Financing Activities

Proceeds from borrowing	260,162.50
Proceeds from issue of share capital	1.00
Loans from related parties	-
<b>Total Cash flows from Financing Activities</b>	<b>260,163.50</b>

**Net increase/(decrease) in cash held** **134,853.03**

### Cash Balances

Closing cash balance	134,853.03
<b>Movement in cash</b>	<b>134,853.03</b>

# Notes to the Financial Statements

## Family Zone Cyber Safety Ltd For the year ended 30 June 2014

### 1. Statement of Significant Accounting Policies

The directors have determined that the company is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared on an accrual basis and under the historical cost convention, except for certain assets, which, as noted, have been written down to fair value as a result of impairment. Unless otherwise stated, the accounting policies adopted are consistent with those of the prior year.

The accounting policies that have been adopted in the preparation of the statements are as follows:

#### Income Tax

The income tax expense for the year comprises current income tax expense. The company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at 30 June 2014. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

#### Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by directors to ensure that the carrying amount is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

#### Intangibles

Goodwill is recognised as the excess of the purchase price for a business acquired over the fair value of the net assets at the date of acquisition. Goodwill is assessed for impairment annually and is carried at cost less accumulated impairment losses.

#### Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

#### Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 30 June 2014. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

## Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

## Revenue Recognition

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

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

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

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

## Goods and Services Tax

Transactions are recognised net 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 balance sheet.

## Grants

Grant revenue is recognised in the income statement when the entity receives the grant, when it is probable that the entity will receive the economic benefits of the grant and the amount can be reliably measured.

If the grant has conditions attached which must be satisfied before the entity is eligible to receive the grant, the recognition of the revenue will be deferred until those conditions are satisfied.

Where the entity incurs an obligation to deliver economic value back to the grant contributor, the transaction is considered a reciprocal transaction and the revenue is recognised as a liability in the balance sheet until the required service has been completed, otherwise the income is recognised on receipt.

Family Zone Cyber Safety Ltd receives non-reciprocal contributions of assets from the government and other parties for a nominal or zero value. These assets are recognised at their fair value on the date of acquisition in the balance sheet, with an equivalent amount of income recognised in the income statement.

Donations and bequests are recognised as revenue when received.

2014

## 2. Cash & Cash Equivalents

### Other Cash Items

BCOMMUNICATIONS PTY. LTD.	134,852.03
Cash at Bank	1.00
<b>Total Other Cash Items</b>	<b>134,853.03</b>
<b>Total Cash &amp; Cash Equivalents</b>	<b>134,853.03</b>

2014

### 3. Intangibles

#### Other Intangible Assets

Intangible Assets at Cost	248,851.86
Less Accumulated Amortisation	(1,893.00)
<b>Total Other Intangible Assets</b>	<b>246,958.86</b>

<b>Total Intangibles</b>	<b>246,958.86</b>
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2014

### 4. Payables

#### Current

#### Trade and Other Payable

Accounts Payable	313,141.17
<b>Total Trade and Other Payable</b>	<b>313,141.17</b>

<b>Total Current</b>	<b>313,141.17</b>
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<b>Total Payables</b>	<b>313,141.17</b>
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2014

### 5. Financial Liabilities

#### Current

#### Secured

Loan Berson Super	9,350.00
Loan Crispin Swan	60,000.00
Loan Mark Bellini	10,625.00
Loan Rob Benkovic	30,000.00
Loan Scott Palmer	20,187.50
Loan Stemo Investments	10,000.00
Loan Timothy Nominees Pty Ltd	120,000.00
<b>Total Secured</b>	<b>260,162.50</b>

<b>Total Current</b>	<b>260,162.50</b>
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<b>Total Financial Liabilities</b>	<b>260,162.50</b>
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2014

### 6. Retained Earnings

Current year earnings	(172,458.35)
<b>Total Retained Earnings</b>	<b>(172,458.35)</b>



2014

**7. Share Capital****Ordinary Share**

Issued Capital	1.00
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<b>Total Ordinary Share</b>	<b>1.00</b>
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<b>Total Share Capital</b>	<b>1.00</b>
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# Appropriation Statement

**Family Zone Cyber Safety Ltd**  
**For the year ended 30 June 2014**

	NOTES	2014
<b>Retained Earnings after Appropriation</b>		
Profit / (loss) Before Taxation		(172,458.35)
<b>Retained Earnings After Appropriation</b>		<b>(172,458.35)</b>

## Directors' Declaration

### Family Zone Cyber Safety Ltd For the year ended 30 June 2014

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 outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, present fairly the company's financial position as at 30 June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
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.

DocuSigned by:  
  
Director: \_\_\_\_\_  
E21DF6DF3588422  
Mr Timothy David Levy

24-07-2016

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

# Compilation Report

## Family Zone Cyber Safety Ltd For the year ended 30 June 2014

Compilation report to Family Zone Cyber Safety Ltd.

We have compiled the accompanying special purpose financial statements of Family Zone Cyber Safety Ltd, which comprise the income statement, balance sheet and statement of cash flows for the period ended 30 June 2014, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the needs of the members.

### The Responsibility of the Directors

You are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet your needs and for the purpose that the financial statements were prepared.

### Our Responsibility

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

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors of the trustee company provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the members of Organisation legal / trading name. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Omnis Group

Business Advisors & Tax Accountants

Grd Floor, 1 Alvan Street

SUBIACO WA 6008

Signature



Justin P Flavel

Director

Dated this 25 day of July 2016



## INDEPENDENT AUDITORS REPORT

### TO THE DIRECTORS OF FAMILY ZONE CYBER SAFETY PTY LTD

#### Report on the Financial Report

We have audited the accompanying financial report of Family Zone Cyber Safety Pty Ltd, being a special purpose financial report which comprises the statement of financial position (Balance Sheet) as at 30 June 2014, the statement of financial performance (Income Statement) for the year then ended on that date, the statement of cash flows and a summary of significant accounting policies and other explanatory notes and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, and are appropriate to meet the needs of the directors, and unit holders. The directors' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the directors, and unit holders. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the accounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to the directors, and unit holders of the entity. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the directors, and unit holders, or for any purpose other than that for which it was prepared.

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



**Independence**

In conducting our audit we have complied with the independence requirements of Australian professional ethical pronouncements.

***Auditor's Opinion***

In our opinion, the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements the financial position of Family Zone Cyber Safety Pty Ltd as at 30 June 2014 and the results of its operations for the year then ended.



**DM ADVISORY SERVICES - AUDIT**  
REGISTERED COMPANY AUDITOR

25 July 2016



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

TO THE DIRECTORS OF  
FAMILY ZONE CYBER SAFETY PTY LTD

I declare that, to the best of my knowledge and belief during the year ended 30 June 2014 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.

**DM ADVISORY SERVICES**  
REGISTERED COMPANY AUDITOR

25 July 2016

